

# MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

STRATEGIC BETA INDEX ETF

## MANAGEMENT REPORT

### Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by Mackenzie Financial Corporation, as Manager of Mackenzie Maximum Diversification All World Developed Ex North America Index 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 is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also 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 securityholders 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

July 13, 2020

## INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Maximum Diversification All World Developed Ex North America Index ETF (the "ETF")

### Opinion

We have audited the financial statements of the ETF, which comprise the statements of financial position as at March 31, 2020 and 2019, 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, 2020 and 2019, 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 which comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will 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.



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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 Mervyn Ramos.

*Deloitte LLP*

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
July 13, 2020



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## STATEMENTS OF FINANCIAL POSITION

*In thousands (except per unit figures)  
As at March 31*

	2020	2019
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	56,733	86,997
Cash and cash equivalents	161	430
Dividends receivable	324	401
Accounts receivable for investments sold	–	294
Accounts receivable for units issued	–	–
<b>Total assets</b>	<b>57,218</b>	<b>88,122</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	–	590
Accounts payable for securities redeemed	–	–
Due to manager	55	131
<b>Total liabilities</b>	<b>55</b>	<b>721</b>
<b>Net assets attributable to unitholders</b>	<b>57,163</b>	<b>87,401</b>
<b>Net assets attributable to unitholders per series (note 3)</b>		
<b>Series E</b>	<b>57,163</b>	<b>87,401</b>
<b>Net assets attributable to unitholders per unit (note 3)</b>		
<b>Series E</b>	<b>19.71</b>	<b>21.85</b>

## STATEMENTS OF COMPREHENSIVE INCOME

*For the periods ended March 31 (note 1)  
In thousands (except per unit figures)*

	2020	2019
	\$	\$
<b>Income</b>		
Dividends	2,570	2,711
Interest income	4	3
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	102	(2,301)
Net unrealized gain (loss)	(6,586)	(4,103)
Securities lending income	35	46
Other	59	236
<b>Total income (loss)</b>	<b>(3,816)</b>	<b>(3,408)</b>
<b>Expenses (note 6)</b>		
Management fees	422	587
Management fee rebates	(207)	(356)
Interest charges	1	2
Commissions and other portfolio transaction costs	172	336
Independent Review Committee fees	–	–
Other	1	–
<b>Expenses before amounts absorbed by Manager</b>	<b>389</b>	<b>569</b>
Expenses absorbed by Manager	15	–
<b>Net expenses</b>	<b>374</b>	<b>569</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b>	<b>(4,190)</b>	<b>(3,977)</b>
Foreign withholding taxes	222	233
Foreign income taxes paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to unitholders from operations</b>	<b>(4,412)</b>	<b>(4,210)</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations per series</b>		
<b>Series E</b>	<b>(4,412)</b>	<b>(4,210)</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations per unit</b>		
<b>Series E</b>	<b>(1.25)</b>	<b>(0.97)</b>

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



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## STATEMENTS OF CHANGES IN FINANCIAL POSITION

For the periods ended March 31 (note 1)  
In thousands

	2020	2019
	Series E	
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<b>\$</b>	
<b>Beginning of period</b>	<b>87,401</b>	<b>85,069</b>
Increase (decrease) in net assets from operations	(4,412)	(4,210)
Distributions paid to unitholders:		
Investment income	(2,215)	(1,823)
Capital gains	–	(1,431)
Management fee rebates	(207)	(356)
Total distributions paid to unitholders	(2,422)	(3,610)
Unit transactions:		
Proceeds from units issued	6,480	33,683
Reinvested distributions	–	1,568
Payments on redemption of units	(29,884)	(25,099)
Total unit transactions	(23,404)	10,152
<b>Total increase (decrease) in net assets</b>	<b>(30,238)</b>	<b>2,332</b>
<b>End of period</b>	<b>57,163</b>	<b>87,401</b>
<b>Increase (decrease) in units (note 7):</b>	<b>Units</b>	
<b>Units outstanding – beginning of period</b>	<b>4,000</b>	<b>3,700</b>
Issued	300	1,500
Reinvested distributions	–	–
Redeemed	(1,400)	(1,200)
<b>Units outstanding – end of period</b>	<b>2,900</b>	<b>4,000</b>

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## STATEMENTS OF CASH FLOWS

For the periods ended March 31 (note 1)  
In thousands

	2020	2019
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to unitholders from operations	(4,412)	(4,210)
Adjustments for:		
Net realized loss (gain) on investments	(112)	2,265
Change in net unrealized loss (gain) on investments	6,586	4,103
Purchase of investments	(38,516)	(71,885)
Proceeds from sale and maturity of investments	62,016	63,511
Change in dividends receivable	77	(87)
Change in due from manager	–	10
Change in due to manager	(76)	(14)
<b>Net cash from operating activities</b>	<b>25,563</b>	<b>(6,307)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units issued	6,480	33,683
Payments on redemption of units	(29,884)	(25,099)
Distributions paid net of reinvestments	(2,422)	(2,042)
<b>Net cash from financing activities</b>	<b>(25,826)</b>	<b>6,542</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(263)</b>	<b>235</b>
Cash and cash equivalents at beginning of period	430	175
Effect of exchange rate fluctuations on cash and cash equivalents	(6)	20
<b>Cash and cash equivalents at end of period</b>	<b>161</b>	<b>430</b>
Cash	161	430
Cash equivalents	–	–
<b>Cash and cash equivalents at end of period</b>	<b>161</b>	<b>430</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	2,647	2,624
Foreign taxes paid	222	233
Interest received	4	3
Interest paid	1	2

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

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## SCHEDULE OF INVESTMENTS

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES</b>					
The a2 Milk Co. Ltd.	New Zealand	Consumer Staples	32,588	323	473
AAK AB	Sweden	Consumer Staples	519	13	12
ABC-Mart Inc.	Japan	Consumer Discretionary	1,892	153	135
ABN AMRO Group NV	Netherlands	Financials	350	12	4
Accor SA	France	Consumer Discretionary	406	22	16
Adidas AG	Germany	Consumer Discretionary	665	181	214
Admiral Group PLC	United Kingdom	Financials	831	27	33
Advantest Corp.	Japan	Information Technology	243	16	14
Aena SA	Spain	Industrials	263	56	41
Aeon Co. Ltd.	Japan	Consumer Staples	2,115	47	67
AEON Mall Co. Ltd.	Japan	Real Estate	364	9	7
Aeroports de Paris	France	Industrials	80	20	11
Ageas	Belgium	Financials	351	22	21
AGL Energy Ltd.	Australia	Utilities	1,592	35	24
AIA Group Ltd.	Hong Kong	Financials	18,931	223	244
Ain Holdings Inc.	Japan	Consumer Staples	1,868	166	156
Air Liquide SA	France	Materials	854	123	156
Air Water Inc.	Japan	Materials	578	11	11
Ajinomoto Co. Inc.	Japan	Consumer Staples	2,365	59	63
Akzo Nobel NV	Netherlands	Materials	467	63	44
Alfa Laval AB	Sweden	Industrials	861	23	21
All Nippon Airways Co. Ltd.	Japan	Industrials	1,113	50	39
ALS Ltd.	Australia	Industrials	1,725	15	8
Alumina Ltd.	Australia	Materials	8,867	21	11
Amarin Corp. PLC	United Kingdom	Health Care	22,643	464	129
Ambu AS	Denmark	Health Care	10,166	298	351
Amcor PLC	Jersey	Materials	1,946	30	22
AMP Ltd.	Australia	Financials	12,551	21	15
Amplifon SPA	Italy	Health Care	400	13	12
Ams AG	Austria	Information Technology	261	12	4
Andritz AG	Austria	Industrials	244	13	11
Anheuser-Busch InBev NV	Belgium	Consumer Staples	2,757	304	174
Aozora Bank Ltd.	Japan	Financials	427	15	12
APA Group	Australia	Utilities	29,039	281	260
Argenx SE	Netherlands	Health Care	112	19	22
Aroundtown SA	Germany	Real Estate	10,017	113	71
Asahi Group Holdings Ltd.	Japan	Consumer Staples	1,247	69	58
Ascendas Real Estate Investment Trust	Singapore	Real Estate	7,511	21	21
Ascendis Pharma AS ADR	Denmark	Health Care	2,458	381	394
ASICS Corp.	Japan	Consumer Discretionary	12,112	247	160
ASM Pacific Technology Ltd.	Hong Kong	Information Technology	18,990	312	253
ASR Nederland NV	Netherlands	Financials	516	27	19
Assa Abloy AB B	Sweden	Industrials	2,753	79	74
Assicurazioni Generali SPA	Italy	Financials	4,130	94	80
Associated British Foods PLC	United Kingdom	Consumer Staples	947	43	30
Astellas Pharma Inc.	Japan	Health Care	2,732	50	60
AstraZeneca PLC	United Kingdom	Health Care	4,506	477	574
Atlantia SPA	Italy	Industrials	1,620	47	29



