

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

---

## ***Interim Unaudited Financial Statements***

*For the Six-Month Period Ended September 30, 2022*

*These Interim Unaudited Financial Statements do not contain the Interim Management Report of Fund Performance (“MRFP”) of the ETF. You may obtain a copy of the Interim MRFP, at no cost, by calling the toll-free number 1-800-387-0614, by writing to us at Mackenzie Financial Corporation, 180 Queen Street West, Toronto, Ontario M5V 3K1, by visiting our website at [www.mackenzieinvestments.com](http://www.mackenzieinvestments.com) or by visiting the SEDAR website at [www.sedar.com](http://www.sedar.com). Copies of the Annual Financial Statements or Annual MRFP may also be obtained, at no cost, using any of the methods outlined above.*

*Unitholders may also contact us using one of these methods to request a copy of the ETF’s proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.*

### **NOTICE OF NO AUDITOR REVIEW OF THE INTERIM FINANCIAL STATEMENTS**

*Mackenzie Financial Corporation, the Manager of the Mackenzie Global Sustainable Bond ETF (“ETF”), appoints independent auditors to audit the ETF’s Annual Financial Statements. Under Canadian securities laws (National Instrument 81-106), if an auditor has not reviewed the Interim Financial Statements, this must be disclosed in an accompanying notice.*

*The ETF’s independent auditors have not performed a review of these Interim Financial Statements in accordance with standards established by the Chartered Professional Accountants of Canada.*



**MACKENZIE**  
Investments

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF FINANCIAL POSITION

at (in \$ 000 except per unit amounts)

	Sep. 30 2022	Mar. 31 2022 (Audited)
	\$	\$
<b>ASSETS</b>		
<b>Current assets</b>		
Investments at fair value	165,309	177,596
Cash and cash equivalents	9,416	10,862
Accrued interest receivable	1,792	1,277
Accounts receivable for investments sold	6,059	2,778
Accounts receivable for units issued	–	–
Due from manager	59	1
Margin on derivatives	357	498
Derivative assets	2,223	3,369
<b>Total assets</b>	<b>185,215</b>	<b>196,381</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Accounts payable for investments purchased	3,198	3,062
Accounts payable for units redeemed	–	–
Due to manager	84	94
Derivative liabilities	8,171	606
<b>Total liabilities</b>	<b>11,453</b>	<b>3,762</b>
<b>Net assets attributable to unitholders</b>	<b>173,762</b>	<b>192,619</b>

### Net assets attributable to unitholders (note 3)

	per unit		per series	
	Sep. 30 2022	Mar. 31 2022 (Audited)	Sep. 30 2022	Mar. 31 2022 (Audited)
CAD Units	17.12	18.98	173,762	192,619

## STATEMENTS OF COMPREHENSIVE INCOME

for the periods ended September 30 (in \$ 000 except per unit amounts)

	2022 \$	2021 \$
<b>Income</b>		
Interest income	4,022	38
Other changes in fair value of investments and other net assets		
Net realized gain (loss)	110	223
Net unrealized gain (loss)	(19,675)	(1,153)
Securities lending income	3	–
Other	58	287
<b>Total income (loss)</b>	<b>(15,482)</b>	<b>(605)</b>
<b>Expenses (note 6)</b>		
Management fees	479	19
Management fee rebates	(510)	–
Interest charges	1	–
Commissions and other portfolio transaction costs	29	1
Independent Review Committee fees	–	–
<b>Expenses before amounts absorbed by Manager</b>	<b>(1)</b>	<b>20</b>
Expenses absorbed by Manager	–	–
<b>Net expenses</b>	<b>(1)</b>	<b>20</b>
<b>Increase (decrease) in net assets attributable to unitholders from operations before tax</b>	<b>(15,481)</b>	<b>(625)</b>
Foreign withholding tax expense (recovery)	–	–
Foreign income taxes paid (recovered)	–	–
<b>Increase (decrease) in net assets attributable to unitholders from operations</b>	<b>(15,481)</b>	<b>(625)</b>

### Increase (decrease) in net assets attributable to unitholders from operations (note 3)

	per unit		per series	
	2022	2021	2022	2021
CAD Units	(1.53)	(0.09)	(15,481)	(625)

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF CHANGES IN FINANCIAL POSITION

for the periods ended September 30 (in \$ 000 except per unit amounts)

	CAD Units	
	2022	2021
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		
<b>Beginning of period</b>	<b>192,619</b>	<b>–</b>
Increase (decrease) in net assets from operations	(15,481)	(625)
Distributions paid to unitholders:		
Investment income	(2,866)	–
Capital gains	–	–
Management fee rebates	(510)	–
<b>Total distributions paid to unitholders</b>	<b>(3,376)</b>	<b>–</b>
Unit transactions:		
Proceeds from units issued	–	201,000
Reinvested distributions	–	–
Payments on redemption of units	–	–
<b>Total unit transactions</b>	<b>–</b>	<b>201,000</b>
<b>Increase (decrease) in net assets attributable to unitholders</b>	<b>(18,857)</b>	<b>200,375</b>
<b>End of period</b>	<b>173,762</b>	<b>200,375</b>
<b>Increase (decrease) in units (in thousands) (note 7):</b>		
<b>Units outstanding – beginning of period</b>	<b>10,150</b>	<b>–</b>
Issued	–	10,050
Reinvested distributions	–	–
Redeemed	–	–
<b>Units outstanding – end of period</b>	<b>10,150</b>	<b>10,050</b>

