

MACKENZIE GLOBAL SUSTAINABILITY AND IMPACT BALANCED FUND

ANNUAL AUDITED FINANCIAL STATEMENTS | March 31, 2019

BALANCED FUND

MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

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

The Board of Directors (the "Board") of Mackenzie Financial Corporation is responsible for reviewing and approving the financial statements and overseeing the Manager's performance of its financial reporting responsibilities. The Board is assisted in discharging this responsibility by an Audit Committee, which reviews the financial statements and recommends them for approval by the Board. The Audit Committee also meets regularly with the Manager, internal auditors and external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues.

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

On behalf of Mackenzie Financial Corporation,
Manager of the Fund



Barry McInerney
President and Chief Executive Officer



Terry Rountes
Chief Financial Officer, Funds

June 3, 2019

INDEPENDENT AUDITOR'S REPORT

To the Securityholders of Mackenzie Global Sustainability and Impact Balanced Fund (the "Fund")

Opinion

We have audited the financial statements of the Fund, which comprise the statements of financial position as at March 31, 2019 and 2018, and the statements of comprehensive income, changes in financial position and cash flows for the periods then ended, as indicated in Note 1, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2019 and 2018, and its financial performance and its cash flows for the periods then ended, as indicated in Note 1, in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

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

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

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

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

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



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INDEPENDENT AUDITOR'S REPORT (cont'd)

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



Chartered Professional Accountants
Licensed Public Accountants
Toronto, Ontario
June 3, 2019



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STATEMENTS OF FINANCIAL POSITION

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

	2019	2018		2019	2018
	\$	\$		\$	\$
ASSETS			Net assets attributable to securityholders		
Current assets			per security (note 3)		
Investments at fair value	21,555	21,268	Series A	10.33	10.19
Cash and cash equivalents	794	171	Series AR	10.34	10.20
Accrued interest receivable	62	81	Series D	10.42	10.24
Dividends receivable	38	32	Series F	10.45	10.25
Accounts receivable for investments sold	117	114	Series F5	14.68	15.01
Accounts receivable for securities issued	52	79	Series F8	14.00	14.78
Margin on derivatives	101	130	Series FB	10.43	10.25
Unrealized gains on derivative contracts	26	35	Series FB5	14.63	15.00
Total assets	22,745	21,910	Series O	10.53	10.30
			Series PW	10.36	10.20
			Series PWF	–	10.26
			Series PWF5	–	15.02
			Series PWF8	–	14.81
			Series PWF8	10.47	10.27
			Series PWF5	14.71	15.02
			Series PWT5	14.49	14.95
			Series PWT8	13.83	14.73
			Series PWX	10.53	10.30
			Series PWX8	14.18	14.85
			Series T5	14.41	14.93
			Series T8	13.75	14.70
LIABILITIES					
Current liabilities					
Accounts payable for investments purchased	168	298			
Accounts payable for securities redeemed	–	–			
Due to manager	–	3			
Unrealized losses on derivative contracts	144	129			
Total liabilities	312	430			
Net assets attributable to securityholders	22,433	21,480			
Net assets attributable to securityholders					
per series (note 3)					
Series A	8,857	17,127			
Series AR	894	431			
Series D	37	2			
Series F	6,483	2,248			
Series F5	344	97			
Series F8	3,307	503			
Series FB	145	46			
Series FB5	1	1			
Series O	1	1			
Series PW	2,306	203			
Series PWF	–	723			
Series PWF5	–	1			
Series PWF8	–	1			
Series PWF8	33	1			
Series PWF5	1	1			
Series PWT5	1	1			
Series PWT8	1	1			
Series PWX	1	1			
Series PWX8	1	1			
Series T5	6	1			
Series T8	14	89			

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



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STATEMENTS OF COMPREHENSIVE INCOME

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

	2019	2018		2019	2018
	\$	\$		\$	\$
Income			Increase (decrease) in net assets attributable to securityholders from operations per security		
Dividends	217	82	Series A	0.22	0.22
Interest income	367	150	Series AR	0.18	0.06
Other changes in fair value of investments and other net assets			Series D	0.13	0.21
Net realized gain (loss)	249	(42)	Series F	0.34	(0.09)
Net unrealized gain (loss)	170	462	Series F5	0.38	(0.36)
Securities lending income	1	—	Series F8	0.29	(0.34)
Total income (loss)	1,004	652	Series FB	0.53	(0.18)
			Series FB5	0.49	0.37
Expenses (note 6)			Series O	0.46	0.30
Management fees	370	193	Series PW	0.21	(0.21)
Administration fees	51	25	Series PWF	0.11	0.04
Commissions and other portfolio transaction costs	25	17	Series PWF5	0.17	0.40
Independent Review Committee fees	—	—	Series PWF8	0.17	0.40
Other	3	—	Series PWFB	1.58	0.27
Expenses before amounts absorbed by Manager	449	235	Series PWFB5	0.55	0.40
Expenses absorbed by Manager	—	—	Series PWT5	0.38	0.32
Net expenses	449	235	Series PWT8	0.37	0.32
Increase (decrease) in net assets attributable to securityholders from operations before tax	555	417	Series PWX	0.46	0.30
Foreign withholding taxes	34	15	Series PWX8	0.63	0.44
Foreign income taxes paid (recovered)	—	—	Series T5	1.51	0.30
Increase (decrease) in net assets attributable to securityholders from operations	521	402	Series T8	0.47	(0.59)
Increase (decrease) in net assets attributable to securityholders from operations per series					
Series A	295	418			
Series AR	12	1			
Series D	—	—			
Series F	133	(7)			
Series F5	6	(1)			
Series F8	35	(6)			
Series FB	4	—			
Series FB5	—	—			
Series O	—	—			
Series PW	25	(3)			
Series PWF	8	2			
Series PWF5	—	—			
Series PWF8	—	—			
Series PWFB	1	—			
Series PWFB5	—	—			
Series PWT5	—	—			
Series PWT8	—	—			
Series PWX	—	—			
Series PWX8	—	—			
Series T5	—	—			
Series T8	2	(2)			

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STATEMENTS OF CHANGES IN FINANCIAL POSITION

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

	2019		2018		2019		2018		2019		2018	
	Series A		Series AR		Series D		Series F		Series F5			
	\$		\$		\$		\$		\$			
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS												
Beginning of period	17,127	–	431	–	2	–	2,248	–	97	–		
Increase (decrease) in net assets from operations	295	418	12	1	–	–	133	(7)	6	(1)		
Distributions paid to securityholders:												
Investment income	(76)	–	(4)	–	–	–	(64)	–	(4)	–		
Capital gains	–	–	–	–	–	–	–	–	–	–		
Return of capital	–	–	–	–	–	–	–	–	(9)	(1)		
Total distributions paid to securityholders	(76)	–	(4)	–	–	–	(64)	–	(13)	(1)		
Security transactions:												
Proceeds from securities issued	4,608	22,807	458	430	36	2	4,633	2,591	250	99		
Reinvested distributions	75	–	4	–	–	–	54	–	4	–		
Payments on redemption of securities	(13,172)	(6,098)	(7)	–	(1)	–	(521)	(336)	–	–		
Total security transactions	(8,489)	16,709	455	430	35	2	4,166	2,255	254	99		
Total increase (decrease) in net assets	(8,270)	17,127	463	431	35	2	4,235	2,248	247	97		
End of period	8,857	17,127	894	431	37	2	6,483	2,248	344	97		
Increase (decrease) in fund securities (note 7):												
Securities outstanding – beginning of period	1,680	–	42	–	–	–	219	–	6	–		
Issued	449	2,273	45	42	4	–	445	252	17	6		
Reinvested distributions	8	–	–	–	–	–	6	–	–	–		
Redeemed	(1,279)	(593)	(1)	–	–	–	(50)	(33)	–	–		
Securities outstanding – end of period	858	1,680	86	42	4	–	620	219	23	6		
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS												
Beginning of period	503	–	46	–	1	–	1	–	203	–		
Increase (decrease) in net assets from operations	35	(6)	4	–	–	–	–	–	25	(3)		
Distributions paid to securityholders:												
Investment income	(30)	–	(1)	–	–	–	–	–	(13)	–		
Capital gains	–	–	–	–	–	–	–	–	–	–		
Return of capital	(128)	(9)	–	–	–	–	–	–	–	–		
Total distributions paid to securityholders	(158)	(9)	(1)	–	–	–	–	–	(13)	–		
Security transactions:												
Proceeds from securities issued	2,836	513	128	46	–	1	–	1	2,299	266		
Reinvested distributions	112	6	1	–	–	–	–	–	13	–		
Payments on redemption of securities	(21)	(1)	(33)	–	–	–	–	–	(221)	(60)		
Total security transactions	2,927	518	96	46	–	1	–	1	2,091	206		
Total increase (decrease) in net assets	2,804	503	99	46	–	1	–	1	2,103	203		
End of period	3,307	503	145	46	1	1	1	1	2,306	203		
Increase (decrease) in fund securities (note 7):												
Securities outstanding – beginning of period	34	–	4	–	–	–	–	–	20	–		
Issued	195	34	13	4	–	–	–	–	224	26		
Reinvested distributions	8	–	–	–	–	–	–	–	1	–		
Redeemed	(1)	–	(3)	–	–	–	–	–	(22)	(6)		
Securities outstanding – end of period	236	34	14	4	–	–	–	–	223	20		