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Atlas Arteria Ltd.	Australia	Industrials	2,303	16	11
Auckland International Airport Ltd.	New Zealand	Industrials	2,816	21	12
Aurizon Holdings Ltd.	Australia	Industrials	6,517	31	24
AusNet Services	Australia	Utilities	4,560	7	7
Auto Trader Group PLC	United Kingdom	Communication Services	3,300	23	26
Avast PLC	United Kingdom	Information Technology	5,631	44	39
AXA SA	France	Financials	2,743	96	68
Azbil Corp.	Japan	Information Technology	482	19	18
B&M European Value Retail SA	United Kingdom	Consumer Discretionary	3,112	21	15
Bakkafrost P/F	Denmark	Consumer Staples	652	62	44
Baloise Holding AG	Switzerland	Financials	74	17	14
Banco BPM SPA	Italy	Financials	5,544	16	10
Banco De Sabadell SA	Spain	Financials	20,190	41	15
Bank Hapoalim	Israel	Financials	3,012	27	26
Bank Leumi Le-Israel	Israel	Financials	3,935	33	31
Bank of Ireland Group PLC	Ireland	Financials	48,413	415	130
Bank of Queensland Ltd.	Australia	Financials	1,608	14	7
Bankinter SA	Spain	Financials	2,341	20	12
Barclays PLC	United Kingdom	Financials	45,789	128	76
Barratt Developments PLC	United Kingdom	Consumer Discretionary	3,717	35	29
Barry Callebaut AG	Switzerland	Consumer Staples	8	23	23
BAWAG Group AG	Austria	Financials	321	19	13
Bayerische Motoren Werke (BMW) AG Pfd.	Germany	Consumer Discretionary	200	19	12
Bayerische Motoren Werke (BMW) AG	Germany	Consumer Discretionary	978	103	72
Beiersdorf AG	Germany	Consumer Staples	125	18	18
Belimo Holding AG	Switzerland	Industrials	2	19	18
Bendigo and Adelaide Bank Ltd.	Australia	Financials	1,446	15	8
Benesse Holdings Inc.	Japan	Consumer Discretionary	315	12	11
The Berkeley Group Holdings PLC	United Kingdom	Consumer Discretionary	17	1	1
BioMerieux SA	France	Health Care	155	17	25
Boral Ltd.	Australia	Materials	4,039	18	7
BP PLC	United Kingdom	Energy	5,096	44	31
Brambles Ltd.	Australia	Industrials	5,681	58	52
Bridgestone Corp.	Japan	Consumer Discretionary	1,268	66	56
The British Land Co. PLC	United Kingdom	Real Estate	1,520	14	9
Britvic PLC	United Kingdom	Consumer Staples	755	12	9
BT Group PLC	United Kingdom	Communication Services	26,245	101	55
Bunzl PLC	United Kingdom	Industrials	885	32	25
Burberry Group PLC	United Kingdom	Consumer Discretionary	934	31	22
Bureau Veritas SA	France	Industrials	906	30	24
CaixaBank SA	Spain	Financials	12,973	70	34
Calbee Inc.	Japan	Consumer Staples	596	25	23
Capcom Co. Ltd.	Japan	Communication Services	4,397	157	197
Capita Group PLC	United Kingdom	Industrials	35,120	100	20
CapitaLand Commercial Trust	Singapore	Real Estate	8,915	18	14
CapitaLand Mall Trust	Singapore	Real Estate	8,284	16	15
Carl Zeiss Meditec AG	Germany	Health Care	529	86	73
Carlsberg AS B	Denmark	Consumer Staples	200	32	32
Carnival PLC	United States	Consumer Discretionary	571	42	10



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Carrefour SA	France	Consumer Staples	4,779	122	108
Casio Computer Co. Ltd.	Japan	Consumer Discretionary	200	4	4
Castellum AB	Sweden	Real Estate	463	13	11
Cellnex Telecom SA	Spain	Communication Services	959	38	62
Cembra Money Bank AG	Switzerland	Financials	110	16	14
Central Japan Railway Co.	Japan	Industrials	591	151	135
Centrica PLC	United Kingdom	Utilities	293,772	513	197
The Chiba Bank Ltd.	Japan	Financials	2,483	17	15
Chr. Hansen Holding AS	Denmark	Materials	566	69	60
Chubu Electric Power Co. Inc.	Japan	Utilities	2,649	54	53
Chugai Pharmaceutical Co. Ltd.	Japan	Health Care	382	41	63
CIMIC Group Ltd.	Australia	Industrials	320	13	6
Cineworld Group PLC	United Kingdom	Communication Services	4,714	23	4
CK Asset Holdings Ltd.	Hong Kong	Real Estate	2,028	22	16
CK Hutchison Holdings Ltd.	Hong Kong	Industrials	5,914	89	57
CK Infrastructure Holdings Ltd.	Hong Kong	Utilities	2,222	23	17
Cleanaway Waste Management Ltd.	Australia	Industrials	9,590	17	14
Close Brothers Group PLC	United Kingdom	Financials	548	13	11
CNP Assurances SA	France	Financials	382	10	5
Coca-Cola Amatil Ltd.	Australia	Consumer Staples	1,317	13	10
Coca-Cola HBC AG-DI	Switzerland	Consumer Staples	671	28	21
Coca-Cola West Co. Ltd.	Japan	Consumer Staples	8,254	281	241
Cochlear Ltd.	Australia	Health Care	119	19	19
Coloplast AS	Denmark	Health Care	748	82	154
Colruyt SA	Belgium	Consumer Staples	3,593	251	276
ComfortDelGro Corp. Ltd.	Singapore	Industrials	20,391	44	31
Compagnie Generale des Etablissements Michelin B	France	Consumer Discretionary	550	90	70
Compass Group PLC	United Kingdom	Consumer Discretionary	5,942	183	133
COMSYS Holdings Corp.	Japan	Industrials	431	16	16
Contact Energy Ltd.	New Zealand	Utilities	18,985	122	92
Continental AG	Germany	Consumer Discretionary	212	56	22
ConvaTec Group PLC	United Kingdom	Health Care	43,579	134	143
COSMOS Pharmaceutical Corp.	Japan	Consumer Staples	643	168	219
Covivio	France	Real Estate	147	22	12
Credit Saison Co. Ltd.	Japan	Financials	598	12	10
CSL Ltd.	Australia	Health Care	1,443	207	373
CTS Eventim AG & Co. KGaA	Germany	Communication Services	199	15	13
Cyber Agent Ltd.	Japan	Communication Services	358	19	20
Daicel Chemical Industries Ltd.	Japan	Materials	974	12	10
Dai-ichi Life Holdings Inc.	Japan	Financials	2,159	50	37
Daiichi Sankyo Co. Ltd.	Japan	Health Care	2,175	84	213
Daiichikoshio Co. Ltd.	Japan	Communication Services	138	9	5
Dainippon Pharmaceutical Co. Ltd.	Japan	Health Care	10,247	291	190
Dairy Farm International Holdings Ltd.	Hong Kong	Consumer Staples	2,579	19	17
Daito Trust Construction Co. Ltd.	Japan	Real Estate	789	149	105
Daiwa House Industry Co. Ltd.	Japan	Real Estate	456	20	16
Danone SA	France	Consumer Staples	1,622	177	149
Danske Bank AS	Denmark	Financials	2,333	79	38
Dassault Aviation SA	France	Industrials	8	15	9