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## STATEMENTS OF CASH FLOWS

for the periods ended September 30 (in \$ 000)

	2022	2021
	\$	\$
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets attributable to unitholders from operations	(15,481)	(625)
Adjustments for:		
Net realized loss (gain) on investments	4,480	509
Change in net unrealized loss (gain) on investments	19,675	1,153
Purchase of investments	(137,949)	(379,647)
Proceeds from sale and maturity of investments	131,603	208,817
(Increase) decrease in accounts receivable and other assets	(432)	(1,184)
Increase (decrease) in accounts payable and other liabilities	(10)	19
<b>Net cash provided by (used in) operating activities</b>	<b>1,886</b>	<b>(170,961)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units issued	–	201,000
Payments on redemption of units	–	–
Distributions paid net of reinvestments	(3,376)	–
<b>Net cash provided by (used in) financing activities</b>	<b>(3,376)</b>	<b>201,000</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,490)</b>	<b>30,039</b>
Cash and cash equivalents at beginning of period	10,862	–
Effect of exchange rate fluctuations on cash and cash equivalents	44	(508)
<b>Cash and cash equivalents at end of period</b>	<b>9,416</b>	<b>29,531</b>
Cash	9,416	29,531
Cash equivalents	–	–
<b>Cash and cash equivalents at end of period</b>	<b>9,416</b>	<b>29,531</b>
<b>Supplementary disclosures on cash flow from operating activities:</b>		
Dividends received	–	–
Foreign taxes paid	–	–
Interest received	3,507	–
Interest paid	1	–