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STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2019		2018		2019		2018	
	Series PWF		Series PWF5		Series PWF8		Series PWF8	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	723	-	1	-	1	-	1	-
Increase (decrease) in net assets from operations	8	2	-	-	-	-	1	-
Distributions paid to securityholders:								
Investment income	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	-	-	-	-	-	-	-	-
Security transactions:								
Proceeds from securities issued	25	798	-	1	-	1	31	1
Reinvested distributions	-	-	-	-	-	-	-	-
Payments on redemption of securities	(756)	(77)	(1)	-	(1)	-	-	-
Total security transactions	(731)	721	(1)	1	(1)	1	31	1
Total increase (decrease) in net assets	(723)	723	(1)	1	(1)	1	32	1
End of period	-	723	-	1	-	1	33	1

	Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):								
Securities outstanding – beginning of period	70	-	-	-	-	-	-	-
Issued	3	77	-	-	-	-	3	-
Reinvested distributions	-	-	-	-	-	-	-	-
Redeemed	(73)	(7)	-	-	-	-	-	-
Securities outstanding – end of period	-	70	-	-	-	-	3	-

	Series PWF85		Series PWT5		Series PWT8		Series PWX	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	1	-	1	-	1	-	1	-
Increase (decrease) in net assets from operations	-	-	-	-	-	-	-	-
Distributions paid to securityholders:								
Investment income	-	-	-	-	-	-	-	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-	-	-
Total distributions paid to securityholders	-	-	-	-	-	-	-	-
Security transactions:								
Proceeds from securities issued	-	1	-	1	-	1	-	1
Reinvested distributions	-	-	-	-	-	-	-	-
Payments on redemption of securities	-	-	-	-	-	-	-	-
Total security transactions	-	1	-	1	-	1	-	1
Total increase (decrease) in net assets	-	1	-	1	-	1	-	1
End of period	1	1	1	1	1	1	1	1

	Securities		Securities		Securities		Securities	
Increase (decrease) in fund securities (note 7):								
Securities outstanding – beginning of period	-	-	-	-	-	-	-	-
Issued	-	-	-	-	-	-	-	-
Reinvested distributions	-	-	-	-	-	-	-	-
Redeemed	-	-	-	-	-	-	-	-
Securities outstanding – end of period	-	-	-	-	-	-	-	-

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



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STATEMENTS OF CHANGES IN FINANCIAL POSITION (cont'd)

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

	2019	2018	2019	2018	2019	2018	2019	2018
	Series PWX8		Series T5		Series T8		Total	
	\$		\$		\$		\$	
NET ASSETS ATTRIBUTABLE TO SECURITYHOLDERS								
Beginning of period	1	-	1	-	89	-	21,480	-
Increase (decrease) in net assets from operations	-	-	-	-	2	(2)	521	402
Distributions paid to securityholders:								
Investment income	-	-	-	-	-	-	(192)	-
Capital gains	-	-	-	-	-	-	-	-
Return of capital	-	-	-	-	(3)	(1)	(140)	(11)
Total distributions paid to securityholders	-	-	-	-	(3)	(1)	(332)	(11)
Security transactions:								
Proceeds from securities issued	-	1	5	1	42	123	15,351	27,686
Reinvested distributions	-	-	-	-	1	-	264	6
Payments on redemption of securities	-	-	-	-	(117)	(31)	(14,851)	(6,603)
Total security transactions	-	1	5	1	(74)	92	764	21,089
Total increase (decrease) in net assets	-	1	5	1	(75)	89	953	21,480
End of period	1	1	6	1	14	89	22,433	21,480
Increase (decrease) in fund securities (note 7):								
Securities outstanding – beginning of period	-	-	-	-	6	-	-	-
Issued	-	-	-	-	3	8	-	-
Reinvested distributions	-	-	-	-	-	-	-	-
Redeemed	-	-	-	-	(8)	(2)	-	-
Securities outstanding – end of period	-	-	-	-	1	6	-	-

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STATEMENTS OF CASH FLOWS

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

	2019	2018
	\$	\$
Cash flows from operating activities		
Net increase (decrease) in net assets attributable to securityholders from operations	521	402
Adjustments for:		
Net realized loss (gain) on investments	(396)	(83)
Change in net unrealized loss (gain) on investments	(170)	(462)
Purchase of investments	(11,384)	(25,146)
Proceeds from sale and maturity of investments	11,555	4,700
Change in accrued interest receivable	19	(81)
Change in dividends receivable	(6)	(32)
Change in due to manager	(3)	3
Change in margin on derivatives	29	(130)
Net cash from operating activities	165	(20,829)
Cash flows from financing activities		
Proceeds from securities issued	13,823	27,044
Payments on redemption of securities	(13,296)	(6,040)
Distributions paid net of reinvestments	(68)	(5)
Net cash from financing activities	459	20,999
Net increase (decrease) in cash and cash equivalents	624	170
Cash and cash equivalents at beginning of period	171	–
Effect of exchange rate fluctuations on cash and cash equivalents	(1)	1
Cash and cash equivalents at end of period	794	171
Cash	794	144
Cash equivalents	–	27
Cash and cash equivalents at end of period	794	171
Supplementary disclosures on cash flow from operating activities:		
Dividends received	211	50
Foreign taxes paid	34	15
Interest received	386	69
Interest paid	–	–

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SCHEDULE OF INVESTMENTS

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
BONDS					
407 International Inc. 3.14% 03-06-2030 Callable 2029	Canada	Corporate – Non Convertible	10,000	10	10
407 International Inc. 3.65% 09-08-2044 Callable MTN	Canada	Corporate – Non Convertible	6,000	6	6
407 International Inc. 3.67% 03-08-2049 Callable 2048	Canada	Corporate – Non Convertible	6,000	6	6
Acproducts Inc. Term Loan 1st Lien F/R 02-14-2024	United States	Term Loans	USD 10,000	13	13
Advanced Micro Devices Inc. 7.50% 08-15-2022	United States	Corporate – Non Convertible	USD 40,000	57	60
Aegis Toxicology Sciences Corp. Term Loan B 1st Lien F/R 05-09-2025	United States	Term Loans	USD 9,950	13	13
Al Ladder Luxembourg Term Loan B 1st Lien F/R 05-04-2025	United States	Term Loans	USD 5,485	7	7
Air Medical Group Holdings Inc. Term Loan B 1st Lien F/R 09-26-2024	United States	Term Loans	USD 49,375	62	62
AL Midcoast Holdings LLC Term Loan B 1st Lien F/R 06-28-2025	United States	Term Loans	USD 9,950	13	13
Alcami Carolinas Corp. Term Loan 1st Lien F/R 07-06-2025	United States	Term Loans	USD 9,950	13	13
Alchemy US Holdco LLC Term Loan B 1st Lien F/R 10-01-2025	United States	Term Loans	USD 9,938	13	13
Algonquin Power & Utilities Corp. 4.09% 02-17-2027 Callable	Canada	Corporate – Non Convertible	75,000	78	78
Allegiant Travel Co. Term Loan B 1st Lien F/R 01-29-2024	United States	Term Loans	USD 20,000	26	27
Anheuser-Busch InBev Finance Inc. 2.60% 05-15-2024 Callable 2024	Belgium	Corporate – Non Convertible	20,000	19	20
Apple Inc. 2.51% 08-19-2024 Callable 2024	United States	Corporate – Non Convertible	130,000	131	131
Asian Development Bank 5.90% 12-20-2022	Supra – National	n/a	INR 3,520,000	68	66
AT&T Inc. 4.00% 11-25-2025 Callable 2025	United States	Corporate – Non Convertible	10,000	10	10
AT&T Inc. 4.35% 03-01-2029 Callable 2028	United States	Corporate – Non Convertible	USD 10,000	13	14
Ball Metalpack Finco LLC Term Loan B 1st Lien F/R 07-26-2025	United States	Term Loans	USD 9,925	13	13
Bank of America Corp. 2.15% 11-09-2020 Callable 2019	United States	Corporate – Non Convertible	USD 60,000	75	79
Bank of America Corp. 3.23% 06-22-2022 Series MPLE	United States	Corporate – Non Convertible	30,000	30	31
Bank of Israel 0% 11-06-2019	Israel	Foreign Governments	ILS 311,873	111	115
The Bank of Nova Scotia 2.98% 04-17-2023	Canada	Corporate – Non Convertible	20,000	20	20
Bausch Health Cos Inc. Term Loan B 1st Lien F/R 05-24-2025	United States	Term Loans	USD 9,250	12	12
Bell Canada 2.70% 02-27-2024 Callable	Canada	Corporate – Non Convertible	75,000	74	75
Boardriders Inc. Term Loan B 1st Lien F/R 03-21-2024	United States	Term Loans	USD 9,925	13	13
Brookfield Infrastructure Finance ULC 4.20% 09-11-2028 Callable 2028	Canada	Corporate – Non Convertible	20,000	20	21
Brookfield Renewable Energy Partners ULC 3.63% 01-15-2027 Callable 2026	Canada	Corporate – Non Convertible	55,000	55	55
Brookfield Renewable Partners ULC 4.25% 01-15-2029 Callable 2028	Canada	Corporate – Non Convertible	100,000	100	104
Bulldog Purchaser Inc. Delayed Draw Term Loan 1st Lien F/R 08-31-2025	United States	Term Loans	USD 381	–	1
Bulldog Purchaser Inc. Term Loan B 1st Lien F/R 08-31-2025	United States	Term Loans	USD 9,595	13	13
C&D Technologies Inc. Term Loan B 1st Lien F/R 12-13-2025	United States	Term Loans	USD 9,975	12	12
Calceus Acquisition Inc. Term Loan B1 1st Lien F/R 02-08-2025	United States	Term Loans	USD 5,000	7	7
Calpine Corp. 5.25% 06-01-2026 Callable 2021 BDVP1Z6	United States	Corporate – Non Convertible	USD 40,000	50	53
Can Am Construction Inc./Canada Term Loan B 1st Lien F/R 07-01-2024	Canada	Term Loans	USD 79,021	101	104
Canadian Pacific Railway Ltd. 3.15% 03-13-2029 Callable 2028	Canada	Corporate – Non Convertible	10,000	10	10
CareCentrix Inc. Term Loan 1st Lien F/R 03-22-2025	United States	Term Loans	USD 9,750	13	13
Casablanca US Holdings Inc. Term Loan 1st Lien F/R 03-31-2024	United States	Term Loans	USD 19,800	25	26
CCL Industries Inc. 3.86% 04-13-2028 Callable 2028	Canada	Corporate – Non Convertible	10,000	10	10
CCS-CMGC Holdings Inc. Term Loan 1st Lien F/R 09-25-2025	United States	Term Loans	USD 9,975	13	13
CEVA Logistics Finance BV Term Loan B 1st Lien F/R 08-03-2025	United States	Term Loans	USD 10,000	13	13



