

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

*For the Year Ended March 31, 2025*

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

*Unitholders may also contact us using one of these methods to request a copy of the ETF’s interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the ETF’s Prospectus and ETF Facts, which may also be obtained, at no cost, using any of the methods outlined above.*

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

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, “preliminary”, “typical” and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Mackenzie to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

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



# MACKENZIE WORLD LOW VOLATILITY ETF

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## Management Discussion of Fund Performance

June 4, 2025

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the ETF's performance and outlook in the year ended March 31, 2025 (the "period"). If the ETF was established during the period, "period" represents the period since inception.

In this report, "Mackenzie" and "the Manager" refer to Mackenzie Financial Corporation, the manager of the ETF. In addition, net asset value ("NAV") refers to the value of the ETF as calculated for subscription and redemption purposes, on which the discussion of ETF performance is based.

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

### Investment Objective and Strategies

The ETF seeks to achieve long-term capital growth by investing primarily in equities of large- and mid-capitalization companies in developed global markets, while seeking to provide lower volatility.

### Risk

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

The ETF is suitable for medium- to long-term investors looking for a diversified portfolio of global equities expected to have lower volatility than the market, who can accept fluctuations in the market value of their investment and who have a low to medium tolerance for risk.

### Results of Operations

#### Investment Performance

During the period, the ETF returned 21.6% (after deducting fees and expenses). This compares with a return of 13.7% for the ETF's broad-based index, the MSCI World (Net) Index, and a return of 20.3% for the ETF's narrow index, the MSCI World Minimum Volatility (Net) Index. All index returns are calculated on a total return basis in Canadian dollar terms. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in the index returns.

Global equity market performance was mixed over the period in response to shifting expectations regarding central bank monetary policy and geopolitical tensions. The materials sector was negatively affected by subdued commodities demand in China. Rate cuts by the U.S. Federal Reserve and the European Central Bank helped investor sentiment in the United States and Europe. Trade disputes, including concerns about U.S. tariffs, pressured global markets late in the period. Currency movements generally boosted returns in Canadian dollar terms.

Within the MSCI World Minimum Volatility (Net) Index, Africa and the Middle East and Asia Pacific (ex Japan) were the best-performing regions in Canadian dollar terms, while Japan and North America were the weakest. The financials, communication services and utilities sectors were the strongest performers, while energy, materials and health care were the weakest.

The ETF outperformed the broad-based index, with stock selection in the United States and Germany contributing to performance. In sector terms, stock selection in information technology and health care contributed to performance, as did an overweight position and stock selection in communication services. Given the ETF's mandate, the return of the narrow index is a more meaningful comparison.

The ETF outperformed the narrow index, with stock selection in the United States and Italy contributing to performance. In sector terms, stock selection in industrials and energy contributed to performance. Conversely, stock selection in the real estate sector detracted from performance relative to the narrow index.

Over the period, neither portfolio activity nor market developments significantly changed the positioning of the ETF.

### Net Assets

The ETF's net assets increased by 745.3% during the period to \$246.6 million. This change was composed primarily of \$31.1 million in net income (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and an increase of \$186.4 million due to net unitholder activity (including sales, redemptions and cash distributions). The unitholder activity includes an inflow of \$64.4 million relating to fund merger activity (see *Recent Developments*).

### Recent Developments

The ETF rebalances and trades daily based on the portfolio management team's assessment of the return potential of individual stocks, including the impact of transaction costs. The team's quantitative, bottom-up stock selection process aims to add portfolio value in a variety of market conditions through investments in both growth- and value-oriented stocks and in small-, mid- and large-capitalization stocks. As such, the team does not routinely generate market expectations and therefore rarely makes investment decisions according to macroeconomic forecasts.

On September 6, 2024, investors in Mackenzie Maximum Diversification All World Developed Index ETF and Mackenzie Maximum Diversification All World Developed Ex North America Index ETF voted to approve the proposed merger of those funds into the ETF. These mergers occurred on September 27, 2024. The Manager does not consider these mergers to be a material change for the ETF's investors.

The following changes to the Mackenzie Funds' Independent Review Committee occurred:

- effective September 13, 2023, Saijal Patel was appointed;
- effective March 5, 2024, Atul Tiwari resigned; and
- effective April 30, 2024, the terms for Robert Hines and George Hucal expired, and Rebecca Cowdery was appointed.