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF INVESTMENTS

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS</b>					
AES Panama Generation Holdings SRL 4.38% 05-31-2030 Callable 2030	Panama	Corporate - Non Convertible	USD 700,000	927	759
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate - Non Convertible	900,000	994	864
Algonquin Power & Utilities Corp. 4.60% 01-29-2029 Callable 2028	Canada	Corporate - Non Convertible	1,700,000	1,963	1,655
Algonquin Power & Utilities Corp. 2.85% 07-15-2031	Canada	Corporate - Non Convertible	500,000	510	417
Allied Properties Real Estate Investment Trust 1.73% 02-12-2026	Canada	Corporate - Non Convertible	1,500,000	1,483	1,327
Amaggi Luxembourg International SARL 5.25% 01-28-2028	Brazil	Corporate - Non Convertible	USD 800,000	1,048	966
Anglian Water Services Financing PLC 4.53% 08-26-2032	United Kingdom	Corporate - Non Convertible	1,440,000	1,440	1,375
Arcos Dorados BV 6.13% 05-27-2029	Brazil	Corporate - Non Convertible	USD 1,500,000	1,875	1,871
Ardagh Metal Packaging 3.25% 09-01-2028 144A	United States	Corporate - Non Convertible	USD 800,000	1,021	896
Athabasca Indigenous Midstream LP 6.07% 02-05-2042	Canada	Corporate - Non Convertible	3,089,000	3,088	3,159
Atlantica Sustainable Infrastructure PLC 4.13% 06-15-2028 144A	Spain	Corporate - Non Convertible	USD 1,100,000	1,452	1,277
Autodesk Inc. 2.40% 12-15-2031	United States	Corporate - Non Convertible	USD 2,250,000	2,820	2,409
Bank of Montreal 1.76% 03-10-2026	Canada	Corporate - Non Convertible	2,000,000	2,016	1,801
BCE Inc. 2.20% 05-29-2028	Canada	Corporate - Non Convertible	1,500,000	1,502	1,290
BCI QuadReal Realty 2.55% 06-24-2026	Canada	Corporate - Non Convertible	501,000	501	464
bclMC Realty Corp. 1.75% 07-24-2030 Callable 2030	Canada	Corporate - Non Convertible	1,000,000	967	804
Braskem Idesa SAPI 6.99% 02-20-2032	Mexico	Corporate - Non Convertible	USD 900,000	1,112	832
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate - Non Convertible	600,000	666	568
Brookfield Infrastructure Finance ULC 3.41% 10-09-2029 Callable 2029	Canada	Corporate - Non Convertible	1,400,000	1,479	1,249
Brookfield Property Real Estate Investment Trust Inc. 5.75% 05-15-2026 Callable 2022 144A	United States	Corporate - Non Convertible	USD 500,000	659	621
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate - Non Convertible	900,000	1,019	863
Brookfield Renewable Partners ULC 4.29% 11-05-2049 Callable 2049	Canada	Corporate - Non Convertible	400,000	451	339
Bruce Power LP 2.68% 12-21-2028	Canada	Corporate - Non Convertible	3,520,000	3,519	3,105
Canadian Core Real Estate LP 3.30% 03-02-2027	Canada	Corporate - Non Convertible	346,000	346	318
Capital Power Corp. F/R 09-09-2082	Canada	Corporate - Non Convertible	1,900,000	1,900	1,894
Cascades Inc. 5.13% 01-15-2026 Callable 2023 144A	Canada	Corporate - Non Convertible	USD 700,000	941	868
Celulosa Arauco y Constitucion SA 4.20% 01-29-2030 Callable 2029	Chile	Corporate - Non Convertible	USD 1,100,000	1,516	1,242
Charter Communications Operating LLC 2.80% 04-01-2031 Callable 2031	United States	Corporate - Non Convertible	USD 500,000	644	520
Choice Properties Real Estate Investment Trust 2.46% 11-30-2026	Canada	Corporate - Non Convertible	2,000,000	2,000	1,788
City of Oslo F/R 05-06-2026	Norway	Foreign Governments	NOK 4,000,000	598	501
City of Toronto 2.60% 09-24-2039	Canada	Municipal Governments	500,000	498	387
City of Vancouver 2.30% 11-05-2031	Canada	Municipal Governments	2,094,000	2,093	1,831
Clearway Energy Group LLC 3.75% 02-15-2031 144A	United States	Corporate - Non Convertible	USD 800,000	1,027	874
Clearway Energy Operating LLC 4.75% 03-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 1,100,000	1,478	1,349
Colbun SA 3.15% 01-19-2032	Chile	Corporate - Non Convertible	USD 2,000,000	2,468	2,102
Constellation SE 3.75% 04-15-2029	United States	Corporate - Non Convertible	USD 1,100,000	1,384	1,106
Covert Mergeco Inc. 4.88% 12-01-2029 144A	United States	Corporate - Non Convertible	USD 750,000	941	835
Dana Inc. 4.25% 09-01-2030	United States	Corporate - Non Convertible	USD 700,000	920	706
Deutsche Bundesrepublik 0.10% 04-15-2046 Inflation Indexed	Germany	Foreign Governments	EUR 1,100,000	2,602	1,824
Dispatch Terra Acquisition LLC Term Loan B 1st Lien F/R 03-25-2028	United States	Term Loans	USD 1,430,000	1,769	1,621
Dream Industrial Real Estate Investment Trust 2.54% 12-07-2026	Canada	Corporate - Non Convertible	3,240,000	3,240	2,894
Dream Industrial Real Estate Investment Trust 2.06% 06-17-2027	Canada	Corporate - Non Convertible	2,000,000	1,998	1,728
Empire Communities Corp. 7.38% 12-15-2025	Canada	Corporate - Non Convertible	1,400,000	1,467	1,233
Enel Finance International NV 5.00% 06-15-2032 144A	Italy	Corporate - Non Convertible	USD 4,280,000	5,296	5,026
Ford Motor Co. 3.25% 02-12-2032	United States	Corporate - Non Convertible	USD 2,168,000	2,705	2,144
FortisBC Energy Inc. 2.54% 07-13-2050	Canada	Corporate - Non Convertible	2,656,000	1,926	1,750
GFL Environmental Inc. 3.50% 09-01-2028 144A	Canada	Corporate - Non Convertible	USD 500,000	643	581
Government of Australia 1.75% 06-21-2051	Australia	Foreign Governments	AUD 2,900,000	1,567	1,559
Government of Belgium 1.25% 04-22-2033	Belgium	Foreign Governments	EUR 2,900,000	4,885	3,382
Government of Canada 2.25% 12-01-2029	Canada	Federal Government	152,000	151	143
Government of Canada 0.50% 12-01-2030	Canada	Federal Government	4,083,000	3,286	3,294