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BONDS (cont'd)					
Chartwell Retirement Residences 4.21% 04-28-2025 Callable 2025	Canada	Corporate – Non Convertible	5,000	5	5
Choice Properties Real Estate Investment Trust 3.55% 01-10-2025 Callable 2024	Canada	Corporate – Non Convertible	20,000	20	20
Citadel LLC Term Loan B 1st Lien F/R 02-22-2026	United States	Term Loans	USD 10,000	13	13
Citigroup Inc. 4.09% 06-09-2025	United States	Corporate – Non Convertible	40,000	41	42
City of Oslo 2.35% 09-04-2024	Norway	Foreign Governments	NOK 2,000,000	320	315
Comber Wind Financial Corp. 5.13% 11-15-2030	Canada	Corporate – Non Convertible	38,217	42	42
CommScope Inc. Term Loan B2 1st Lien F/R 02-07-2026	United States	Term Loans	USD 10,000	13	13
CommScope Technologies Finance LLC 8.25% 03-01-2027 Callable 2022 144A	United States	Corporate – Non Convertible	USD 3,000	4	4
Concrete Pumping Merger Sub Inc. Term Loan 1st Lien F/R 11-14-2025	United States	Term Loans	USD 10,000	13	13
Cordelio Amalco GP I 4.09% 06-30-2034	Canada	Corporate – Non Convertible	10,000	10	10
Cordelio Amalco GP I 4.09% 09-30-2034	Canada	Corporate – Non Convertible	10,000	10	10
Covanta Holding Corp. 5.88% 07-01-2025 Callable 2020	United States	Corporate – Non Convertible	USD 40,000	49	54
Crown Subsea Communications Holing Inc. Term Loan 1st Lien F/R 11-02-2025	United States	Term Loans	USD 9,875	13	13
CU Inc. 3.76% 11-19-2046 Callable 2046	Canada	Corporate – Non Convertible	50,000	51	53
Dawn Acquisition LLC Term Loan 1st Lien F/R 10-25-2025	United States	Term Loans	USD 9,975	13	13
Dell International LLC Term Loan B 1st Lien F/R 09-07-2023	United States	Term Loans	USD 45,215	57	60
DNB Boligkreditt AS 2.00% 05-28-2020	Norway	Corporate – Non Convertible	USD 200,000	256	266
Eastern Power LLC Term Loan B 1st Lien F/R 10-02-2023	United States	Term Loans	USD 9,690	13	13
Electrical Components International Inc. Term Loan 1st Lien F/R 06-22-2025	United States	Term Loans	USD 9,925	13	13
Emera Inc. 2.90% 06-16-2023	Canada	Corporate – Non Convertible	20,000	19	20
Enbridge Inc. 4.57% 03-11-2044	Canada	Corporate – Non Convertible	50,000	51	53
Enbridge Inc. F/R 04-12-2078 Callable 2028	Canada	Corporate – Non Convertible	20,000	20	21
ENC Holding Corp. Term Loan 1st Lien F/R 05-30-2025	United States	Term Loans	USD 9,929	13	13
Ensono LP Term Loan 1st Lien F/R 04-30-2025	United States	Term Loans	USD 9,925	13	13
EnTrans International LLC Term Loan 1st Lien F/R 10-29-2025	United States	Term Loans	USD 9,813	13	13
EPCOR Utilities Inc. 3.55% 11-27-2047 Callable 2047	Canada	Corporate – Non Convertible	10,000	10	10
European Investment Bank 1.25% 11-05-2020	Supra – National	n/a	100,000	98	99
Financial & Risk US Holdings Inc. 8.25% 11-15-2026 Callable 2021	United States	Corporate – Non Convertible	USD 10,000	13	13
First Eagle Holdings Inc. Term Loan B 1st Lien F/R 12-01-2024	United States	Term Loans	USD 9,975	13	13
Foundation Building Materials LLC Term Loan B 1st Lien F/R 05-11-2025	United States	Term Loans	USD 9,975	13	13
Fresenius US Finance II Inc. 4.25% 02-01-2021	Germany	Corporate – Non Convertible	USD 75,000	101	102
Frontera Generation Holdings LLC Term Loan B 1st Lien F/R 04-25-2025	United States	Term Loans	USD 9,925	13	13
Fusion Connect Inc. Term Loan B 1st Lien F/R 05-03-2023	United States	Term Loans	USD 9,625	12	12
GFL Environmental Inc. Term Loan B 1st Lien F/R 05-31-2025	Canada	Term Loans	USD 19,900	26	26
GFL Environmental Inc. 5.38% 03-01-2023 Callable 2020	Canada	Corporate – Non Convertible	USD 80,000	102	101
Government of Australia 3.25% 04-21-2029	Australia	Foreign Governments	AUD 170,000	176	183
Government of Australia 3.00% 03-21-2047	Australia	Foreign Governments	AUD 200,000	182	213
Government of Canada 0.75% 09-01-2021	Canada	Federal Government	20,000	19	20
Government of Canada 2.75% 06-01-2022	Canada	Federal Government	10,000	10	10
Government of Canada 2.50% 06-01-2024	Canada	Federal Government	90,000	92	94
Government of Canada 2.25% 06-01-2025	Canada	Federal Government	90,000	92	94



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BONDS (cont'd)					
Government of Ireland 1.00% 05-15-2026	Ireland	Foreign Governments	EUR 150,000	229	238
Government of Japan 0% 08-13-2019	Japan	Foreign Governments	JPY 25,000,000	300	302
Hadrian Merger Sub Inc. 8.50% 05-01-2026 Callable 2021	United States	Corporate – Non Convertible	USD 7,000	9	9
Halo Buyer Inc. Delayed Draw Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 2,941	4	4
Halo Buyer Inc. Term Loan 1st Lien F/R 06-28-2025	United States	Term Loans	USD 6,984	9	9
Heathrow Funding Ltd. 3.40% 03-08-2028	United Kingdom	Corporate – Non Convertible	20,000	20	20
Heathrow Funding Ltd. 3.79% 09-04-2030 Callable 2030	United Kingdom	Corporate – Non Convertible	20,000	20	21
Hillman Group Inc. Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 25	–	–
Hornblower Sub LLC Term Loan 1st Lien F/R 04-27-2025	United States	Term Loans	USD 10,000	13	13
Hornblower Sub LLC Term Loan 1st Lien F/R 04-28-2025	United States	Term Loans	USD 9,900	13	13
HSBC Bank Canada 2.54% 01-31-2023	Canada	Corporate – Non Convertible	20,000	20	20
Hydro One Inc. 2.97% 06-26-2025 Callable 2025	Canada	Corporate – Non Convertible	10,000	10	10
Hydro One Inc. 3.72% 11-18-2047	Canada	Corporate – Non Convertible	50,000	50	52
Hydro-Quebec 4.00% 02-15-2055	Canada	Provincial Governments	50,000	59	65
IEA Energy Services LLC Term Loan 1st Lien F/R 11-02-2024	United States	Term Loans	USD 9,750	12	12
Innovative Water Care Global Corp. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 10,000	12	13
Institutional Shareholder Services Inc. Term Loan 1st Lien F/R 02-26-2026	United States	Term Loans	USD 10,000	13	13
Inter Pipeline Ltd. F/R 03-26-2079 Callable 2029	Canada	Corporate – Non Convertible	10,000	10	10
Interior Logic Group Holdings IV LLC Term Loan B 1st Lien F/R 05-21-2025	United States	Term Loans	USD 19,900	25	26
Intermedia Holdings Inc. Term Loan B 1st Lien F/R 07-13-2025	United States	Term Loans	USD 9,975	13	13
Isagenix International LLC Term Loan 1st Lien F/R 04-26-2025	United States	Term Loans	USD 9,625	12	12
Ivanhoe Cambridge II Inc. 2.91% 06-27-2023 Callable 2023	Canada	Corporate – Non Convertible	10,000	10	10
Janus International Group LLC Term Loan 1st Lien F/R 02-15-2025	United States	Term Loans	USD 10,000	13	13
JP Intermediate B LLC Term Loan 1st Lien F/R 10-19-2025	United States	Term Loans	USD 9,875	13	12
JPMorgan Chase & Co. 3.19% 03-05-2021	United States	Corporate – Non Convertible	30,000	31	31
Keane Group Holdings LLC Term Loan B 1st Lien F/R 05-18-2025	United States	Term Loans	USD 9,925	13	13
Kestrel Acquisition LLC Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 19,875	26	27
The KeyW Holding Corp. Term Loan 1st Lien F/R 05-04-2024	United States	Term Loans	USD 9,302	12	12
Kindred Healthcare Inc. Term Loan B 1st Lien F/R 06-21-2025	United States	Term Loans	USD 9,950	13	13
Kommunalbanken AS 2.13% 02-11-2025	Norway	Foreign Governments	USD 200,000	251	262
Kommuninvest I Sverige AB 2.50% 12-01-2020	Sweden	Foreign Governments	SEK 900,000	149	135
The Korea Development Bank 5.13% 11-13-2020	South Korea	Foreign Governments	NZD 150,000	137	141
Kruger Products LP 6.00% 04-24-2025 Callable 2021	Canada	Corporate – Non Convertible	10,000	10	10
LBM Borrower LLC Term Loan 1st Lien F/R 08-20-2022	United States	Term Loans	USD 49,235	63	63
Lee Enterprises Inc. 9.50% 03-15-2022 Callable 2019	United States	Corporate – Non Convertible	USD 40,000	52	55
Manulife Financial Corp. F/R 05-09-2028 Callable 2023	Canada	Corporate – Non Convertible	10,000	10	10
Mattamy Group Corp. 6.50% 10-01-2025 Callable 2020	Canada	Corporate – Non Convertible	15,000	15	15
McDermott Technology Americas Inc. Term Loan B 1st Lien F/R 04-05-2025	United States	Term Loans	USD 9,900	12	13
Meredith Corp. Term Loan B 1st Lien F/R 01-31-2025	United States	Term Loans	USD 6,819	8	9
MidAmerican Energy Co. 3.95% 08-01-2047 Callable 2047	United States	Corporate – Non Convertible	USD 40,000	53	55
Minotaur Acquisition Inc. Term Loan 1st Lien F/R 02-27-2026	United States	Term Loans	USD 10,000	13	13
Morgan Stanley 3.00% 02-07-2024	United States	Corporate – Non Convertible	100,000	100	101
Neenah Foundry Co. Term Loan B 1st Lien F/R 12-08-2022	United States	Term Loans	USD 8,770	11	12
New Red Finance Inc. 5.00% 10-15-2025 Callable 2020	Canada	Corporate – Non Convertible	USD 5,000	6	7