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Davide Campari Milano SPA	Italy	Consumer Staples	1,940	25	20
Dechra Pharmaceuticals PLC	United Kingdom	Health Care	373	18	15
Delivery Hero AG	Germany	Consumer Discretionary	382	28	41
DeNA Co. Ltd.	Japan	Communication Services	6,834	171	107
Dentsu Inc.	Japan	Communication Services	492	28	14
Deutsche Boerse AG	Germany	Financials	549	95	107
Deutsche Lufthansa AG Reg.	Germany	Industrials	5,431	144	73
Deutsche Wohnen AG	Germany	Real Estate	5,943	297	322
Dexus Property Group	Australia	Real Estate	3,961	38	31
Diageo PLC	United Kingdom	Consumer Staples	5,889	313	269
Dialog Semiconductor PLC	United Kingdom	Information Technology	294	19	11
DiaSorin SPA	Italy	Health Care	88	13	17
Direct Line Insurance Group PLC	United Kingdom	Financials	4,965	30	26
Domino's Pizza Enterprises Ltd.	Australia	Consumer Discretionary	3,974	169	177
Dowa Holdings Co. Ltd.	Japan	Materials	197	9	7
DSV Panalpina AS	Denmark	Industrials	474	42	61
E.ON SE	Germany	Utilities	6,432	92	95
East Japan Railway Co.	Japan	Industrials	1,193	146	129
easyJet PLC	United Kingdom	Industrials	12,440	233	125
Edenred	France	Information Technology	402	20	24
EDF SA (Electricite de France)	France	Utilities	2,816	55	32
Eisai Co. Ltd.	Japan	Health Care	965	79	101
Electrocomponents PLC	United Kingdom	Information Technology	981	12	9
Electrolux AB B	Sweden	Consumer Discretionary	614	21	11
Electrolux Professional AB	Sweden	Industrials	614	2	3
Elekta AB B	Sweden	Health Care	21,471	356	254
Elisa OYJ	Finland	Communication Services	2,300	148	203
EMS-Chemie Holding AG	Switzerland	Materials	11	8	10
Enagas SA	Spain	Utilities	850	29	24
Endesa SA	Spain	Utilities	1,126	33	34
Enel SPA	Italy	Utilities	18,150	163	180
Energias de Portugal SA	Portugal	Utilities	8,028	42	46
Epiroc AB Class A	Sweden	Industrials	2,776	39	39
Erste Group Bank AG	Austria	Financials	1,238	67	33
EssilorLuxottica	France	Consumer Discretionary	844	147	130
Essity Aktiebolag Class B	Sweden	Consumer Staples	1,953	70	86
Eurofins Scientific	Luxembourg	Health Care	34	22	24
Euronext NV	Netherlands	Financials	10	1	1
Eutelsat Communications SA	France	Communication Services	11,092	291	165
Evolution Mining Ltd.	Australia	Materials	92,079	258	306
Ezaki Glico Co. Ltd.	Japan	Consumer Staples	2,858	185	171
Fabege AB	Sweden	Real Estate	694	14	13
FamilyMart UNY Holdings Co. Ltd.	Japan	Consumer Staples	16,623	432	425
Fancl Corp.	Japan	Consumer Staples	268	9	9
Fast Retailing Co. Ltd.	Japan	Consumer Discretionary	238	126	139
Fastighets AB Balder	Sweden	Real Estate	157	7	8
Ferguson PLC	Switzerland	Industrials	498	50	44
Ferrovial SA	Spain	Industrials	909	35	31
Fiat Chrysler Automobiles NV	United Kingdom	Consumer Discretionary	3,886	80	40



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	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	Health Care	1,731	23	44
Fletcher Building Ltd.	New Zealand	Materials	2,949	12	9
Flughafen Zuerich AG	Switzerland	Industrials	45	11	7
Flutter Entertainment PLC	Ireland	Consumer Discretionary	276	38	36
Fortescue Metals Group Ltd.	Australia	Materials	39,163	214	341
Fortum OYJ	Finland	Utilities	1,416	36	30
Fraport AG	Germany	Industrials	136	15	8
Freenet AG	Germany	Communication Services	468	14	12
Fresenius Medical Care AG & Co.	Germany	Health Care	732	87	69
Fresenius SE & Co. KGaA	Germany	Health Care	1,100	102	58
Fuji Media Holdings Inc.	Japan	Communication Services	5,041	102	72
FUJIFILM Holdings Corp.	Japan	Information Technology	1,233	64	88
Fujitsu Ltd.	Japan	Information Technology	655	60	84
Galapagos NV	Belgium	Health Care	161	35	46
Gas Natural SDG SA	Spain	Utilities	1,714	60	43
GEA Group AG	Germany	Industrials	581	27	17
Geberit AG	Switzerland	Industrials	131	77	82
Gecina SA	France	Real Estate	186	37	35
Genmab AS	Denmark	Health Care	234	51	67
Getinge AB	Sweden	Health Care	648	16	18
Getlink SE	France	Industrials	804	15	14
Givaudan SA	Switzerland	Materials	23	65	101
Gjensidige Forsikring ASA	Norway	Financials	687	19	17
GlaxoSmithKline PLC	United Kingdom	Health Care	16,042	409	429
GMO Payment Gateway Inc.	Japan	Information Technology	149	13	15
GN Store Nord AS (GN Great Nordic)	Denmark	Health Care	1,146	72	73
Goldwin Inc.	Japan	Consumer Discretionary	821	79	65
Goodman Group	Australia	Real Estate	5,867	64	62
GPT Group Stapled Securities	Australia	Real Estate	5,434	27	17
Greggs PLC	United Kingdom	Consumer Discretionary	2,818	107	80
GRENKE AG	Germany	Financials	94	13	8
Grifols SA	Spain	Health Care	748	26	36
GW Pharmaceuticals PLC	United Kingdom	Health Care	364	74	45
The Hachijuni Bank Ltd.	Japan	Financials	1,530	9	8
Hang Lung Properties Ltd.	Hong Kong	Real Estate	3,145	9	9
Hang Seng Bank Ltd.	Hong Kong	Financials	2,648	77	64
Hankyu Hanshin Holdings Inc.	Japan	Industrials	689	33	33
Hannover Rueckversicherung SE Reg.	Germany	Financials	220	44	45
Heineken Holding NV A	Netherlands	Consumer Staples	341	41	37
Heineken NV	Netherlands	Consumer Staples	685	89	81
Helvetia Holding AG	Switzerland	Financials	118	22	14
Henderson Land Development Co. Ltd.	Hong Kong	Real Estate	2,544	16	14
Henkel AG & Co. KGaA Pfd.	Germany	Consumer Staples	612	79	70
Henkel AG & Co. KGaA	Germany	Consumer Staples	359	51	38
Hennes & Mauritz AB B	Sweden	Consumer Discretionary	7,120	165	131
Hera SPA	Italy	Utilities	2,452	14	13
Hermes International	France	Consumer Discretionary	20	14	20
Hikari Tsushin Inc.	Japan	Consumer Discretionary	89	23	21
Hikma Pharmaceuticals PLC	Jordan	Health Care	5,172	160	186