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Government of Canada 1.50% 06-01-2031	Canada	Federal Government	900,000	891	785
Government of Canada 1.75% 12-01-2053	Canada	Federal Government	741,000	522	544
Government of Germany 0% 08-15-2050	Germany	Foreign Governments	EUR 1,270,000	1,619	963
Government of Germany 0% 08-15-2052	Germany	Foreign Governments	EUR 2,510,000	2,542	1,819
Government of Poland 1.13% 08-07-2026	Poland	Foreign Governments	EUR 3,100,000	4,928	3,850
Granite Real Estate Investment Trust 3.06% 06-04-2027	Canada	Corporate - Non Convertible	600,000	633	548
Granite Real Estate Investment Trust 2.19% 08-30-2028	Canada	Corporate - Non Convertible	1,500,000	1,500	1,267
HCA Healthcare Inc. 3.50% 09-01-2030 Callable 2030	United States	Corporate - Non Convertible	USD 1,100,000	1,488	1,251
Hidrovias do Brasil SA 4.95% 02-08-2031	Brazil	Corporate - Non Convertible	USD 800,000	1,008	849
iA Financial Corp. Inc. F/R 02-25-2032	Canada	Corporate - Non Convertible	3,094,000	3,094	2,827
Interchile SA 4.50% 06-30-2056	Chile	Corporate - Non Convertible	USD 1,800,000	2,445	1,820
International Bank for Reconstruction and Development 4.25% 01-22-2026	Supra - National	n/a	MXN 45,650,000	2,683	2,639
International Bank for Reconstruction and Development 4.50% 01-22-2026	Supra - National	n/a	ZAR 17,900,000	1,448	1,222
International Bank for Reconstruction and Development 5.00% 01-22-2026	Supra - National	n/a	BRL 6,900,000	1,430	1,493
International Bank for Reconstruction and Development 6.25% 10-07-2026	Supra - National	n/a	MXN 70,000,000	4,290	4,305
International Bank for Reconstruction and Development 0% 03-31-2027	Supra - National	n/a	USD 4,310,000	5,163	5,319
Kleopatra Finco SARL 4.25% 03-01-2026	Luxembourg	Corporate - Non Convertible	EUR 400,000	588	435
Kleopatra Holdings 2 SCA 6.50% 09-01-2026	Luxembourg	Corporate - Non Convertible	EUR 500,000	694	433
Kommunalbanken AS 2.13% 02-11-2025	Norway	Foreign Governments	USD 700,000	927	915
Kruger Products LP 6.00% 04-24-2025 Callable 2022	Canada	Corporate - Non Convertible	600,000	629	566
Kruger Products LP 5.38% 04-09-2029	Canada	Corporate - Non Convertible	500,000	517	420
Lendlease Finance Ltd. 3.40% 10-27-2027	Australia	Corporate - Non Convertible	AUD 700,000	689	545
Lenovo Group Ltd. 6.54% 07-27-2032 144A	China	Corporate - Non Convertible	USD 2,000,000	2,574	2,532
Level 3 Financing Inc. 3.75% 07-15-2029 144A	United States	Corporate - Non Convertible	USD 800,000	996	808
Lower Mattagami Energy LP 2.43% 05-14-2031	Canada	Corporate - Non Convertible	1,000,000	1,025	853
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate - Non Convertible	1,000,000	1,037	989
Manulife Financial Corp. 3.38% 06-19-2081	Canada	Corporate - Non Convertible	1,500,000	1,454	1,208
MEDNAX Inc. 5.38% 02-15-2030 144A	United States	Corporate - Non Convertible	USD 750,000	951	855
National Bank of Canada 1.53% 06-15-2026	Canada	Corporate - Non Convertible	2,000,000	1,993	1,770
National Bank of Canada F/R 08-15-2081	Canada	Corporate - Non Convertible	1,500,000	1,475	1,223
Natura & Co. Luxembourg Holdings SARL 6.00% 04-19-2029	Brazil	Corporate - Non Convertible	USD 800,000	1,003	907
NextEra Energy Capital Holdings Inc. 1.90% 06-15-2028	United States	Corporate - Non Convertible	USD 1,100,000	1,401	1,254
Ontario Power Generation Inc. 3.22% 04-08-2030 Callable 2030	Canada	Corporate - Non Convertible	1,800,000	1,931	1,626
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate - Non Convertible	400,000	436	333
Owens-Illinois Group Inc. 2.88% 02-15-2025	United States	Corporate - Non Convertible	EUR 400,000	605	485
Patrimonio Autonomo Union Del Sur 6.66% 02-28-2041 Inflation Indexed	Colombia	Corporate - Non Convertible	COP 3,000,000,000	967	761
Pattern Energy Operations LP 4.50% 08-15-2028 Callable 2023 144A	United States	Corporate - Non Convertible	USD 700,000	930	836
PepsiCo Inc. 3.00% 10-15-2027 Callable 2027	United States	Corporate - Non Convertible	USD 500,000	694	634
PepsiCo Inc. 3.90% 07-18-2032	United States	Corporate - Non Convertible	USD 1,592,000	2,091	2,024
Pfizer Inc. 1.75% 08-18-2031	United States	Corporate - Non Convertible	USD 1,300,000	1,627	1,395
Province of Ontario 1.55% 11-01-2029	Canada	Provincial Governments	2,000,000	1,974	1,718
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments	500,000	519	488
Renasas Electronics Corp. 1.54% 11-26-2024	Japan	Corporate - Non Convertible	USD 1,500,000	1,896	1,888
RioCan Real Estate Investment Trust 1.97% 06-15-2026	Canada	Corporate - Non Convertible	700,000	697	618
RioCan Real Estate Investment Trust 2.36% 03-10-2027	Canada	Corporate - Non Convertible	700,000	706	610
RioCan Real Estate Investment Trust 2.83% 11-08-2028	Canada	Corporate - Non Convertible	2,638,000	2,554	2,256
Rumo Luxembourg SARL 4.20% 01-18-2032	Brazil	Corporate - Non Convertible	USD 1,200,000	1,505	1,282
San Miguel Industrias Pet SA 3.50% 08-02-2028	Peru	Corporate - Non Convertible	USD 800,000	1,006	890
Seaspan Corp. 5.50% 08-01-2029 144A	Hong Kong	Corporate - Non Convertible	USD 1,900,000	2,505	2,017
SmartCentres Real Estate Investment Trust 3.19% 06-11-2027 Callable 2027	Canada	Corporate - Non Convertible	600,000	629	544
Summit Industrial Income Real Estate Investment Trust 2.44% 07-14-2028	Canada	Corporate - Non Convertible	70,000	60	60
Sun Life Financial Inc. F/R 06-30-2081	Canada	Corporate - Non Convertible	1,500,000	1,472	1,223
Suzano Austria GmbH 5.75% 07-14-2026	Brazil	Corporate - Non Convertible	USD 1,000,000	1,481	1,341