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BONDS (cont'd)					
Nokia OYJ 3.38% 06-12-2022	Finland	Corporate – Non Convertible	USD 40,000	51	53
Northland Power Solar Finance One LP 4.40% 06-30-2032	Canada	Corporate – Non Convertible	40,516	43	43
Nova Scotia Power Inc. 3.57% 04-05-2049 Callable 2048	Canada	Corporate – Non Convertible	10,000	10	10
NRG Yield Operating LLC 5.38% 08-15-2024 Callable	United States	Corporate – Non Convertible	USD 40,000	52	53
Nykredit Realkredit AS 1.00% 01-01-2023	Denmark	Corporate – Non Convertible	DKK 800,000	165	168
OCI Beaumont LLC Term Loan B 1st Lien F/R 02-16-2025	United States	Term Loans	USD 9,900	12	13
Ontario Power Generation Inc. 3.84% 06-22-2048 Callable 2047	Canada	Corporate – Non Convertible	10,000	10	10
Ontario Power Generation Inc. 4.25% 01-18-2049 Callable 2048	Canada	Corporate – Non Convertible	10,000	10	11
Owens & Minor Inc. Term Loan B 1st Lien F/R 05-01-2025	United States	Term Loans	USD 9,950	13	10
Panther BF Aggregator 2 LP Term B 1st Lien F/R 03-18-2026	United States	Term Loans	USD 10,000	13	13
Parkland Fuel Corp. 6.00% 04-01-2026 Callable 2021	Canada	Corporate – Non Convertible	USD 10,000	13	13
Pattern Energy Group Inc. 5.88% 02-01-2024 Callable 2020	United States	Corporate – Non Convertible	USD 40,000	53	54
PepsiCo Inc. 2.15% 05-06-2024 Callable 2024	United States	Corporate – Non Convertible	75,000	73	74
PepsiCo Inc. 3.00% 10-15-2027 Callable 2027	United States	Corporate – Non Convertible	USD 100,000	128	133
Pisces Midco Inc. Term Loan B 1st Lien F/R 03-29-2025	United States	Term Loans	USD 22,860	30	29
Pisces Midco Inc. 8.00% 04-15-2026 Callable 2021	United States	Corporate – Non Convertible	USD 10,000	13	12
Prairie ECI Acquiror LP Term Loan 1st Lien F/R 03-07-2026	United States	Term Loans	USD 10,000	13	13
Project Leopard Holdings Inc. Term Loan 1st Lien F/R 07-07-2023	United States	Term Loans	USD 9,975	13	13
Prospect Medical Holdings Inc. Term Loan B 1st Lien F/R 02-15-2024	United States	Term Loans	USD 9,925	12	12
Province of Alberta 2.20% 06-01-2026	Canada	Provincial Governments	120,000	117	120
Province of Ontario 2.65% 02-05-2025	Canada	Provincial Governments	30,000	30	31
Province of Ontario 2.70% 06-02-2029	Canada	Provincial Governments	30,000	30	31
Province of Quebec 2.25% 02-22-2024	Canada	Provincial Governments	40,000	40	41
PS HoldCo LLC Term Loan 1st Lien F/R 03-02-2025	United States	Term Loans	USD 9,950	13	13
Queensland Treasury Corp. 2.75% 08-20-2027	Australia	Foreign Governments	AUD 250,000	236	248
R1 RCM Inc. Term Loan B 1st Lien F/R 05-02-2025	United States	Term Loans	USD 9,925	12	13
Realkredit Danmark AS 1.00% 04-01-2022	Denmark	Corporate – Non Convertible	DKK 2,000,000	413	418
Reliance Intermediate Holdings LP 6.50% 04-01-2023 Callable 2019	Canada	Corporate – Non Convertible	USD 5,000	7	7
Rogers Communications Inc. 4.00% 03-13-2024	Canada	Corporate – Non Convertible	75,000	80	79
Savage Enterprises LLC Term Loan B 1st Lien F/R 07-02-2025	United States	Term Loans	USD 8,957	12	12
Sigma Bidco BV Term Loan B 1st Lien F/R 03-07-2025	Netherlands	Term Loans	EUR 10,000	16	15
SIRVA Worldwide Inc. Term Loan 1st Lien F/R 07-31-2025	United States	Term Loans	USD 9,938	13	13
SIWF Holdings Inc. Term Loan 1st Lien F/R 05-25-2025	United States	Term Loans	USD 9,925	13	13
Spirit AeroSystems Inc. 3.95% 06-15-2023 Callable 2023	United States	Corporate – Non Convertible	USD 10,000	13	14
SS&C Technologies Inc. Term Loan B5 1st Lien F/R 04-16-2025	United States	Term Loans	USD 9,949	13	13
St. Joseph Energy Center LLC Term Loan 1st Lien F/R 04-06-2025	United States	Term Loans	USD 9,652	12	13
Staples Inc. Term Loan 1st Lien F/R 08-15-2024	United States	Term Loans	USD 79,375	100	105
Superior Plus LP 7.00% 07-15-2026 Callable 2021	Canada	Corporate – Non Convertible	USD 10,000	13	14
TELUS Corp. 3.30% 05-02-2029 Callable 2029	Canada	Corporate – Non Convertible	10,000	10	10
TerraForm Power Operating LLC 5.00% 01-31-2028 Callable 2027	United States	Corporate – Non Convertible	USD 60,000	77	78
Teva Pharmaceutical Industries Ltd. 2.20% 07-21-2021	Israel	Corporate – Non Convertible	USD 5,000	6	6
Thor Industries Inc. Term Loan B 1st Lien F/R 11-01-2025	United States	Term Loans	USD 18,303	24	23
Titan Acquisition Ltd. 7.75% 04-15-2026 Callable 2021	United Kingdom	Corporate – Non Convertible	USD 10,000	13	12
TMX Group Ltd. 3.78% 06-05-2028 Callable 2028	Canada	Corporate – Non Convertible	10,000	10	11
TransCanada PipeLines Ltd. 3.30% 07-17-2025 Callable 2025 MTN	Canada	Corporate – Non Convertible	100,000	104	103