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<b>EQUITIES (cont'd)</b>					
Hino Motors Ltd.	Japan	Industrials	953	11	7
Hiscox Ltd.	United Kingdom	Financials	1,762	42	29
Hitachi Chemical Co. Ltd.	Japan	Materials	220	10	13
HomeServe PLC	United Kingdom	Industrials	1,009	18	19
The Hong Kong and China Gas Co. Ltd.	Hong Kong	Utilities	39,519	91	93
Hongkong Land Holdings Ltd.	Hong Kong	Real Estate	3,402	31	18
Hoshizaki Electric Co. Ltd.	Japan	Industrials	3,266	330	349
House Foods Corp.	Japan	Consumer Staples	219	11	10
Howden Joinery Group PLC	United Kingdom	Industrials	2,173	18	20
Hoya Corp.	Japan	Health Care	269	18	33
HSBC Holdings PLC	United Kingdom	Financials	29,553	318	237
Hugo Boss AG	Germany	Consumer Discretionary	376	27	14
Huhtamaki Oyj	Finland	Materials	198	11	9
Hulic Co. Ltd.	Japan	Real Estate	1,405	19	20
Husqvarna AB-B	Sweden	Consumer Discretionary	1,026	11	7
Hysan Development Co. Ltd.	Hong Kong	Real Estate	33,566	202	155
Ibiden Co. Ltd.	Japan	Information Technology	409	11	13
ICA Gruppen AB	Sweden	Consumer Staples	5,357	310	322
Idemitsu Kosan Co.	Japan	Energy	3,697	174	121
IG Group Holdings PLC	United Kingdom	Financials	25,738	292	314
IHI Corp.	Japan	Industrials	474	14	8
Iliad SA	France	Communication Services	376	59	73
IMCD Group NV	Netherlands	Industrials	95	9	10
Immofinanz AG	Austria	Real Estate	912	33	23
Inchcape PLC	United Kingdom	Consumer Discretionary	1,438	18	11
Industria de Diseno Textil SA (Inditex)	Spain	Consumer Discretionary	3,381	136	125
Informa PLC	United Kingdom	Communication Services	2,831	36	22
Ingenico SA	France	Information Technology	1,521	174	230
INPEX Corp.	Japan	Energy	3,268	43	26
Insurance Australia Group Ltd.	Australia	Financials	3,530	25	19
International Consolidated Airlines Group SA	United Kingdom	Industrials	3,409	52	25
Intertek Group PLC	United Kingdom	Industrials	270	21	23
Intesa Sanpaolo SPA	Italy	Financials	38,779	139	90
Ipsen SA	France	Health Care	78	12	6
Isetan Mitsukoshi Holdings Ltd.	Japan	Consumer Discretionary	1,538	21	13
Isracard Ltd.	Israel	Financials	204	1	1
Israel Chemicals Ltd.	Israel	Materials	2,421	16	11
ISS AS	Denmark	Industrials	1,709	62	33
Italgas SPA	Italy	Utilities	1,231	10	10
ITO EN Ltd.	Japan	Consumer Staples	200	13	15
ITOCHU Corp.	Japan	Industrials	4,488	116	133
ITOCHU Techno-Solutions Corp.	Japan	Information Technology	330	12	13
IWG PLC	Switzerland	Real Estate	2,614	19	8
Izumi Co. Ltd.	Japan	Consumer Discretionary	147	10	6
J Sainsbury PLC	United Kingdom	Consumer Staples	48,507	185	180
J. Front Retailing Co. Ltd.	Japan	Consumer Discretionary	627	12	7
James Hardie Industries PLC	Ireland	Materials	1,340	28	22
Japan Post Bank Co. Ltd.	Japan	Financials	1,454	19	19
Japan Post Holdings Co. Ltd.	Japan	Financials	5,179	81	58



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<b>EQUITIES (cont'd)</b>					
Japan Post Insurance Co. Ltd.	Japan	Financials	3,479	74	62
Jardine Matheson Holdings Ltd.	Hong Kong	Industrials	7,148	568	509
Jardine Strategic Holdings Ltd.	Hong Kong	Industrials	5,420	262	171
JBH Hi-Fi Ltd.	Australia	Consumer Discretionary	415	10	10
JD Sports Fashion PLC	United Kingdom	Consumer Discretionary	862	10	7
Jeronimo Martins SGPS SA	Portugal	Consumer Staples	2,260	45	58
JGC Corp.	Japan	Industrials	800	15	9
John Wood Group PLC	United Kingdom	Energy	2,269	21	6
Just Eat Takeaway (Amsterdam Stock Exchange)	Netherlands	Consumer Discretionary	2,275	273	244
JXTG Holdings Inc.	Japan	Energy	10,120	78	49
Kakaku.com Inc.	Japan	Communication Services	84	3	2
Kamigumi Co. Ltd.	Japan	Industrials	380	11	9
Kansai Electric Power Co. Inc.	Japan	Utilities	18,440	307	293
Kansai Paint Co. Ltd.	Japan	Materials	757	23	21
Kao Corp.	Japan	Consumer Staples	1,497	123	174
KDDI Corp.	Japan	Communication Services	13,388	461	563
Keihan Holdings Co. Ltd.	Japan	Industrials	244	15	15
Keio Corp.	Japan	Industrials	372	31	31
Keisei Electric Railway Co. Ltd.	Japan	Industrials	406	21	17
Kerry Group PLC A (Irish traded shares)	Ireland	Consumer Staples	5,020	626	824
Kerry Properties Ltd.	Hong Kong	Real Estate	27,246	139	102
Kesko OYJ	Finland	Consumer Staples	690	53	56
Kewpie Corp.	Japan	Consumer Staples	382	11	11
Keyence Corp.	Japan	Information Technology	32	5	15
Kingfisher PLC	United Kingdom	Consumer Discretionary	7,718	36	20
Kingspan Group PLC	Ireland	Industrials	438	23	33
Kintetsu Corp.	Japan	Industrials	471	28	31
Kirin Holdings Co. Ltd.	Japan	Consumer Staples	2,958	84	83
Klepierre	France	Real Estate	810	36	22
Konami Corp.	Japan	Communication Services	348	22	15
Kone OYJ B	Finland	Industrials	1,117	74	90
Koninklijke (Royal) KPN NV	Netherlands	Communication Services	16,758	67	57
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	7,785	244	259
Koninklijke Vopak NV	Netherlands	Energy	224	15	17
Kose Corp.	Japan	Consumer Staples	40	8	7
K's Holdings Corp.	Japan	Consumer Discretionary	11,629	154	157
Kuehne + Nagel International AG	Switzerland	Industrials	195	38	38
Kuraray Co. Ltd.	Japan	Materials	978	16	14
Kyowa Exeo Corp.	Japan	Industrials	351	11	11
Kyowa Hakko Kirin Co. Ltd.	Japan	Health Care	511	13	16
Kyushu Electric Power Co. Inc.	Japan	Utilities	1,860	27	21
Kyushu Railway Co.	Japan	Industrials	566	26	23
Lagardere SCA	France	Communication Services	439	15	8
Land Securities Group PLC	United Kingdom	Real Estate	2,536	41	25
Lasertec Corp.	Japan	Information Technology	215	9	14
Lawson Inc.	Japan	Consumer Staples	2,962	252	232
LEG Immobilien GmbH	Germany	Real Estate	470	73	75
LendLease Group Stapled Securities	Australia	Real Estate	739	11	7
Lindt & Sprungli AG Reg.	Switzerland	Consumer Staples	2	217	248



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<b>EQUITIES (cont'd)</b>					
Lindt & Sprungli AG-PC	Switzerland	Consumer Staples	14	137	168
Link Administration Holdings Ltd.	Australia	Information Technology	8,426	43	24
The Link Real Estate Investment Trust	Hong Kong	Real Estate	59,468	659	716
Lion Corp.	Japan	Consumer Staples	7,254	176	221
LIXIL Group Corp.	Japan	Industrials	4,030	94	71
Lloyds Banking Group PLC	United Kingdom	Financials	217,383	216	123
London Stock Exchange Group PLC	United Kingdom	Financials	618	44	79
L'Oréal SA	France	Consumer Staples	492	158	184
MAP Group	Australia	Industrials	5,749	40	28
Mapletree Commercial Trust	Singapore	Real Estate	12,889	29	24
Marks & Spencer Group PLC	United Kingdom	Consumer Discretionary	7,133	33	12
Marui Group Co. Ltd	Japan	Consumer Discretionary	3,142	92	75
Matsumotokiyoshi Holdings Co. Ltd.	Japan	Consumer Staples	116	6	6
Mazda Motor Corp.	Japan	Consumer Discretionary	1,119	13	8
Medibank Private Ltd.	Australia	Financials	12,485	35	29
Mediobanca SPA	Italy	Financials	2,757	37	22
Meggitt PLC	United Kingdom	Industrials	2,815	27	14
MEIJI Holdings Co. Ltd.	Japan	Consumer Staples	394	41	40
Merck KGaA	Germany	Health Care	282	39	41
Mercury NZ Ltd.	New Zealand	Utilities	17,519	77	62
Meridian Energy Ltd.	New Zealand	Utilities	12,084	52	41
Metcash Ltd.	Australia	Consumer Staples	16,844	44	46
Micro Focus International PLC	United Kingdom	Information Technology	22,847	645	161
Minth Group Ltd.	Hong Kong	Consumer Discretionary	25,623	127	78
Mirvac Group Stapled Securities	Australia	Real Estate	13,510	30	25
Mitsubishi Estate Co. Ltd.	Japan	Real Estate	398	10	8
Mitsubishi Heavy Industries Ltd.	Japan	Industrials	972	57	35
Mitsubishi Materials Corp.	Japan	Materials	372	14	11
Mitsubishi Motors Corp.	Japan	Consumer Discretionary	2,406	21	10
Miura Co. Ltd.	Japan	Industrials	349	16	18
Mizrachi Tefahot Bank Ltd.	Israel	Financials	684	21	18
Mizuho Financial Group Inc.	Japan	Financials	65,692	134	107
Monotaro Co. Ltd.	Japan	Industrials	443	16	17
Morinaga & Co. Ltd.	Japan	Consumer Staples	2,090	128	122
Mowi ASA	Norway	Consumer Staples	4,228	113	91
MTR Corp. Ltd.	Hong Kong	Industrials	4,062	29	30
MTU Aero Engines AG	Germany	Industrials	55	16	11
Muenchener Rueckversicherungs - Gesellschaft AG (MunichRe)	Germany	Financials	524	161	151
Murata Manufacturing Co. Ltd.	Japan	Information Technology	4	–	–
NagaCorp Ltd.	Cambodia	Consumer Discretionary	63,649	141	92
Nagoya Railroad Co. Ltd.	Japan	Industrials	581	20	23
Namco Bandai Holdings Inc.	Japan	Consumer Discretionary	7,159	459	495
Nankai Electric Railway Co. Ltd.	Japan	Industrials	396	14	13
National Australia Bank Ltd.	Australia	Financials	624	15	9
National Grid PLC	United Kingdom	Utilities	14,808	210	247
NEC Corp.	Japan	Information Technology	867	46	45
Neste Oil OYJ	Finland	Energy	17,558	504	845
Nestlé SA Reg.	Switzerland	Consumer Staples	6,526	778	954
NetLink NBN Trust	Singapore	Communication Services	74,176	65	67