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF INVESTMENTS (cont'd)

as at September 30, 2022

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000)	Fair Value (\$ 000)
<b>BONDS (cont'd)</b>					
Suzano Austria GmbH 2.50% 09-15-2028	Brazil	Corporate - Non Convertible	USD 2,000,000	2,500	2,153
Suzano SA 3.75% 01-15-2031	Brazil	Corporate - Non Convertible	USD 700,000	932	755
TELUS Corp. 5.25% 11-15-2032	Canada	Corporate - Non Convertible	1,000,000	997	989
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027 144A	United States	Corporate - Non Convertible	USD 1,800,000	2,475	2,180
Timber Servicios Empresariales SA Term Loan B 1st Lien F/R 02-17-2029	Spain	Term Loans	EUR 83,000	118	91
Toyota Motor Corp. 1.34% 03-25-2026	Japan	Corporate - Non Convertible	USD 500,000	638	610
Trust Fibra Uno 4.87% 01-15-2030	Mexico	Corporate - Non Convertible	USD 1,000,000	1,400	1,051
United States Treasury 0.13% 01-15-2032 Inflation Indexed	United States	Foreign Governments	USD 1,900,000	2,724	2,412
United States Treasury 0.25% 02-15-2050 Inflation Indexed	United States	Foreign Governments	USD 970,000	1,626	1,004
United States Treasury 0.13% 02-15-2051 Inflation Indexed	United States	Foreign Governments	USD 290,000	462	284
United States Treasury 1.88% 11-15-2051	United States	Foreign Governments	USD 2,800,000	3,336	2,546
United States Treasury 0.13% 02-15-2052 Inflation Indexed	United States	Foreign Governments	USD 6,000,000	7,747	5,530
Verizon Communications Inc. 2.50% 05-16-2030 Callable 2030	United States	Corporate - Non Convertible	482,000	484	403
Verizon Communications Inc. 2.85% 09-03-2041	United States	Corporate - Non Convertible	USD 1,900,000	2,405	1,748
VZ Vendor Financing BV 2.88% 01-15-2029	Netherlands	Corporate - Non Convertible	EUR 900,000	1,332	866
<b>Total bonds</b>				<b>191,899</b>	<b>165,276</b>
<b>OPTIONS</b>					
Options purchased (see schedule of options purchased)				49	33
<b>Total options</b>				<b>49</b>	<b>33</b>
Transaction costs				(1)	–
<b>Total investments</b>				<b>191,947</b>	<b>165,309</b>
Derivative instruments (see schedule of derivative instruments)					(5,948)
Cash and cash equivalents					9,416
Other assets less liabilities					4,985
<b>Net assets attributable to unitholders</b>					<b>173,762</b>

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SUMMARY OF INVESTMENT PORTFOLIO

SEPTEMBER 30, 2022

PORTFOLIO ALLOCATION	% OF NAV
Bonds	103.0
<i>Bonds</i>	95.1
<i>Long bond futures</i>	7.2
<i>Short bond futures</i>	0.7
Purchased currency options	–
Other assets (liabilities)	(1.3)
Cash and short-term investments	(1.7)

REGIONAL ALLOCATION	% OF NAV
Canada	35.7
United States	32.0
Other	4.9
Netherlands	4.7
Germany	4.1
Chile	3.0
Luxembourg	2.8
Australia	2.7
United Kingdom	2.5
Brazil	2.4
Poland	2.2
Belgium	1.9
China	1.5
Japan	1.4
Hong Kong	1.2
Other assets (liabilities)	(1.3)
Cash and short-term investments	(1.7)

SECTOR ALLOCATION	% OF NAV
Corporate bonds	73.5
Foreign government bonds	21.3
Federal bonds	3.9
Municipal bonds	1.3
Provincial bonds	1.3
Term loans	1.0
Other	0.7
Other assets (liabilities)	(1.3)
Cash and short-term investments	(1.7)

MARCH 31, 2022

PORTFOLIO ALLOCATION	% OF NAV
Bonds	100.1
<i>Bonds</i>	92.2
<i>Long bond futures</i>	7.0
<i>Short bond futures</i>	0.9
<i>Purchased options</i>	0.0
Other assets (liabilities)	1.3
Purchased currency options	0.0
Cash and short-term investments	(1.4)

REGIONAL ALLOCATION	% OF NAV
United States	38.1
Canada	35.6
Other	7.3
Chile	3.0
Brazil	2.3
Poland	2.2
Belgium	2.2
Luxembourg	2.1
Germany	2.1
Other assets (liabilities)	1.3
Japan	1.2
Mexico	1.2
Hong Kong	1.2
Netherlands	0.9
Norway	0.7
Cash and short-term investments	(1.4)