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BONDS (cont'd)					
TransCanada Trust F/R 05-18-2077 Callable 2027	Canada	Corporate – Non Convertible	10,000	9	9
Travelpart Finance Luxembourg Sarl Term Loan 1st Lien F/R 03-18-2026	Luxembourg	Term Loans	USD 20,000	26	26
Treasury Corp. of Victoria 3.00% 10-20-2028	Australia	Foreign Governments	AUD 250,000	241	253
Trillium Windpower LP 5.80% 02-15-2033	United States	Corporate – Non Convertible	20,044	23	23
Ultra Clean Holdings Inc. Term Loan B 1st Lien F/R 08-27-2025	United States	Term Loans	USD 19,750	25	25
Unimin Corp. Term Loan 1st Lien F/R 05-21-2025	United States	Term Loans	USD 9,925	13	11
United States Treasury 0.13% 01-15-2023 Inflation Indexed	United States	Foreign Governments	USD 150,000	200	216
United States Treasury 0.63% 04-15-2023 Inflation Indexed	United States	Foreign Governments	USD 150,000	197	205
United States Treasury 0.13% 07-15-2024 Inflation Indexed	United States	Foreign Governments	USD 120,000	166	168
United States Treasury 2.25% 08-15-2027	United States	Foreign Governments	USD 50,000	62	66
United States Treasury 0.50% 01-15-2028 Inflation Indexed	United States	Foreign Governments	USD 150,000	193	204
United States Treasury 0.75% 07-15-2028 Inflation Indexed	United States	Foreign Governments	USD 320,000	424	439
United States Treasury 2.88% 08-15-2028	United States	Foreign Governments	USD 30,000	38	42
United States Treasury 3.13% 11-15-2028	United States	Foreign Governments	USD 40,000	53	57
United States Treasury 0.87% 01-15-2029 Inflation Indexed	United States	Foreign Governments	USD 160,000	214	221
United States Treasury 3.00% 02-15-2047	United States	Foreign Governments	USD 50,000	65	69
United States Treasury 1.01% 02-15-2048 Inflation Indexed	United States	Foreign Governments	USD 370,000	478	517
Vancouver Airport Authority 3.66% 11-23-2048 Callable 2048	Canada	Corporate – Non Convertible	20,000	20	22
VeriFone Systems Inc. Term Loan 1st Lien F/R 08-09-2025	United States	Term Loans	USD 9,975	13	13
Vertex Aerospace Services Corp. Term Loan B 1st Lien F/R 06-14-2025	United States	Term Loans	USD 9,920	13	13
Vistage Worldwide Inc. Term Loan 1st Lien F/R 02-01-2025	United States	Term Loans	USD 9,900	12	13
Vodafone Group PLC 3.75% 01-16-2024	United Kingdom	Corporate – Non Convertible	USD 10,000	13	14
VVC Holding Corp. Term Loan B 1st Lien F/R 02-07-2026	United States	Term Loans	USD 20,000	26	26
Vyair Medical Inc. Term Loan B 1st Lien F/R 04-06-2025	United States	Term Loans	USD 9,925	12	12
W/S Packaging Holdings Inc. 9.00% 04-15-2023 Callable 2020	United States	Corporate – Non Convertible	USD 10,000	13	14
Wells Fargo & Co. 3.19% 02-08-2024 Callable 2024	United States	Corporate – Non Convertible	20,000	20	20
Welltower Inc. 4.13% 03-15-2029 Callable 2028	United States	Corporate – Non Convertible	USD 10,000	13	14
Yak Access LLC Term Loan B 1st Lien F/R 06-26-2025	United States	Term Loans	USD 19,750	25	23
Zotec Partners LLC Term Loan 1st Lien F/R 02-09-2024	United States	Term Loans	USD 9,750	12	13
Total bonds				10,052	10,344

EQUITIES

ABN AMRO Group NV	Netherlands	Financials	4,052	153	122
Alnylam Pharmaceuticals Inc.	United States	Health Care	643	85	80
Alphabet Inc. Class C	United States	Communication Services	269	336	423
Amada Holdings Co. Ltd.	Japan	Industrials	7,000	100	92
Amazon.com Inc.	United States	Consumer Discretionary	153	205	365
American Water Works Co. Inc.	United States	Utilities	892	96	124
Apple Inc.	United States	Information Technology	954	190	242
Becton, Dickinson and Co.	United States	Health Care	445	112	148
BeiGene Ltd.	China	Health Care	300	59	53
Biogen Inc.	United States	Health Care	306	132	97
Cemex SAB de CV ADR	Mexico	Materials	13,138	114	81
Cerner Corp.	United States	Health Care	2,192	191	168
Comcast Corp. Class A	United States	Communication Services	6,968	348	373
Comerica Inc.	United States	Financials	1,820	191	178
Compagnie de Saint-Gobain	France	Industrials	2,006	149	97



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EQUITIES (cont'd)					
Compass Group PLC	United Kingdom	Consumer Discretionary	6,633	177	208
ConocoPhillips	United States	Energy	1,534	97	137
Continental AG	Germany	Consumer Discretionary	526	111	106
Covetrus Inc.	United States	Health Care	1,943	102	83
CVS Health Corp.	United States	Health Care	2,469	228	178
DexCom Inc.	United States	Health Care	455	33	72
EOG Resources Inc.	United States	Energy	1,399	193	178
Facebook Inc.	United States	Communication Services	1,763	378	394
Fifth Third Bancorp	United States	Financials	3,795	140	128
First Horizon National Corp.	United States	Financials	5,046	116	94
Foot Locker Inc.	United States	Consumer Discretionary	1,120	45	91
HeidelbergCement AG	Germany	Materials	1,844	214	177
Hexcel Corp.	United States	Industrials	1,233	110	114
ICICI Bank Ltd. ADR	India	Financials	6,207	65	95
Illumina Inc.	United States	Health Care	264	68	110
ING Groep NV	Netherlands	Financials	15,626	330	253
JPMorgan Chase & Co.	United States	Financials	1,852	228	250
KDDI Corp.	Japan	Communication Services	7,200	226	207
Kinden Corp.	Japan	Industrials	5,200	107	115
Kion Group AG	Germany	Industrials	1,018	112	71
KT Corp. ADR	South Korea	Communication Services	9,598	177	160
Kyocera Corp.	Japan	Information Technology	2,300	184	180
Lloyds Banking Group PLC	United Kingdom	Financials	229,475	246	248
Medtronic PLC	United States	Health Care	1,622	162	197
Micron Technology Inc.	United States	Information Technology	2,023	113	112
Microsoft Corp.	United States	Information Technology	1,759	171	277
Mitsubishi Electric Corp.	Japan	Industrials	6,900	142	118
Neurocrine Biosciences Inc.	United States	Health Care	318	37	37
Novartis AG Reg.	Switzerland	Health Care	2,378	257	306
Prudential PLC	United Kingdom	Financials	5,047	152	135
PT Bank Rakyat Indonesia (Persero) TBK	Indonesia	Financials	256,900	89	99
Regeneron Pharmaceuticals Inc.	United States	Health Care	163	84	89
Reinsurance Group of America Inc.	United States	Financials	1,267	230	240
Ross Stores Inc.	United States	Consumer Discretionary	1,821	177	227
Royal Caribbean Cruises Ltd.	United States	Consumer Discretionary	2,200	337	337
Rubis SCA	France	Utilities	2,604	195	190
Schneider Electric SE	France	Industrials	854	90	90
Shenzhou International Group Holdings Ltd.	China	Consumer Discretionary	5,000	59	90
Sony Corp.	Japan	Consumer Discretionary	2,800	133	157
Southwest Airlines Co.	United States	Industrials	4,554	338	316
Swedbank AB	Sweden	Financials	8,847	272	167
Synchrony Financial	United States	Financials	3,850	156	164
TE Connectivity Ltd.	United States	Information Technology	1,034	114	112
Tencent Holdings Ltd.	China	Communication Services	3,900	235	240
Total SA	France	Energy	4,909	381	365
Treasury Wine Estates Ltd.	Australia	Consumer Staples	3,320	46	47
United Continental Holdings Inc.	United States	Industrials	1,177	97	125



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MACKENZIE GLOBAL SUSTAINABILITY AND IMPACT BALANCED FUND

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SCHEDULE OF INVESTMENTS (cont'd)

As at March 31, 2019

	Country	Sector	Par Value/ No. of Shares/Units	Average Cost (\$ 000s)	Fair Value (\$ 000s)
EQUITIES (cont'd)					
Visa Inc. Class A	United States	Information Technology	1,256	170	262
Vonovia SE	Germany	Real Estate	4,542	265	315
Total equities				10,650	11,106
OPTIONS					
Options purchased (see schedule of options purchased)				25	10
Total options				25	10
EXCHANGE-TRADED FUNDS/NOTES					
iShares J.P. Morgan USD Emerging Markets Bond ETF	United States	Exchange-Traded Funds/Notes	400	56	59
VanEck Vectors J.P. Morgan EM Local Currency Bond ETF	United States	Exchange-Traded Funds/Notes	800	35	36
Total exchange-traded funds/notes				91	95
Transaction costs				(11)	—
Total investments				20,807	21,555
Derivative instruments (see schedule of derivative instruments)					(118)
Cash and cash equivalents					794
Other assets less liabilities					202
Total net assets					22,433



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SUMMARY OF INVESTMENT PORTFOLIO

March 31, 2019	
Portfolio Allocation	% of NAV
Equities	49.6
Bonds	45.8
<i>Bonds</i>	46.1
<i>Purchased options</i>	0.0
<i>Short futures</i>	(0.3)
Cash and short-term investments	3.5
Other assets (liabilities)	0.7
Exchange-traded funds/notes	0.4
Purchased currency options	0.0
Swaps	(0.0)

Regional Allocation	
	% of NAV
United States	50.6
Canada	8.7
Japan	5.2
Australia	4.2
Norway	3.8
Other	3.7
Cash and short-term investments	3.5
Germany	3.4
France	3.3
United Kingdom	2.9
Denmark	2.6
Netherlands	1.7
China	1.7
Switzerland	1.4
Sweden	1.3
South Korea	1.3
Other assets (liabilities)	0.7

Sector Allocation	
	% of NAV
Foreign government bonds	20.5
Corporate bonds	15.9
Financials	9.7
Communication services	8.0
Health care	7.2
Consumer discretionary	7.0
Term loans	6.7
Information technology	5.3
Industrials	5.1
Cash and short-term investments	3.5
Energy	3.0
Other	2.1
Real estate	1.4
Utilities	1.4
Provincial bonds	1.3
Materials	1.2
Other assets (liabilities)	0.7

March 31, 2018	
Portfolio Allocation	% of NAV
Bonds	48.7
<i>Bonds</i>	49.0
<i>Short futures</i>	(0.3)
Equities	48.5
Exchange-traded funds/notes	1.5
Cash and short-term investments	0.8
Other assets (liabilities)	0.5