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<b>EQUITIES (cont'd)</b>					
New World Development Co. Ltd.	Hong Kong	Real Estate	14,677	26	22
Newcrest Mining Ltd.	Australia	Materials	30,759	664	617
Nexon Co. Ltd.	Japan	Communication Services	9,041	149	210
Next PLC	United Kingdom	Consumer Discretionary	3,282	280	236
NH Foods Ltd.	Japan	Consumer Staples	678	41	34
NIB Holdings Ltd.	Australia	Financials	31,476	205	141
NICE-Systems Ltd.	Israel	Information Technology	1,537	285	324
Nichirei Corp.	Japan	Consumer Staples	7,276	234	293
Nihon Kohden Corp.	Japan	Health Care	5,752	224	308
Nihon Unisys Ltd.	Japan	Information Technology	261	11	10
Nikon Corp.	Japan	Consumer Discretionary	669	11	9
Nine Entertainment Co. Holdings Ltd.	Australia	Communication Services	4,885	9	5
Nintendo Co. Ltd.	Japan	Communication Services	551	234	302
Nippon Express Co. Ltd.	Japan	Industrials	299	22	21
Nippon Paint Holdings Co. Ltd.	Japan	Materials	549	37	41
Nippon Paper Industries Co. Ltd.	Japan	Materials	1,115	25	23
Nippon Shinyaku Co. Ltd.	Japan	Health Care	205	16	23
Nippon Shokubai Co. Ltd.	Japan	Materials	108	9	7
Nippon Telegraph & Telephone Corp.	Japan	Communication Services	15,316	466	520
Nippon Television Holdings Inc.	Japan	Communication Services	526	11	8
Nipro Corp.	Japan	Health Care	510	8	9
Nissan Chemical Industries Ltd.	Japan	Materials	264	15	14
Nissan Motor Co. Ltd.	Japan	Consumer Discretionary	6,341	68	30
Nissin Foods Holdings Co. Ltd.	Japan	Consumer Staples	246	20	29
Nitori Holdings Co. Ltd.	Japan	Consumer Discretionary	2,957	557	568
NMC Health PLC	United Arab Emirates	Health Care	371	18	6
NOF Corp.	Japan	Materials	260	12	12
Nokia OYJ	Finland	Information Technology	30,451	194	136
Nokian Renkaat OYJ	Finland	Consumer Discretionary	411	21	14
Nomura Holdings Inc.	Japan	Financials	7,925	50	48
Nomura Research Institute Ltd.	Japan	Information Technology	1,248	36	38
Nordea Bank ABP	Finland	Financials	4,486	44	36
Northern Star Resources Ltd.	Australia	Materials	43,743	245	401
Novartis AG Reg.	Switzerland	Health Care	3,237	371	380
Novo Nordisk AS B	Denmark	Health Care	9,148	580	782
Novozymes AS	Denmark	Materials	443	26	29
NTT Data Corp.	Japan	Information Technology	1,190	17	16
NTT DoCoMo Inc.	Japan	Communication Services	9,029	295	402
NWS Holdings Ltd.	Hong Kong	Industrials	20,128	54	29
Ocado Group PLC	United Kingdom	Consumer Discretionary	14,013	227	302
Odakyu Electric Railway Co. Ltd.	Japan	Industrials	1,162	37	36
OJI Paper Co. Ltd.	Japan	Materials	2,119	14	16
Olympus Corp.	Japan	Health Care	10,639	169	219
OMV AG	Austria	Energy	339	24	13
Ono Pharmaceutical Co. Ltd.	Japan	Health Care	13,900	416	456
Orange SA	France	Communication Services	6,670	137	116
Orica Ltd.	Australia	Materials	372	8	5
Oriental Land Co. Ltd.	Japan	Consumer Discretionary	2,008	218	366
Orion OYJ	Finland	Health Care	3,897	192	227



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<b>EQUITIES (cont'd)</b>					
Orkla ASA	Norway	Consumer Staples	9,657	114	117
Orora Ltd.	Australia	Materials	2,515	6	5
Orsted A/S	Denmark	Utilities	884	86	123
Otsuka Corp.	Japan	Information Technology	1,176	51	72
Otsuka Holdings Co. Ltd.	Japan	Health Care	1,123	65	63
Pan Pacific International Holdings Corp.	Japan	Consumer Discretionary	18,165	390	491
Pandora AS	Denmark	Consumer Discretionary	6,463	542	299
Park24 Co. Ltd.	Japan	Industrials	2,202	74	46
PCCW Ltd.	Hong Kong	Communication Services	241,736	181	190
Pearson PLC	United Kingdom	Communication Services	27,437	425	268
Pennon Group PLC	United Kingdom	Utilities	5,468	70	105
Pernod Ricard SA*	France	Consumer Staples	538	109	109
Persimmon PLC	United Kingdom	Consumer Discretionary	1,151	49	39
Philips Lighting NV	Netherlands	Industrials	6,669	260	184
Pola Orbis Holdings Inc.	Japan	Consumer Staples	307	10	8
Poste Italiane SPA	Italy	Financials	1,472	22	18
Power Assets Holdings Ltd.	Hong Kong	Utilities	9,645	100	82
ProSiebenSat.1 Media SE	Germany	Communication Services	1,018	33	11
Proximus SA	Belgium	Communication Services	726	27	24
PSA Peugeot Citroen	France	Consumer Discretionary	1,778	52	34
PSP Swiss Property AG Reg.	Switzerland	Real Estate	795	124	141
Publicis Groupe SA	France	Communication Services	1,477	107	60
Puma AG Rudolf Dassler Sport	Germany	Consumer Discretionary	303	31	26
Qantas Airways Ltd.	Australia	Industrials	5,410	26	15
QBE Insurance Group Ltd.	Australia	Financials	3,912	39	29
Qiagen NV	United States	Health Care	744	37	43
Raiffeisen International Bank-Holding AG	Austria	Financials	496	19	10
Rakuten Inc.	Japan	Consumer Discretionary	4,813	70	52
Ramsay Health Care Ltd.	Australia	Health Care	398	25	20
Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples	2,532	266	275
Red Electrica Corporacion SA	Spain	Utilities	5,359	143	137
Reliance Worldwide Corp. Ltd.	Australia	Industrials	42,667	178	97
RELX PLC	United Kingdom	Industrials	5,720	160	175
Remy Cointreau SA	France	Consumer Staples	74	14	12
Renesas Electronics Corp.	Japan	Information Technology	2,564	21	13
Rentokil Initial PLC	United Kingdom	Industrials	5,683	31	39
Resona Holdings Inc.	Japan	Financials	8,153	55	35
Ricoh Co. Ltd.	Japan	Information Technology	2,429	30	25
Rightmove PLC	United Kingdom	Communication Services	1,153	12	10
Rinnai Corp.	Japan	Consumer Discretionary	261	25	26
Roche Holding AG Genussscheine	Switzerland	Health Care	2,419	872	1,117
Roche Holding AG	Switzerland	Health Care	93	29	42
The Royal Bank of Scotland Group PLC	United Kingdom	Financials	11,797	52	24
Royal Unibrew AS	Denmark	Consumer Staples	2,368	241	243
RSA Insurance Group PLC	United Kingdom	Financials	3,759	38	28
Rubis SCA	France	Utilities	315	24	19
RWE AG	Germany	Utilities	1,567	54	59
Ryman Healthcare Ltd.	New Zealand	Health Care	1,475	21	13
Ryohin Keikaku Co. Ltd.	Japan	Consumer Discretionary	3,027	90	48