### Related Party Transactions

#### Management Fees

The management expense ratio ("MER") for the ETF during the year ended March 31, 2025, was similar to the annualized MER for the period ended March 31, 2024. Total expenses paid vary from period to period mainly as a result of changes in average assets in the ETF. The MERs are presented in the *Financial Highlights* section of this report. The ETF paid management fees to the Manager at the annual rate of 0.50%.

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

#### Other Related Party Transactions

Investment funds managed by Mackenzie and its affiliates may invest in the ETF in accordance with the investment objectives of those funds. At March 31, 2025, funds managed by Mackenzie owned 68.8% of the ETF's NAV. All related party transactions are based on the current market price. As a result of these investments, the ETF may be subject to large transaction risk as discussed in the Prospectus. Mackenzie manages this risk to reduce the possibility of any adverse effects on

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the ETF or on its investors, through such processes as settling transactions in kind, charging creation and/or redemption fees for transactions settling in cash, and establishing appropriate order cut-off times for transactions.

The Manager relied on positive recommendations issued by the Mackenzie Funds' Independent Review Committee to proceed with the mergers of Mackenzie Maximum Diversification All World Developed Index ETF and Mackenzie Maximum Diversification All World Developed Ex North America Index ETF into the ETF on September 27, 2024.

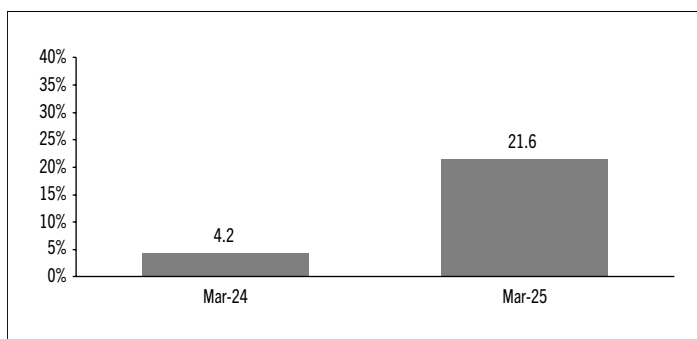
## Past Performance

The ETF's performance information assumes all distributions made by the ETF in the periods presented are reinvested in additional units of the ETF. The performance information does not take into account brokerage commissions or income taxes payable by any investor that would have reduced returns or performance. The past performance of the ETF is not necessarily an indication of how it will perform in the future.

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

## Year-by-Year Returns

The following bar chart presents the performance of the ETF for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the ETF's inception date (February 20, 2024), as applicable, would have increased or decreased by the last day of the fiscal period presented.



## Annual Compound Returns

The following table compares the historical annual compound total returns for the ETF with the relevant index or indices shown below for each of the periods ended March 31, 2025. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Mackenzie World Low Volatility ETF	21.6	n/a	n/a	n/a	23.8
MSCI World (Net) Index*	13.7	n/a	n/a	n/a	17.7
MSCI World Minimum Volatility (Net) Index	20.3	n/a	n/a	n/a	21.6

\* Broad-based index

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

The MSCI World Minimum Volatility (Net) Index is designed to reflect the performance of a minimum variance (or managed volatility) equity strategy. The index is calculated by optimizing the capitalization weighted MSCI World Index, to attain the lowest level of volatility for a given set of constraints. Net total returns are calculated after the deduction of withholding tax from the foreign income and dividends of its constituents.

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## Summary of Investment Portfolio at March 31, 2025

PORTFOLIO ALLOCATION	% OF NAV
Equities	97.4
Cash and cash equivalents	2.1
Other assets (liabilities)	0.5

REGIONAL ALLOCATION	% OF NAV
United States	62.7
Japan	8.3
Canada	6.3
Other	3.1
Germany	3.0
Switzerland	2.9
Cash and cash equivalents	2.1
France	1.6
Hong Kong	1.6
Ireland	1.5
Netherlands	1.3
Italy	1.3
Singapore	1.1
Finland	1.0
United Kingdom	0.9
Bermuda	0.8
Other assets (liabilities)	0.5

SECTOR ALLOCATION	% OF NAV
Information technology	17.9
Health care	16.5
Financials	15.3
Consumer staples	12.3
Communication services	11.3
Industrials	8.6
Utilities	6.0
Consumer discretionary	4.2
Energy	2.6
Cash and cash equivalents	2.1
Materials	1.4
Real estate	1.3
Other assets (liabilities)	0.5