Regional Allocation	
	% of NAV
United States	50.1
Canada	11.6
Japan	6.9
United Kingdom	4.9
Norway	3.9
Australia	3.6
Other	3.0
Germany	2.9
Denmark	2.1
France	2.0
South Korea	1.9
Netherlands	1.7
China	1.6
Sweden	1.4
Ireland	1.1
Cash and short-term investments	0.8
Other assets (liabilities)	0.5

Sector Allocation	
	% of NAV
Corporate bonds	21.4
Foreign government bonds	15.8
Financials	10.2
Consumer discretionary	9.4
Information technology	8.1
Health care	6.5
Term loans	6.5
Industrials	6.2
Other	3.5
Provincial bonds	2.1
Telecommunication services	2.1
Supra-national bonds	2.0
Energy	1.8
Utilities	1.6
Exchange-traded funds/notes	1.5
Cash and short-term investments	0.8
Other assets (liabilities)	0.5



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SCHEDULE OF OPTIONS PURCHASED

As at March 31, 2019

Underlying Interest	Number of Contracts	Option Type	Expiration Date	Strike Price \$	Premium Paid (\$ 000s)	Fair Value (\$ 000s)
Currency Call Option CAD/KRW	370,000	Call	Apr. 3, 2019	KRW 900.00	4	–
Currency Put Option USD/EUR	560,000	Put	Apr. 17, 2019	USD 1.15	2	–
iShares iBoxx \$ High Yield Corporate Bond ETF	70	Put	Apr. 18, 2019	USD 84.00	2	1
iShares iBoxx \$ High Yield Corporate Bond ETF	40	Put	Apr. 18, 2019	USD 85.00	2	1
iShares Barclays Capital TB ETF	40	Put	Jun. 21, 2019	USD 117.00	4	1
iShares iBoxx \$ High Yield Corporate Bond ETF	30	Put	Jun. 21, 2019	USD 84.00	3	2
iShares iBoxx \$ High Yield Corporate Bond ETF	30	Put	Jul. 19, 2019	USD 84.00	4	3
iShares Barclays Capital TB ETF	15	Put	Sep. 20, 2019	USD 116.00	2	1
iShares Barclays Capital TB ETF	15	Put	Sep. 20, 2019	USD 117.00	2	1
Total options					25	10



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SCHEDULE OF DERIVATIVE INSTRUMENTS

As at March 31, 2019

Schedule of Swap Contracts

Counterparty Credit Rating	Counterparty	Number of Contracts	Maturity Date	Fund Pays Counterparty Return on	Counterparty Pays Fund Return On	Notional Value (\$ 000s)	Unrealized (Losses) (\$ 000s)
AA	Bank of Montreal	1	Jan. 17, 2024	Fixed (NZD) interest rate at 2.20%	Floating interest LIBOR (NZD) 3 month rate	326	(7)
Unrealized (Losses)						326	(7)
Total swap contract						326	(7)

Schedule of Futures Contracts

Number of Contracts	Type of Contract	Expiration Date	Average Rate of Contracts (\$)	Notional Value* (\$ 000s)	Unrealized Losses (\$ 000s)
(2)	Euro-Bund Futures June 2019	Jun. 6, 2019	163.18 EUR	(499)	(9)
(1)	Euro-OAT Futures June 2019	Jun. 6, 2019	158.51 EUR	(244)	(6)
(3)	10 Year United States Treasury Note Futures June 2019	Jun. 19, 2019	123.44 USD	(498)	(3)
(4)	CME Ultra Term United States Treasury Bond Futures June 2019	Jun. 19, 2019	159.88 USD	(897)	(42)
Unrealized (Losses)				(2,138)	(60)
Total futures contracts				(2,138)	(60)

*Notional value represents the exposure to the underlying instruments as at March 31, 2019

Schedule of Forward Currency Contracts

Counterparty Credit Rating	Bought (\$ 000s)	Sold (\$ 000s)	Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized Gains (Losses) (\$ 000s)
A	120 Australian dollar	(113) Canadian dollar	Apr. 3, 2019	113	114	1
AA	31 U.S. dollar	(42) Canadian dollar	Apr. 4, 2019	42	42	–
AA	67 U.S. dollar	(67) Swiss franc	Apr. 4, 2019	(90)	(90)	–
AA	41 U.S. dollar	(36) Euro	Apr. 4, 2019	(55)	(54)	1
AA	5,800 Japanese yen	(52) U.S. dollar	Apr. 4, 2019	69	69	–
AA	21 U.S. dollar	(180) Norwegian krone	Apr. 4, 2019	(28)	(28)	–
AA	94 U.S. dollar	(870) Swedish krona	Apr. 4, 2019	(126)	(125)	1
A	145 Canadian dollar	(96) Euro	Apr. 5, 2019	(145)	(144)	1
AA	29 Canadian dollar	(22) U.S. dollar	Apr. 5, 2019	(29)	(29)	–
AA	595 Canadian dollar	(2,890) Danish krone	Apr. 10, 2019	(595)	(580)	15
AA	9,150 Japanese yen	(110) Canadian dollar	May 15, 2019	110	110	–
AA	114 Canadian dollar	(85) U.S. dollar	Jun. 7, 2019	(114)	(113)	1
AA	271 Canadian dollar	(202) U.S. dollar	Jun. 7, 2019	(271)	(270)	1
A	131 Canadian dollar	(98) U.S. dollar	Jun. 14, 2019	(131)	(131)	–
AA	315 Canadian dollar	(2,000) Norwegian krone	Jun. 19, 2019	(315)	(310)	5
Unrealized Gains						26
A	502 Canadian dollar	(535) Australian dollar	Apr. 3, 2019	(502)	(507)	(5)
A	117 Canadian dollar	(125) Australian dollar	Apr. 3, 2019	(117)	(118)	(1)
AA	15 Australian dollar	(10) U.S. dollar	Apr. 4, 2019	14	14	–
AA	16 British pound	(21) U.S. dollar	Apr. 4, 2019	28	27	(1)



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SCHEDULE OF DERIVATIVE INSTRUMENTS (cont'd)

As at March 31, 2019

Schedule of Forward Currency Contracts (cont'd)

Counterparty Credit Rating	Bought (\$ 000s)		Sold (\$ 000s)		Settlement Date	Contract Cost (\$ 000s)	Current Fair Value (\$ 000s)	Unrealized (Losses) (\$ 000s)
AA	106	New Zealand dollar	(73)	U.S. dollar	Apr. 4, 2019	97	97	–
A	38	Euro	(58)	Canadian dollar	Apr. 5, 2019	58	57	(1)
A	38	Euro	(58)	Canadian dollar	Apr. 5, 2019	58	57	(1)
AA	2,623	Canadian dollar	(1,985)	U.S. dollar	Apr. 5, 2019	(2,623)	(2,652)	(29)
AA	557	Canadian dollar	(420)	U.S. dollar	Apr. 12, 2019	(557)	(561)	(4)
AA	199	Canadian dollar	(210)	Australian dollar	May 1, 2019	(199)	(199)	–
AA	169	Canadian dollar	(180)	Australian dollar	May 1, 2019	(169)	(171)	(2)
AA	224	Canadian dollar	(149)	Euro	May 10, 2019	(224)	(224)	–
AA	189	Canadian dollar	(15,800)	Japanese yen	May 15, 2019	(189)	(191)	(2)
A	60	Canadian dollar	(3,300)	Indian rupee	May 17, 2019	(60)	(63)	(3)
AA	3	Canadian dollar	(2)	U.S. dollar	May 17, 2019	(3)	(3)	–
AA	704	Canadian dollar	(537)	U.S. dollar	May 17, 2019	(704)	(717)	(13)
AA	92	Canadian dollar	(70)	U.S. dollar	May 17, 2019	(92)	(94)	(2)
AA	178	Canadian dollar	(135)	U.S. dollar	May 17, 2019	(178)	(180)	(2)
AA	118	Canadian dollar	(90)	U.S. dollar	May 17, 2019	(118)	(120)	(2)
AA	508	Canadian dollar	(386)	U.S. dollar	Jun. 14, 2019	(508)	(515)	(7)
AA	53	Canadian dollar	(40)	U.S. dollar	Jun. 14, 2019	(53)	(53)	–
AA	114	Canadian dollar	(312)	Israeli shekel	Nov. 5, 2019	(114)	(116)	(2)
Unrealized (Losses)								(77)
Total forward currency contracts								(51)
Total derivative instruments at fair value								(118)



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NOTES TO FINANCIAL STATEMENTS

1. Fiscal Periods and General Information

The information provided in these financial statements and notes thereto is for the periods ended or as at March 31, 2019 and 2018, as applicable. In the year a Fund or series is established or reinstated, 'period' represents the period from inception or reinstatement. Refer to Note 9 for the formation date of the Fund and the inception date of each series.

The Fund 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 Fund's registered office is 180 Queen Street West, Toronto, Ontario, Canada. The Fund is authorized to issue an unlimited number of units (referred to as "security" or "securities") of multiple series. Series of the Fund are available for sale under Simplified Prospectus or exempt distribution options.

Mackenzie Financial Corporation ("Mackenzie") is the manager of the Fund and is wholly owned by IGM Financial Inc., a subsidiary of Power Financial Corporation, which itself is a subsidiary of Power Corporation of Canada. The Great-West Life Assurance Company, London Life Insurance Company and The Canada Life Assurance Company (collectively, the "Related Insurance Companies") are wholly owned by Great-West Lifeco Inc., which is also a subsidiary of Power Financial Corporation. Investments in companies within the Power Group of companies held by the Fund are identified in the Schedule of Investments.

2. Basis of Preparation and Presentation

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

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

These financial statements were authorized for issue by the Board of Directors of Mackenzie Financial Corporation on June 3, 2019.