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<b>EQUITIES (cont'd)</b>					
Sampo OYJ A	Finland	Financials	1,093	63	45
Samsonite International SA	United States	Consumer Discretionary	26,239	133	36
Sankyo Co. Ltd.	Japan	Consumer Discretionary	1,125	56	47
Sankyu Inc.	Japan	Industrials	195	13	10
Sanofi	France	Health Care	3,385	403	424
Santos Ltd.	Australia	Energy	1,467	9	4
Sanwa Holdings Corp.	Japan	Industrials	762	12	8
Saracen Mineral Holdings Ltd.	Australia	Materials	72,745	232	233
Sartorius Stedim Biotech SA	France	Health Care	45	9	13
SATS Ltd.	Singapore	Industrials	2,374	11	7
Sawai Pharmaceutical Co. Ltd.	Japan	Health Care	140	12	11
SBM Offshore NV	Netherlands	Energy	1,076	23	20
Scentre Group	Australia	Real Estate	18,671	75	25
SCOR SE	France	Financials	543	32	17
Scout24 AG	Germany	Communication Services	391	30	33
Sea Ltd.	United States	Communication Services	3,848	176	243
SEB SA	France	Consumer Discretionary	94	19	17
SECOM Co. Ltd.	Japan	Industrials	670	78	79
Sega Sammy Holdings Inc.	Japan	Consumer Discretionary	4,099	75	71
Segro PLC	United Kingdom	Real Estate	3,901	40	53
Seibu Holdings Inc.	Japan	Industrials	801	19	13
Seino Transportation Co. Ltd.	Japan	Industrials	565	10	9
Sekisui House Ltd.	Japan	Consumer Discretionary	2,120	47	50
SES SA	Luxembourg	Communication Services	26,406	610	221
Seven & i Holdings Co. Ltd.	Japan	Consumer Staples	2,364	121	111
Seven Bank Ltd.	Japan	Financials	2,184	8	8
Severn Trent PLC	United Kingdom	Utilities	2,362	83	95
SG Holdings Co. Ltd.	Japan	Industrials	580	19	20
SGS SA Reg.*	Switzerland	Industrials	5	16	16
Sharp Corp.	Japan	Consumer Discretionary	852	18	13
Shimamura Co. Ltd.	Japan	Consumer Discretionary	1,488	219	128
Shimano Inc.	Japan	Consumer Discretionary	280	59	57
Shimizu Corp.	Japan	Industrials	2,096	26	23
Shinsei Bank Ltd.	Japan	Financials	402	8	8
Shiseido Co. Ltd.	Japan	Consumer Staples	886	56	75
The Shizuoka Bank Ltd.	Japan	Financials	1,430	14	12
Siemens Gamesa Renewable Energy SA	Spain	Industrials	805	17	17
Siemens Healthineers AG	Germany	Health Care	397	21	22
SimCorp AS	Denmark	Information Technology	144	19	17
Singapore Airlines Ltd.	Singapore	Industrials	1,926	17	11
Singapore Exchange Ltd.	Singapore	Financials	2,867	23	26
Singapore Press Holdings Ltd.	Singapore	Communication Services	5,192	11	9
Singapore Technologies Engineering Ltd. (ST Engg)	Singapore	Industrials	5,473	21	17
Singapore Telecommunications Ltd.	Singapore	Communication Services	13,829	41	35
Sino Land Co. Ltd.	Hong Kong	Real Estate	4,904	12	9
SJM Holdings Ltd.	Hong Kong	Consumer Discretionary	6,541	9	8
Skandinaviska Enskilda Banken AB (SEB) A	Sweden	Financials	4,220	52	41
Skanska AB	Sweden	Industrials	1,323	35	29
Skylark Co. Ltd.	Japan	Consumer Discretionary	11,671	262	247



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Smith & Nephew PLC	United Kingdom	Health Care	2,456	60	62
SMS Co. Ltd.	Japan	Industrials	243	9	7
Smurfit Kappa Group PLC (London Stock Exchange)	Ireland	Materials	513	24	21
Snam SPA	Italy	Utilities	6,401	40	42
Societe Generale	France	Financials	1,653	104	40
Sodexo SA	France	Consumer Discretionary	255	36	25
SoftBank Group Corp.	Japan	Communication Services	2,341	144	117
Sohgo Security Services Co. Ltd.	Japan	Industrials	263	18	18
Sompo Japan Nipponkoa Holdings Inc.	Japan	Financials	1,151	59	51
Sonic Healthcare Ltd.	Australia	Health Care	1,035	24	22
Sonova Holding AG	Switzerland	Health Care	196	40	50
Sony Corp.	Japan	Consumer Discretionary	469	36	40
Sony Financial Holdings Inc.	Japan	Financials	546	13	13
Spark New Zealand Ltd.	New Zealand	Communication Services	119,525	400	412
Spectris PLC	United Kingdom	Information Technology	233	9	10
Spirax-Sarco Engineering PLC	United Kingdom	Industrials	218	29	31
Square Enix Holdings Co. Ltd.	Japan	Communication Services	140	8	9
SSE PLC	United Kingdom	Utilities	3,508	78	81
Standard Life Aberdeen PLC	United Kingdom	Financials	6,807	43	27
The Star Entertainment Group Ltd.	Australia	Consumer Discretionary	3,343	13	6
Stockland Stapled Securities	Australia	Real Estate	8,443	31	19
Subaru Corp.	Japan	Consumer Discretionary	3,633	123	99
Suez Environnement SA	France	Utilities	1,329	24	19
Sugi Holdings Co. Ltd.	Japan	Consumer Staples	147	11	11
Sumitomo Realty & Development Co. Ltd.	Japan	Real Estate	1,114	59	39
Sun Art Retail Group Ltd.	China	Consumer Staples	114,442	168	242
Sun Hung Kai Properties Ltd.	Hong Kong	Real Estate	2,082	44	39
Suncorp Group Ltd.	Australia	Financials	3,257	42	26
Sundrug Co. Ltd.	Japan	Consumer Staples	246	11	11
Sunrise Communications Group AG	Switzerland	Communication Services	1,262	127	145
Suntec Real Estate Investment Trust	Singapore	Real Estate	6,492	12	8
Suntory Beverage & Food Ltd.	Japan	Consumer Staples	455	27	25
Sushiro Global Holdings Ltd.	Japan	Consumer Discretionary	6,844	186	144
Suzuken Co. Ltd.	Japan	Health Care	20	1	1
Suzuki Motor Corp.	Japan	Consumer Discretionary	5,512	322	188
Svenska Handelsbanken AB A	Sweden	Financials	2,847	46	34
Swedbank AB	Sweden	Financials	2,949	69	47
Swire Pacific Ltd. Class A	Hong Kong	Real Estate	895	12	8
Swire Properties Ltd.	Hong Kong	Real Estate	36,026	168	144
Swiss Life Holding AG Reg.	Switzerland	Financials	92	41	45
Swiss Prime Site AG	Switzerland	Real Estate	476	56	66
Swiss Re Ltd.	Switzerland	Financials	809	106	89
Swisscom AG Reg.	Switzerland	Communication Services	80	49	61
Symrise AG	Germany	Materials	131	13	17
Sysmex Corp.	Japan	Health Care	1,515	133	157
T&D Holdings Inc.	Japan	Financials	1,908	34	22
TAG Immobilien AG	Germany	Real Estate	2,076	64	58
Taiheiyo Cement Corp.	Japan	Materials	157	6	4
Taisei Corp.	Japan	Industrials	700	41	31