SECTOR ALLOCATION	% OF NAV
Corporate bonds	65.0
Foreign government bonds	25.5
Municipal bonds	4.5
Provincial bonds	1.9
Term loans	1.4
Other assets (liabilities)	1.3
Federal bonds	0.9
Other	0.9
Cash and short-term investments	(1.4)



# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF OPTIONS PURCHASED

as at September 30, 2022

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000)	Fair Value (\$ 000)
Currency Put Option MXN/JPY	800,275,000	Put	Jan. 05, 2023	6 JPY	49	33
<b>Total options</b>					<b>49</b>	<b>33</b>

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## SCHEDULE OF DERIVATIVE INSTRUMENTS

as at September 30, 2022

### Schedule of Futures Contracts

Type of Contract	Number of Contracts	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
Euro-Schatz Futures December 2022	(135)	Dec. 8, 2022	107.17 EUR	(19,474)	161	–
Euro-BOBL Futures December 2022	(89)	Dec. 8, 2022	119.75 EUR	(14,346)	341	–
Euro-BTP Futures December 2022	(56)	Dec. 8, 2022	111.98 EUR	(8,441)	403	–
Euro-Bund Futures December 2022	13	Dec. 8, 2022	138.49 EUR	2,423	17	–
10 Year Japanese Government Bond Futures December 2022	(35)	Dec. 13, 2022	148.30 JPY	(49,273)	15	–
10 Year Australian Treasury Note Futures December 2022	26	Dec. 15, 2022	117.12 AUD	2,690	10	–
30 Year Canadian Government Bond Futures December 2022	3	Dec. 19, 2022	175.00 CAD	525	–	(5)
10 Year Canadian Government Bond Futures December 2022	13	Dec. 19, 2022	123.59 CAD	1,607	–	(10)
10 Year United States Treasury Note Futures December 2022	23	Dec. 20, 2022	112.06 USD	3,542	–	(13)
Long Gilt Futures December 2022	12	Dec. 28, 2022	96.40 GBP	1,774	–	(2)
5 Year United States Treasury Note Futures December 2022	(70)	Dec. 30, 2022	107.51 USD	(10,340)	358	–
<b>Total futures contracts</b>				<b>(89,313)</b>	<b>1,305</b>	<b>(30)</b>

\* Notional value represents the exposure to the underlying instruments as at September 30, 2022

### Schedule of Forward Currency Contracts

Counterparty Credit Rating	Currency to be Received (\$ 000)	Currency to be Delivered (\$ 000)	Settlement Date	Contract Cost (\$ 000)	Current Fair Value (\$ 000)	Unrealized Gains (\$ 000)	Unrealized Losses (\$ 000)
A	102 AUD	(70) USD	Oct. 4, 2022	96	90	–	(6)
A	2,193 CAD	(1,674) USD	Oct. 4, 2022	(2,193)	(2,300)	–	(107)
A	382 CHF	(392) USD	Oct. 4, 2022	539	533	–	(6)
A	365 EUR	(368) USD	Oct. 4, 2022	505	491	–	(14)
A	960 GBP	(1,118) USD	Oct. 4, 2022	1,536	1,472	–	(64)
A	787 USD	(8,360) SEK	Oct. 4, 2022	(1,082)	(1,035)	47	–
A	435 USD	(710) NZD	Oct. 4, 2022	(598)	(552)	46	–
A	708 USD	(97,900) JPY	Oct. 4, 2022	(973)	(929)	44	–
A	922 USD	(9,150) NOK	Oct. 4, 2022	(1,268)	(1,154)	114	–
A	6,573 CAD	(5,060) USD	Oct. 21, 2022	(6,573)	(6,953)	–	(380)
A	2,268 CAD	(1,710) EUR	Oct. 21, 2022	(2,268)	(2,305)	–	(37)
A	6,553 CAD	(105,270) MXN	Oct. 21, 2022	(6,553)	(7,171)	–	(618)
A	515 CAD	(4,000) NOK	Oct. 21, 2022	(515)	(504)	11	–
A	84,403 CAD	(65,506) USD	Oct. 21, 2022	(84,403)	(90,011)	–	(5,608)
A	23 CAD	(375) MXN	Oct. 21, 2022	(23)	(26)	–	(3)
A	280 EUR	(364) CAD	Oct. 21, 2022	364	377	13	–
A	432 EUR	(569) CAD	Oct. 21, 2022	569	582	13	–
A	1,974 MXN	(129) CAD	Oct. 21, 2022	129	134	5	–
A	1,100 USD	(1,446) CAD	Oct. 21, 2022	1,446	1,512	66	–
A	4,310 USD	(5,929) CAD	Oct. 21, 2022	5,929	5,922	–	(7)
A	8,429 CAD	(6,520) USD	Oct. 28, 2022	(8,429)	(8,960)	–	(531)
A	1,080 USD	(1,398) CAD	Oct. 28, 2022	1,398	1,484	86	–
A	2,875 USD	(3,781) CAD	Oct. 28, 2022	3,781	3,951	170	–
A	838 CAD	(640) EUR	Nov. 4, 2022	(838)	(863)	–	(25)
A	1,956 CAD	(1,480) EUR	Nov. 4, 2022	(1,956)	(1,997)	–	(41)
A	565 CAD	(631) AUD	Nov. 9, 2022	(565)	(558)	7	–
A	1,606 CAD	(1,810) AUD	Nov. 9, 2022	(1,606)	(1,600)	6	–
AA	158 CAD	(120) EUR	Nov. 18, 2022	(158)	(162)	–	(4)
A	6,784 CAD	(5,280) USD	Nov. 18, 2022	(6,784)	(7,255)	–	(471)
AA	10,699 CAD	(8,085) EUR	Nov. 18, 2022	(10,699)	(10,918)	–	(219)
AA	540 EUR	(714) CAD	Nov. 18, 2022	714	729	15	–
AA	4,600 USD	(6,042) CAD	Jan. 13, 2023	6,042	6,317	275	–
<b>Total forward currency contracts</b>						<b>918</b>	<b>(8,141)</b>