3. Significant Accounting Policies

(a) Financial instruments

Financial instruments include financial assets and liabilities such as debt and equity securities, open-ended investment funds and derivatives. The Fund 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 Fund 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 Fund has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation is discharged, cancelled and 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 Fund's redeemable securities contain multiple dissimilar contractual obligations and therefore meet the criteria for classification as financial liabilities under IAS 32, *Financial Instruments: Presentation*. The Fund's obligation for net assets attributable to securityholders is presented at the redemption amount.

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

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



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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(a) Financial instruments (cont'd)

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

(b) Fair value measurement

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

Investments listed on a public securities exchange or traded on an over-the-counter market are valued on the basis of the last traded market price or close price recorded by the security exchange on which the security is principally traded, where this price falls within the quoted bid-ask spread for the investment. In circumstances where this price is not within the bid-ask spread, Mackenzie determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Mutual fund securities of an underlying fund are valued on a business day at the price calculated by the manager of such underlying fund in accordance with the constating documents of such underlying fund. Unlisted or non-exchange traded investments, or investments where a last sale or close price is unavailable or investments for which market quotations are, in Mackenzie's opinion, inaccurate, unreliable, or not reflective of all available material information, are valued at their fair value as determined by Mackenzie using appropriate and accepted industry valuation techniques including valuation models. The fair value determined using valuation models requires the use of inputs and assumptions based on observable market data including volatility and other applicable rates or prices. In limited circumstances, the fair value may be determined using valuation techniques that are not supported by observable market data.

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

Cash and cash equivalents which includes cash on deposit with financial institutions and short-term investments that are readily convertible to cash, are subject to an insignificant risk of changes in value, and are used by the Fund 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 Fund 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 Fund 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 Fund's portfolio manager(s), provided that the use of the derivative is consistent with the Fund's investment objectives. Any use of derivatives will comply with Canadian mutual fund laws, subject to the regulatory exemptions granted to the Fund, as applicable. Refer to "Exemptions from National Instrument 81-102" in the Annual Information Form of the Fund for further details, including the complete conditions of these exemptions, 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 Fund are equal to the unrealized gains or losses on a "mark to market" basis. These unrealized gains or losses are recorded and reported as such until the Fund closes out the contract or the contract expires. Margin paid or deposited in respect of futures contracts or swaps is reflected as a receivable in the Statement of Financial Position – Margin on derivatives. Any change in the variation margin requirement is settled daily.

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

Refer to the Schedule of Derivative Instruments and Schedule of Options Purchased/Written, as applicable, included in the Schedule of Investments for a listing of derivative and options positions as at March 31, 2019.



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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(c) Income recognition

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

Income, realized gains (losses) and unrealized gains (losses) are allocated daily among the series on a pro-rata basis.

(d) Commissions and other portfolio transaction costs

Commissions and other portfolio transaction costs are costs incurred to acquire, issue or dispose of financial assets or liabilities. They include fees and commissions paid to agents, advisers, brokers and dealers. Commissions may be paid to brokerage firms which provide (or pay for) certain services, other than order execution, which may include investment research, analysis and reports, and databases or software in support of these services. Where applicable and ascertainable, the value of third-party services that were paid for by brokers during the periods is disclosed in Note 9. The value of certain proprietary services provided by brokers cannot be reasonably estimated.

(e) Securities lending, repurchase and reverse repurchase transactions

The Fund is permitted to enter into securities lending, repurchase and reverse repurchase transactions as set out in the Fund's Simplified Prospectus. These transactions involve the temporary exchange of securities for collateral with a commitment to redeliver the same securities on a future date.

Securities lending transactions are administered by Canadian Imperial Bank of Commerce (the "Securities Lending Agent"). The value of cash or securities held as collateral must be at least 102% of the fair value of the securities loaned, sold or purchased. Income is earned from these transactions in the form of fees paid by the counterparty and, in certain circumstances, interest paid on cash or securities held as collateral. Income earned from these transactions is included in the Statement of Comprehensive Income – Securities lending income and recognized when earned.

Note 9 summarizes the details of securities loaned and collateral received, as well as a reconciliation of securities lending income, if applicable.

(f) Offsetting

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. In the normal course of business, the Fund 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 9 summarizes the details of such offsetting, if applicable.

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

(g) Foreign currency

The functional and presentation currency of the Fund 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 securityholders per security

Net assets attributable to securityholders per security is computed by dividing the net assets attributable to securityholders of a series of securities on a business day by the total number of securities of the series outstanding on that day.

(i) Net asset value per security

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 securityholders (as reported in the financial statements), if any, is mainly due to differences in fair value of investments and other financial assets and liabilities. Refer to Note 9 for the Fund's NAV per security.



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NOTES TO FINANCIAL STATEMENTS

3. Significant Accounting Policies (cont'd)

(j) Increase (decrease) in net assets attributable to securityholders from operations per security

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

(k) Mergers

The Fund applies the acquisition method of accounting for Fund mergers. Under this method, one of the Funds in each merger is identified as the acquiring Fund, and is referred to as the Continuing Fund, and the other Fund involved in the merger is referred to as the Terminated Fund. This identification is based on the comparison of the relative net asset values of the Funds as well as consideration of the continuation of such aspects of the Continuing Fund as: investment advisors; investment objectives and practices; type of portfolio securities; and management fees and expenses.

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.

Use of Estimates

Fair value of securities not quoted in an active market

The Fund 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 Fund.

Use of Judgments

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

In classifying and measuring financial instruments held by the Fund, Mackenzie is required to make significant judgments in order to determine the most appropriate classification in accordance with IFRS 9. Mackenzie has assessed the Fund'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 Fund's financial instruments.

Functional currency

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

Structured entities and associates

In determining whether an unlisted open-ended investment fund or an exchange-traded fund in which the Fund 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 Fund does not have contracts or financing arrangements with these underlying funds and the Fund 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 Fund 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 securityholders as at the end of the taxation year. It is the intention of the Fund to distribute all of its net income and sufficient net realized capital gains so that the Fund will not be subject to income taxes other than foreign withholding taxes, if applicable.

Losses of the Fund cannot be allocated to investors and are retained in the Fund 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 9 for the Fund's loss carryforwards.



NOTES TO FINANCIAL STATEMENTS

6. Management Fees and Operating Expenses

Mackenzie is paid a management fee for managing the investment portfolio, providing investment analysis and recommendations, making investment decisions, making brokerage arrangements relating to the purchase and sale of the investment portfolio and making arrangements with registered dealers for the purchase and sale of securities of the Fund by investors. The management fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Each series of the Fund, except B-Series, is charged a fixed rate annual administration fee ("Administration Fee") and in return, Mackenzie bears all of the operating expenses of the Fund, other than certain specified fund costs. The Administration Fee is calculated on each series of securities of the Fund as a fixed annual percentage of the daily net asset value of the series.

Other fund costs include taxes (including, but not limited to GST/HST and income tax), interest and borrowing costs, all fees and expenses of the Mackenzie Funds' Independent Review Committee (IRC), costs of complying with the regulatory requirement to produce Fund Facts, fees paid to external service providers associated with tax reclaims, refunds or the preparation of foreign tax reports on behalf of the Funds, new fees related to external services that were not commonly charged in the Canadian mutual fund industry and introduced after the date of the most recently filed simplified prospectus, and the costs of complying with any new regulatory requirements, including, without limitation, any new fees introduced after the date of the most recently filed simplified prospectus.

All expenses relating to the operation of the Fund attributable to B-Series securities will be charged to that particular series. Operating expenses include legal, audit, transfer agent, custodian, administration and trustee services, cost of financial reporting and Simplified Prospectus printing, regulatory filing fees and other miscellaneous expenses specifically attributable to the B-Series securities and any applicable taxes.

Mackenzie may waive or absorb management fees and/or Administration Fees at its discretion and stop waiving or absorbing such fees at any time without notice. Refer to Note 9 for the management fee and Administration Fee rates charged to each series of securities.

7. Fund's Capital

The capital of the Fund, which is comprised of the net assets attributable to securityholders, is divided into different series with each series having an unlimited number of securities. The securities outstanding for the Fund as at March 31, 2019 and 2018 and securities issued, reinvested and redeemed for the periods are presented in the Statement of Changes in Financial Position. Mackenzie manages the capital of the Fund in accordance with the investment objectives as discussed in Note 9.

8. Financial Instruments Risk

i. Risk exposure and management

The Fund's investment activities expose it to a variety of financial risks, as defined in IFRS 7 *Financial Instruments: Disclosures* ("IFRS 7"). The Fund's exposure to financial risks is concentrated in its investments, which are presented in the Schedule of Investments, as at March 31, 2019, grouped by asset type, with geographic and sector information.

Mackenzie seeks to minimize potential adverse effects of financial risks on the Fund's performance by employing professional, experienced portfolio advisors, by monitoring the Fund's positions and market events daily, by diversifying the investment portfolio within the constraints of the Fund'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 Fund's investment activities and monitors compliance with the Fund's stated investment strategy, internal guidelines, and securities regulations.

ii. Liquidity risk

Liquidity risk arises when the Fund encounters difficulty in meeting its financial obligations as they come due. The Fund is exposed to liquidity risk due to potential daily cash redemptions of redeemable securities. In accordance with securities regulations, the Fund must maintain at least 90% of its assets in liquid investments (i.e., investments that can be readily sold). In addition, the Fund retains sufficient cash and short-term investment positions to maintain adequate liquidity. The Fund also has the ability to borrow up to 5% of its net assets for the purposes of funding redemptions.

iii. Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Fund's reporting currency, fluctuates due to changes in exchange rates. Note 9 summarizes the Fund's exposure, if applicable and significant, to currency risk.