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As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Taiyo Nippon Sanso Corp.	Japan	Materials	589	16	12
Taiyo Yuden Co. Ltd.	Japan	Information Technology	416	13	16
Takara Holdings Inc.	Japan	Consumer Staples	608	10	6
Takashimaya Co. Ltd.	Japan	Consumer Discretionary	455	8	6
Takeda Pharmaceutical Co. Ltd.	Japan	Health Care	4,795	254	209
Tate & Lyle PLC	United Kingdom	Consumer Staples	3,116	36	36
Taylor Wimpey PLC	United Kingdom	Consumer Discretionary	8,662	26	18
Tecan Group AG	Switzerland	Health Care	10	4	4
Techtronic Industries Co. Ltd.	Hong Kong	Industrials	26,284	178	243
Teijin Ltd.	Japan	Materials	508	13	12
Tele2 AB	Sweden	Communication Services	1,072	20	21
Telecom Italia SPA RNC (RSP Share)	Italy	Communication Services	22,054	16	12
Telecom Italia SPA RNC	Italy	Communication Services	35,951	27	21
Telefonaktiebolaget LM Ericsson B	Sweden	Information Technology	30,299	325	353
Telenor ASA	Norway	Communication Services	2,066	54	43
Teleperformance	France	Industrials	68	15	20
TeliaSonera AB	Sweden	Communication Services	8,130	51	42
Telstra Corp. Ltd.	Australia	Communication Services	63,385	216	170
Terna SPA	Italy	Utilities	4,410	35	40
Terumo Corp.	Japan	Health Care	2,021	61	99
Tesco PLC	United Kingdom	Consumer Staples	34,117	142	138
Teva Pharmaceutical Industries Ltd.	Israel	Health Care	3,686	70	48
TGS Nopec Geophysical Co. ASA	Norway	Energy	291	10	5
ThyssenKrupp AG	Germany	Materials	591	11	4
TIS Inc.	Japan	Information Technology	843	22	20
Tobu Railway Co. Ltd.	Japan	Industrials	704	29	35
Toho Co. Ltd.	Japan	Communication Services	742	43	32
Toho Gas Co. Ltd.	Japan	Utilities	2,654	143	171
Tohoku Electric Power Co. Inc.	Japan	Utilities	1,737	28	24
Tokio Marine Holdings Inc.	Japan	Financials	198	15	13
Tokyo Electric Power Co. Holdings Inc.	Japan	Utilities	4,676	38	23
Tokyo Gas Co. Ltd.	Japan	Utilities	1,494	48	50
Tokyu Corp.	Japan	Industrials	2,068	46	46
Tomra Systems ASA	Norway	Industrials	357	13	14
Toray Industries Inc.	Japan	Materials	1,340	12	8
Transurban Group Stapled Securities	Australia	Industrials	8,670	104	91
Treasury Wine Estates Ltd.	Australia	Consumer Staples	2,525	35	22
Trend Micro Inc.	Japan	Information Technology	482	32	34
Tryg AS	Denmark	Financials	412	16	14
TSUMURA & Co.	Japan	Health Care	255	10	9
Tsuruha Holdings Inc.	Japan	Consumer Staples	53	8	10
TUI AG	Germany	Consumer Discretionary	1,431	28	9
UBI Banca - Unione di Banche Italiane SCPA	Italy	Financials	65,111	332	245
Ubisoft Entertainment SA	France	Communication Services	320	33	34
UCB SA	Belgium	Health Care	407	40	50
Unicharm Corp.	Japan	Consumer Staples	1,371	47	73
UniCredit SPA	Italy	Financials	5,267	115	59
Unilever NV CVA	United Kingdom	Consumer Staples	5,053	400	354
Unilever PLC	United Kingdom	Consumer Staples	3,601	276	259



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EQUITIES (cont'd)</b>					
Uniper SE	Germany	Utilities	546	24	19
Unipol Gruppo SPA	Italy	Financials	1,433	11	7
United Internet AG	Germany	Communication Services	159	7	7
United Utilities Group PLC	United Kingdom	Utilities	8,450	111	135
USS Co. Ltd.	Japan	Consumer Discretionary	733	19	14
Valeo SA	France	Consumer Discretionary	770	47	18
Veolia Environnement	France	Utilities	1,773	54	54
Verbund AG	Austria	Utilities	111	8	6
Vestas Wind Systems AS	Denmark	Industrials	2,982	287	345
Vicinity Centres	Australia	Real Estate	11,565	30	10
Virgin Money UK PLC	United Kingdom	Financials	14,609	53	16
Vitasoy International Holdings Ltd.	Hong Kong	Consumer Staples	39,668	224	171
Vivendi SA	France	Communication Services	1,538	47	47
Vodafone Group PLC	United Kingdom	Communication Services	80,336	208	160
Vonovia SE	Germany	Real Estate	3,336	208	234
Wartsila OYJ	Finland	Industrials	1,773	27	19
Welcia Holdings Co. Ltd.	Japan	Consumer Staples	889	68	88
Wesfarmers Ltd.	Australia	Consumer Discretionary	3,846	145	115
West Japan Railway Co.	Japan	Industrials	652	60	64
Westpac Banking Corp.	Australia	Financials	6,284	162	90
WH Group Ltd.	Hong Kong	Consumer Staples	460,073	528	612
The Wharf Holdings Ltd.	Hong Kong	Real Estate	1,947	8	5
Wharf Real Estate Investment Co. Ltd.	Hong Kong	Real Estate	10,206	93	60
Whitbread PLC	United Kingdom	Consumer Discretionary	489	44	26
Wienerberger AG	Austria	Materials	415	14	9
William Morrison Supermarkets PLC	United Kingdom	Consumer Staples	6,110	24	19
Wilmar International Ltd.	Singapore	Consumer Staples	7,134	22	23
Wirecard AG	Germany	Information Technology	1,171	158	191
Wolters Kluwer NV	Netherlands	Industrials	894	82	90
Woolworths Ltd.	Australia	Consumer Staples	3,584	102	110
WPP PLC	United Kingdom	Communication Services	3,454	67	34
Xinyi Glass Holdings Ltd.	Hong Kong	Consumer Discretionary	70,826	120	116
Yakult Hansha Co. Ltd.	Japan	Consumer Staples	206	17	17
Yamada Denki Co. Ltd.	Japan	Consumer Discretionary	25,840	177	147
Yamato Holdings Co. Ltd.	Japan	Industrials	1,887	56	42
Yamazaki Baking Co. Ltd.	Japan	Consumer Staples	9,522	240	283
Yangzijiang Shipbuilding Holdings Ltd.	Singapore	Industrials	116,413	119	97
Yue Yuen Industrial (Holdings) Ltd.	Hong Kong	Consumer Discretionary	50,288	237	110
Z Holdings Corp.	Japan	Communication Services	28,079	142	129
Zalando SE	Germany	Consumer Discretionary	5,092	307	278
Zensho Holdings Co. Ltd.	Japan	Consumer Discretionary	5,875	173	160
ZOZO Inc.	Japan	Consumer Discretionary	6,713	186	128
Zurich Insurance Group AG	Switzerland	Financials	231	99	117
<b>Total equities</b>				<b>60,336</b>	<b>56,709</b>



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## SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2020

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
<b>EXCHANGE-TRADED FUNDS/NOTES</b>					
iShares Core MSCI EAFE ETF	United States	Exchange-Traded Funds/Notes	333	29	24
<b>Total exchange-traded funds/notes</b>				<b>29</b>	<b>24</b>
Transaction costs				(91)	—
<b>Total investments</b>				<b>60,274</b>	<b>56,733</b>
Cash and cash equivalents					161
Other assets less liabilities					269
<b>Total net assets</b>					<b>57,163</b>

\* Related to Mackenzie. See Note 1.



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# MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

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## SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2020	
Portfolio Allocation	% of NAV
Equities	99.2
Other assets (liabilities)	0.5
Cash and short-term investments	0.3

Regional Allocation	
	% of NAV
Japan	29.4
United Kingdom	12.8
Hong Kong	7.7
Australia	7.5
Switzerland	7.1
Other	6.5
Denmark	5.5
Germany	4.8
France	4.7
Finland	3.0
Sweden	2.8
New Zealand	2.0
Netherlands	1.9
Ireland	1.9
Italy	1.6
Other assets (liabilities)	0.5
Cash and short-term investments	0.3

Sector Allocation	
	% of NAV
Consumer staples	20.2
Health care	16.2
Consumer discretionary	14.2
Communication services	10.4
Industrials	9.3
Financials	7.3
Utilities	5.6
Real estate	5.2
Materials	4.7
Information technology	4.1
Energy	2.0
Other assets (liabilities)	0.5
Cash and short-term investments	0.3

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	99.2
Cash and short-term investments	0.5
Exchange-traded funds/notes	0.3

Regional Allocation	
	% of NAV
Japan	25.5
United Kingdom	16.0
Hong Kong	10.4
Australia	8.3
Other	6.9
Germany	4.9
Switzerland	4.9
France	4.7
Denmark	4.4
Ireland	3.2
Sweden	2.4
Finland	2.3
Netherlands	2.2
Spain	1.7
Italy	1.7
Cash and short-term investments	0.5

Sector Allocation	
	% of NAV
Consumer staples	17.1
Consumer discretionary	15.3
Health care	13.7
Industrials	11.5
Financials	9.2
Communication services	8.0
Real estate	6.0
Information technology	5.7
Materials	5.5
Utilities	4.4
Energy	2.8
Cash and short-term investments	0.5
Exchange-traded funds/notes	0.3



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**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, 2020 and 2019, 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 10 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/Aequitas 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. 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 July 13, 2020.