## TOP 25 POSITIONS

Issuer	% OF NAV
Cash and cash equivalents	2.1
The Procter & Gamble Co.	1.8
Republic Services Inc.	1.8
T-Mobile USA Inc.	1.6
Cisco Systems Inc.	1.6
Marsh & McLennan Companies Inc.	1.5
Motorola Solutions Inc.	1.4
Waste Connections Inc.	1.4
Verizon Communications Inc.	1.3
Microsoft Corp.	1.3
Cencora Inc.	1.3
McKesson Corp.	1.3
VeriSign Inc.	1.3
International Business Machines Corp.	1.3
Northrop Grumman Corp.	1.3
General Mills Inc.	1.2
Colgate Palmolive Co.	1.2
The Allstate Corp.	1.1
Roper Technologies Inc.	1.1
Deutsche Telekom AG	1.0
AT&T Inc.	1.0
Roche Holding AG	1.0
The Travelers Companies Inc.	1.0
GoDaddy Inc.	1.0
Cboe Global Markets Inc.	1.0

Top long positions as a percentage of total net asset value	<b>32.9</b>
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*The ETF held no short positions at the end of the period.*

*The investments and percentages may have changed since March 31, 2025, due to the ongoing portfolio transactions of the ETF. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the ETF's fiscal year-end, when they are available within 90 days.*

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## Financial Highlights

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF's financial performance for each of the fiscal periods presented below. In the period when the ETF was established, "period" represents the period from inception (February 20, 2024) to the end of that fiscal period.

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

CAD Units (Ticker: MWLV)	Mar. 31 2025	Mar. 31 2024
<b>Net assets, beginning of period</b>	<b>20.81</b>	<b>20.00</b>
<b>Increase (decrease) from operations:</b>		
Total revenue	0.59	0.10
Total expenses	(0.06)	(0.05)
Realized gains (losses) for the period	0.65	0.10
Unrealized gains (losses) for the period	4.07	0.66
<b>Total increase (decrease) from operations²</b>	<b>5.25</b>	<b>0.81</b>
<b>Distributions:</b>		
From net investment income (excluding Canadian dividends)	(0.11)	–
From Canadian dividends	–	–
From capital gains	–	–
Return of capital	–	–
<b>Total annual distributions³</b>	<b>(0.11)</b>	<b>–</b>
<b>Net assets, end of period</b>	<b>25.16</b>	<b>20.81</b>

- These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per unit. This information is derived from the ETF's audited annual financial statements. The net assets per unit presented in the financial statements may differ from the net asset value per unit calculated for ETF pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.
- Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the fiscal period.
- Distributions were paid in cash/reinvested in additional units of the ETF, or both.

## RATIOS AND SUPPLEMENTAL DATA

CAD Units (Ticker: MWLV)	Mar. 31 2025	Mar. 31 2024
Total net asset value (\$000)¹	246,645	29,178
Units outstanding (000)¹	9,803	1,400
Management expense ratio (%)²	0.56	0.57
Management expense ratio before waivers or absorptions (%)²	0.56	0.57
Trading expense ratio (%)³	–	–
Trading expense ratio before reimbursements (%)³	–	–
Portfolio turnover rate (%)⁴	68.67	n/a
Net asset value per unit (\$)	25.16	20.85
Closing market price (\$)⁵	25.21	20.85

- This information is provided as at the end of the fiscal period shown.
- Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. If the ETF was established in the period, the MER is annualized from the date of inception to the end of the period. Where the ETF directly invests in securities of another fund (including other ETFs), the MER presented for the ETF includes the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.
- The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period. Where the ETF invests in securities of another fund (including other ETFs), the TER presented for the ETF includes the portion of TERs of the other fund(s) attributable to this investment. The Manager may reimburse the ETF for certain brokerage commissions and other transaction costs (including those payable to the custodian or its agents). The Manager may make these reimbursements at its discretion and stop these reimbursements at any time without notice.
- The ETF's portfolio turnover rate indicates how actively the ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all of the securities in its portfolio once in the course of the period. The higher the ETF's portfolio turnover rate in a period, the greater the trading costs payable by the ETF in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF. The portfolio turnover rate is not provided when the ETF is less than one year old. The value of any trades to realign the ETF's portfolio after a fund merger is excluded from the portfolio turnover rate.
- Closing market price, or the midpoint of the bid and ask prices in the absence of a closing market price, on the last trading day of the period as reported on the Toronto Stock Exchange.