Total Derivative assets

2,223

Total Derivative liabilities

(8,171)

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

### 1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the six-month periods ended or as at September 30, 2022 and 2021, except for the comparative information presented in the Statements of Financial Position and notes thereto, which is as at March 31, 2022, as applicable. In the year an exchange-traded fund (“the ETF”) is established, ‘period’ represents the period from inception to the period end of that fiscal year. Refer to Note 11 for the formation date of the ETF.

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

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

### 2. Basis of Preparation and Presentation

These unaudited interim financial statements (“financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board (“IASB”). These financial statements were prepared using the same accounting policies, critical accounting judgements and estimates as applied in the ETF’s most recent audited annual financial statements for the year ended March 31, 2022. 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 November 11, 2022.

### 3. Significant Accounting Policies

#### (a) Financial instruments

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

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

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

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

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

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

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

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

#### (b) Fair value measurement

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

### 3. Significant Accounting Policies (cont'd)

#### (b) Fair value measurement (cont'd)

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 constituting 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.

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

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

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

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

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

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

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at September 30, 2022.

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

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

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

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

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

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

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

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

#### (c) Income recognition

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

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

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

#### (e) Securities lending, repurchase and reverse repurchase transactions

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

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

#### (f) Offsetting

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

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

#### (g) Currency

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

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

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

#### (h) Net assets attributable to unitholders per unit

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

#### (i) Net asset value per unit

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

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

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

#### (k) Future accounting changes

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

### 4. Critical Accounting Estimates and Judgments

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

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

#### Use of Estimates

##### *Fair value of securities not quoted in an active market*

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

#### Use of Judgments

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

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

##### *Functional currency*

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

##### *Structured entities and associates*

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

### 5. Income Taxes

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

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

### 6. Management Fees and Operating Expenses

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

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

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

### 7. Units and Unit Transactions

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

### 7. Units and Unit Transactions (cont'd)

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

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

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

### 8. ETF's Capital

The capital of the ETF is comprised of the net assets attributable to unitholders. The units outstanding for the ETF as at September 30, 2022 and 2021 and units issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the ETF in accordance with the investment objectives as discussed in Note 11.

### 9. Financial Instruments Risk

#### i. Risk exposure and management

The ETF's investment activities expose it to a variety of financial risks, as defined in IFRS 7, *Financial Instruments: Disclosures* ("IFRS 7"). The ETF's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at September 30, 2022, grouped by asset type, with geographic and sector information.

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

#### ii. Liquidity risk

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

#### iii. Currency risk

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

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

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

#### iv. Interest rate risk

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

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

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

### 9. Financial Instruments Risk (cont'd)

#### v. Other price risk

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

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

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

#### vi. Credit risk

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

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

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

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

#### vii. Underlying ETFs

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

### 10. Other Information

#### Abbreviations

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

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



# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

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

Date of Formation: July 21, 2021

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.

CAD Units were listed on the TSX under the symbol MGSB on July 21, 2021. The closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, at September 30, 2022 was \$17.17 (March 31, 2022 – \$19.00).

The management fee rate for CAD Units is 0.50%.

As at September 30, 2022, the ETF's NAV per unit was \$17.12 (March 31, 2022 – \$18.98) and its Net Assets per unit calculated in accordance with IFRS was \$17.12 (March 31, 2022 – \$18.98).

#### (b) Tax Loss Carryforwards

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

#### (c) Securities Lending

	September 30, 2022		March 31, 2022	
	(\$)		(\$)	
Value of securities loaned	7,617		5,587	
Value of collateral received	8,017		5,876	

  

	September 30, 2022		September 30, 2021	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	4	100.0	–	–
Tax withheld	–	–	–	–
	4	100.0	–	–
Payments to Securities Lending Agent	(1)	(25.0)	–	–
Securities lending income	3	75.0	–	–

#### (d) Commissions

	(\$)
September 30, 2022	–
September 30, 2021	–

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

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

The ETF seeks to provide a steady flow of income with a potential for moderate capital growth by investing primarily in fixed income securities of issuers anywhere in the world. The ETF follows an approach to investing that focuses on sustainable and responsible issuers.