**3. Significant Accounting Policies****(a) Financial instruments**

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment 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 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.

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.

**NOTES TO FINANCIAL STATEMENTS****3. Significant Accounting Policies (cont'd)****(a) Financial instruments (cont'd)**

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

**(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.

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

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 unrealized gains or losses on a "mark to market" basis. 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 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, 2020.

**(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. 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.

**NOTES TO FINANCIAL STATEMENTS****3. Significant Accounting Policies (cont'd)****(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, advisers, brokers and dealers. 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 10. The value of certain proprietary services provided by brokers cannot be reasonably estimated. 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. Securities lending transactions are administered by Canadian Imperial Bank of Commerce (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. 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 is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 10 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

**(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 10 summarizes the details of such offsetting, if applicable.

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) Foreign 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. Refer to Note 10 for the ETF's NAV per unit.

**(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.



## NOTES TO FINANCIAL STATEMENTS

### 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.

The outbreak of the novel coronavirus (COVID-19) developed rapidly over the first three months of 2020, with the World Health Organization declaring it a pandemic on March 11, 2020, and governments around the world enacting emergency measures that resulted in business disruptions, volatility in markets and a global economic slowdown.

The Manager uses judgment in assessing the impact from such events on assumptions and estimates applied in reporting the assets and liabilities in the ETF's financial statements at March 31, 2020.

The duration and impact of the COVID-19 pandemic on businesses and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the ETF in future periods.

#### 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. It is the intention of the ETF to distribute all of its net income and sufficient net realized capital gains so that the ETF will not be subject to income taxes other than foreign withholding taxes, 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 10 for the ETF's loss carryforwards.

## NOTES TO FINANCIAL STATEMENTS

### 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 10 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.

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, 2020 and 2019 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 10.

### 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, 2020, grouped by asset type, with geographic and sector information.

**NOTES TO FINANCIAL STATEMENTS****9. Financial Instruments Risk (cont'd)****i. Risk exposure and management (cont'd)**

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 come 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 90% 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 arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the ETF's reporting currency, fluctuates due to changes in exchange rates. Note 10 summarizes the ETF's exposure, if applicable and significant, to currency risk.

**iv. Interest rate risk**

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the ETF to significant amounts of interest rate risk. Note 10 summarizes the ETF's exposure, if applicable and significant, to interest rate risk.

**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, 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. Note 10 summarizes the ETF's exposure, if applicable and significant, to other price risk.

**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 10 summarizes the ETF's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. 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 10 summarizes the ETF's exposure, if applicable and significant, to these risks from underlying ETF.

# MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

STRATEGIC BETA INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a))*

#### (a) ETF Formation and Series Information

Date of Formation June 3, 2016

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

Series E units were listed on the TSX under the symbol MXU on September 7, 2016. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at March 31, 2020 was \$19.34 (2019 – \$21.92).

The management fee rate for Series E units is 0.50%.

As at March 31, 2020, the ETF's NAV per unit was \$19.72 (2019 – \$21.85) and its Net Assets per unit calculated in accordance with IFRS was \$19.71 (2019 – \$21.85).

#### (b) Investments by Mackenzie and Affiliates

As at March 31, 2020, other funds managed by Mackenzie had an investment of \$27,858 (2019 – \$48,996) in the ETF.

#### (c) Loss Carryforwards

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

#### (d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2020 and 2019, were as follows:

	March 31, 2020	March 31, 2019
	(\$)	(\$)
Value of securities loaned	3,455	10,647
Value of collateral received	3,880	11,622

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the ETF for the periods ended March 31, 2020 and 2019 is as follows:

	2020		2019	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	46	100.0	61	100.0
Tax withheld	(1)	(2.2)	–	–
	45	97.8	61	100.0
Payments to Securities Lending Agent	(10)	(21.7)	(15)	(25.0)
Securities lending income	35	76.1	46	75.0

#### (e) Offsetting of Financial Assets and Liabilities

As at March 31, 2020 and 2019, there were no amounts subject to offsetting.

#### (f) Risks Associated with Financial Instruments

##### *i. Risk exposure and management*

The ETF seeks to replicate, to the extent reasonably possible and before fees and expenses, the performance of the TOBAM Maximum Diversification All World Developed ex North America Index, or any successor thereto. It invests primarily in equity securities of developed world markets, excluding North America.

# MACKENZIE MAXIMUM DIVERSIFICATION ALL WORLD DEVELOPED EX NORTH AMERICA INDEX ETF

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2020

STRATEGIC BETA INDEX ETF

## NOTES TO FINANCIAL STATEMENTS

### 10. ETF Specific Information *(in '000s, except for (a)) (cont'd)*

#### (f) Risks Associated with Financial Instruments (cont'd)

##### ii. Currency risk

The table below indicates currencies to which the ETF had significant exposure as at period end in Canadian dollar terms, including the underlying principal amount of any derivative instruments. Other financial assets and liabilities (including accrued interest and dividends receivable, and receivables/payables for investments sold/purchased) that are denominated in foreign currencies do not expose the ETF to significant currency risk.

March 31, 2020				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Japanese yen	16,925	1	–	16,926
Euro	12,213	(2)	–	12,211
British pound	7,026	14	–	7,040
Australian dollar	4,309	20	–	4,329
Hong Kong dollar	4,066	–	–	4,066
Swiss franc	3,968	2	–	3,970
Danish krone	2,721	9	–	2,730
U.S. dollar	1,575	12	–	1,587
Swedish krona	1,577	–	–	1,577
New Zealand dollar	1,158	–	–	1,158
Israeli shekel	459	–	–	459
Singapore dollar	405	–	–	405
Norwegian krone	331	–	–	331
Total	56,733	56	–	56,789
% of Net Assets	99.2	0.1	–	99.3

March 31, 2019				
Currency	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
Japanese yen	22,198	–	–	22,198
Euro	20,039	–	–	20,039
British pound	12,954	–	–	12,954
Hong Kong dollar	8,451	–	–	8,451
Australian dollar	7,461	6	–	7,467
Swiss franc	4,119	2	–	4,121
Danish krone	3,832	13	–	3,845
U.S. dollar	2,642	1	–	2,643
Swedish krona	2,108	–	–	2,108
New Zealand dollar	1,305	–	–	1,305
Singapore dollar	1,040	–	–	1,040
Israeli shekel	459	–	–	459
Norwegian krone	389	–	–	389
Total	86,997	22	–	87,019
% of Net Assets	99.5	–	–	99.5

\* Includes both monetary and non-monetary financial instruments



**MACKENZIE**  
Investments

**NOTES TO FINANCIAL STATEMENTS**

**10. ETF Specific Information** (in '000s, except for (a)) (cont'd)

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

*ii. Currency risk (cont'd)*

As at March 31, 2020, had the Canadian dollar increased or decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased or increased by approximately \$2,839 or 5.0% of total net assets (2019 – \$4,351 or 5.0%). In practice, the actual trading results may differ and the difference could be material.

*iii. Interest rate risk*

As at March 31, 2020 and 2019, the ETF did not have a significant exposure to interest rate risk.

*iv. Other price risk*

The ETF's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at March 31, 2020, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$5,673 or 9.9% of total net assets (2019 – \$8,700 or 10.0%). In practice, the actual trading results may differ and the difference could be material.

*v. Credit risk*

As at March 31, 2020 and 2019, the ETF did not have a significant exposure to credit risk.

(g) Fair Value Classification

The table below summarizes the fair value of the ETF's financial instruments using the following fair value hierarchy:

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; 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.

	March 31, 2020				March 31, 2019			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Equities	56,703	6	–	56,709	86,702	–	–	86,702
Exchange-traded funds/notes	24	–	–	24	295	–	–	295
<b>Total</b>	<b>56,727</b>	<b>6</b>	<b>–</b>	<b>56,733</b>	<b>86,997</b>	<b>–</b>	<b>–</b>	<b>86,997</b>

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.