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

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

##### ii. Currency risk

The tables below summarize the ETF's exposure to currency risk.

Currency	September 30, 2022				Impact on net assets			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
BRL	1,493	–	–	1,493				
GBP	–	–	1,470	1,470				
ZAR	1,222	–	–	1,222				
COP	761	–	–	761				
CHF	–	–	533	533				
JPY	33	(115)	370	288				
EUR	14,148	(933)	(13,144)	71				
AUD	2,104	–	(2,058)	46				
NZD	–	–	(552)	(552)				
SEK	–	–	(1,035)	(1,035)				
NOK	501	–	(1,658)	(1,157)				
MXN	6,944	–	(8,347)	(1,403)				
USD	77,695	9,628	(94,864)	(7,541)				
Total	104,901	8,580	(119,285)	(5,804)				
% of Net Assets	60.4	4.9	(68.6)	(3.3)				
Total currency rate sensitivity					290	0.2	(290)	(0.2)

Currency	March 31, 2022				Impact on net assets			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)	Strengthened by 5%		Weakened by 5%	
					(\$)	%	(\$)	%
USD	92,153	8,566	(78,715)	22,004				
EUR	12,766	(721)	(2,063)	9,982				
NZD	–	–	1,611	1,611				
BRL	1,532	–	–	1,532				
ZAR	1,422	–	–	1,422				
COP	998	–	–	998				
NOK	572	–	85	657				
JPY	–	–	177	177				
GBP	–	–	(60)	(60)				
MXN	6,610	–	(6,709)	(99)				
AUD	615	–	(1,029)	(414)				
CHF	–	–	(1,125)	(1,125)				
EGP	–	–	(1,540)	(1,540)				
SEK	–	–	(2,702)	(2,702)				
PHP	–	–	(12,624)	(12,624)				
INR	–	–	(14,499)	(14,499)				
Total	116,668	7,845	(119,193)	5,319				
% of Net Assets	60.6	4.1	(61.9)	2.8				
Total currency rate sensitivity					(283)	(0.1)	513	0.3

\* Includes both monetary and non-monetary financial instruments

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

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

##### iii. Interest rate risk

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

September 30, 2022	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
			(\$)	(%)	(\$)	(%)
Less than 1 year	5,032	(89,313)				
1-5 years	58,584	–				
5-10 years	72,636	–				
Greater than 10 years	29,024	–				
Total	165,276	(89,313)				
Total sensitivity to interest rate changes			(8,311)	(4.8)	8,311	4.8

March 31, 2022	Bonds (\$)	Derivative Instruments (\$)	Impact on net assets			
			Increase by 1%		Decrease by 1%	
			(\$)	(%)	(\$)	(%)
Less than 1 year	3,584	(80,135)				
1-5 years	58,730	–				
5-10 years	86,556	–				
Greater than 10 years	28,676	–				
Total	177,546	(80,135)				
Total sensitivity to interest rate changes			(12,055)	(6.3)	12,054	6.3

##### iv. Other price risk

As at September 30, 2022 and March 31, 2022, the ETF did not have a significant exposure to other price risk.

##### v. Credit risk

The ETF's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at September 30, 2022, was 8.6% of the net assets of the ETF (March 31, 2022 – 17.5%).

As at September 30, 2022 and March 31, 2022, debt securities by credit rating are as follows:

Bond Rating*	September 30, 2022	March 31, 2022
	% of Net Assets	% of Net Assets
AAA	16.8	11.2
AA	9.2	16.3
A	9.6	8.9
BBB	24.8	20.4
Less than BBB	15.1	15.6
Unrated	19.6	19.8
Total	95.1	92.2

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

# MACKENZIE GLOBAL SUSTAINABLE BOND ETF

INTERIM UNAUDITED FINANCIAL STATEMENTS | September 30, 2022

## NOTES TO FINANCIAL STATEMENTS

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

#### (f) Fair Value Classification

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

	September 30, 2022				March 31, 2022			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	165,276	–	165,276	–	177,546	–	177,546
Options	–	33	–	33	2	48	–	50
Derivative assets	1,305	918	–	2,223	1,817	1,552	–	3,369
Derivative liabilities	(30)	(8,141)	–	(8,171)	(72)	(534)	–	(606)
Short-term investments	–	–	–	–	–	13,465	–	13,465
Total	1,275	158,086	–	159,361	1,747	192,077	–	193,824

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.

#### (g) Investments by the Manager and Affiliates

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

	September 30, 2022	March 31, 2022
	(\$)	(\$)
The Manager	–	–
Other funds managed by the Manager	92,409	102,258
Funds managed by affiliates of the Manager	80,107	88,645

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

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

	September 30, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	1,917	(575)	–	1,342
Unrealized losses on derivative contracts	(7,216)	575	357	(6,284)
Liability for options written	–	–	–	–
Total	(5,299)	–	357	(4,942)

  

	March 31, 2022			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	3,042	(239)	–	2,803
Unrealized losses on derivative contracts	(343)	239	498	394
Liability for options written	–	–	–	–
Total	2,699	–	498	3,197