NOTES TO FINANCIAL STATEMENTS

8. Financial Instruments Risk (cont'd)

iv. Interest rate risk

Interest rate risk arises when the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and cash equivalents do not expose the Fund to significant amounts of interest rate risk. Note 9 summarizes the Fund's exposure, if applicable and significant, to interest rate risk.

v. Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. This risk is managed through a careful selection of investments and other financial instruments within the parameters of the investment strategies. Except for certain derivative contracts, the maximum risk resulting from financial instruments is equivalent to their fair value. The maximum risk of loss on certain derivative contracts such as forwards, swaps, and futures contracts is equal to their notional values. In the case of written call (put) options and short futures contracts, the loss to the Fund continues to increase, without limit, as the fair value of the underlying interest increases (decreases). However, these instruments are generally used within the overall investment management process to manage the risk from the underlying investments and do not typically increase the overall risk of loss to the Fund. This risk is mitigated by ensuring that the Fund holds a combination of the underlying interest, cash cover and/or margin that is equal to or greater than the value of the derivative contract. Note 9 summarizes the Fund's exposure, if applicable and significant, to other price risk.

vi. Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund. Note 9 summarizes the Fund's exposure, if applicable and significant, to credit risk.

All transactions in listed securities are executed with approved brokers. To minimize the possibility of settlement default, securities are exchanged for payment simultaneously, where market practices permit, through the facilities of a central depository and/or clearing agency where customary.

The carrying amount of investments and other assets represents the maximum credit risk exposure as at the date of the Statement of Financial Position.

The Fund 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 funds

The Fund may invest in underlying funds 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 funds. Note 9 summarizes the Fund's exposure, if applicable and significant, to these risks from underlying funds.



MACKENZIE GLOBAL SUSTAINABILITY AND IMPACT BALANCED FUND

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9. Fund Specific Information (in '000s, except for (a))

(a) Fund Formation and Series Information

Date of Formation September 29, 2017

The Fund may issue an unlimited number of securities of each series. The number of issued and outstanding securities of each series is disclosed in the Statements of Changes in Financial Position.

Series Offered by Mackenzie Financial Corporation (180 Queen Street West, Toronto, Ontario, M5V 3K1; 1-800-387-0614; www.mackenzieinvestments.com)

Series A, Series T5 and Series T8 securities are offered to retail investors investing a minimum of \$500 (\$5,000 for Series T5 and Series T8). Investors in Series T5 and Series T8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series AR securities are offered to retail investors in a Registered Disability Savings Plan offered by Mackenzie.

Series D securities are offered to retail investors investing a minimum of \$500 through a discount brokerage or other account approved by Mackenzie.

Series F, Series F5 and Series F8 securities are offered to investors who are enrolled in a dealer-sponsored fee-for-service or wrap program, who are subject to an asset-based fee rather than commissions on each transaction and who invest at least \$500 (\$5,000 for Series F5 and Series F8); they are also available to employees of Mackenzie and its subsidiaries, and directors of Mackenzie. Investors in Series F5 and Series F8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series FB and Series FB5 securities are offered to retail investors investing a minimum of \$500. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series FB5 securities also want to receive a monthly cash flow of 5% per year.

Series O securities are offered only to investors investing a minimum of \$500,000 who are enrolled in Mackenzie Portfolio Architecture Service or Open Architecture Service; certain institutional investors; and certain qualifying employees of Mackenzie and its subsidiaries.

Series PW, Series PWT5 and Series PWT8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors in Series PWT5 and Series PWT8 securities also want to receive a monthly cash flow of 5% or 8% per year, respectively.

Series PWFB and Series PWFB5 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWFB5 securities also want to receive a monthly cash flow of 5% per year.

Series PWR securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000 in a Registered Disability Savings Plan offered by Mackenzie.

Series PWX and Series PWX8 securities are offered through our Private Wealth Solutions to certain high net worth investors who invest a minimum of \$100,000. Investors are required to negotiate their advisor service fee, which cannot exceed 1.50%, with their financial advisor. Investors in Series PWX8 securities also want to receive a monthly cash flow of 8% per year.

Series PWF, Series PWF5 and Series PWF8 securities are no longer available for sale. Effective June 1, 2018, Series PWF, Series PWF5 and Series PWF8 securities were consolidated into Series F, Series F5 and Series F8 securities, respectively.

An investor in the Fund may choose among different purchase options that are available under each series. These purchase options are a sales charge purchase option, a redemption charge purchase option and various low-load purchase options. The charges under the sales charge purchase option are negotiated by investors with their dealers. The charges under the redemption charge and low-load purchase options are paid to Mackenzie if an investor redeems securities of the Fund during specific periods. Not all purchase options are available under each series of the Fund, and the charges for each purchase option may vary among the different series. For further details on these purchase options, please refer to the Fund's Simplified Prospectus and Fund Facts.



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9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(a) Fund Formation and Series Information (cont'd)

Series	Inception/ Reinstatement Date	Management Fees	Administration Fees	Net Asset Value per Security (\$)	
				Mar. 31, 2019	Mar. 31, 2018
Series A	October 16, 2017	1.85%	0.24%	10.33	10.19
Series AR	October 16, 2017	1.85%	0.27%	10.34	10.20
Series D	October 16, 2017	1.10%	0.16%	10.42	10.24
Series F	October 16, 2017	0.70% ⁽³⁾	0.15% ⁽⁶⁾	10.45	10.25
Series F5	October 16, 2017	0.70% ⁽³⁾	0.15% ⁽⁶⁾	14.68	15.01
Series F8	October 16, 2017	0.70% ⁽³⁾	0.15% ⁽⁶⁾	14.00	14.78
Series FB	October 16, 2017	0.85%	0.24%	10.43	10.25
Series FB5	October 16, 2017	0.85%	0.24%	14.63	15.00
Series O	October 16, 2017	— ⁽¹⁾	— *	10.53	10.30
Series PW	October 16, 2017	1.70% ⁽⁴⁾	0.15%	10.36	10.21
Series PWF	None issued ⁽⁷⁾	0.80%	0.15%	—	10.26
Series PWF5	None issued ⁽⁸⁾	0.80%	0.15%	—	15.03
Series PWF8	None issued ⁽⁹⁾	0.80%	0.15%	—	14.81
Series PWFB	October 16, 2017	0.70% ⁽⁵⁾	0.15%	10.47	10.27
Series PWFB5	October 16, 2017	0.70% ⁽⁵⁾	0.15%	14.71	15.03
Series PWR	None issued	1.70%	0.15%	—	—
Series PWT5	October 16, 2017	1.70% ⁽⁴⁾	0.15%	14.49	14.95
Series PWT8	October 16, 2017	1.70% ⁽⁴⁾	0.15%	13.83	14.73
Series PWX	October 16, 2017	— ⁽²⁾	— ⁽²⁾	10.53	10.30
Series PWX8	October 16, 2017	— ⁽²⁾	— ⁽²⁾	14.18	14.85
Series T5	October 16, 2017	1.85%	0.24%	14.41	14.93
Series T8	October 16, 2017	1.85%	0.24%	13.75	14.70

* Not applicable.

(1) This fee is negotiable and payable directly to Mackenzie by investors in this series.

(2) This fee is payable directly to Mackenzie by investors in this series through redemptions of their securities.

(3) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.85%.

(4) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 1.80%.

(5) Prior to June 1, 2018, the management fee for this series was charged to the Fund at a rate of 0.80%.

(6) Prior to June 1, 2018, the administration fee for this series was charged to the Fund at a rate of 0.16%.

(7) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F on June 1, 2018.

(8) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F5 on June 1, 2018.

(9) The series' original start date was October 16, 2017. All securities in the series were consolidated into Series F8 on June 1, 2018.



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9. Fund Specific Information (in '000s, except for (a)) (cont'd)

(b) Investments by Mackenzie and Affiliates

As at March 31, 2019, Mackenzie had an investment of \$3,475 (2018 – \$14,660) in the Fund.

(c) Loss Carryforwards

As at the last taxation year-end, the Fund has capital losses of \$66 which may be carried forward indefinitely to reduce future realized losses. There were no non-capital losses available to carry forward for tax purposes.

(d) Securities Lending

The value of securities loaned and collateral received from securities lending at March 31, 2019 and 2018, were as follows:

	March 31, 2019	March 31, 2018
	(\$)	(\$)
Value of securities loaned	1,198	–
Value of collateral received	1,386	–

Collateral received is comprised of debt obligations of the Government of Canada and other countries, Canadian provincial and municipal governments and financial institutions.

A reconciliation of the gross amount generated from the securities lending transactions to the security lending income to the Fund for the periods ended March 31, 2019 and 2018 is as follows:

	2019		2018	
	(\$)	(%)	(\$)	(%)
Gross securities lending income	1	100.0	–	–
Tax withheld	–	–	–	–
	1	100.0	–	–
Payments to Securities Lending Agent	–	–	–	–
Securities lending income	1	100.0	–	–

(e) Commissions

The value of third-party services paid for by brokers during the period, is disclosed in the table below:

	(\$)
March 31, 2019	–
March 31, 2018	1

(f) Unfunded Credit Agreements

The Fund has entered into credit agreements whereby the Fund commits to fund a participation in a senior unsecured credit facility (“Commitment Amount”) during an agreed upon period of time (“Commitment Period”). In exchange for providing this potential funding the Fund is entitled to receive a commitment fee (“Commitment Fee”) from the issuer equal to a certain percentage of the Commitment Amount at the end of the Commitment Period. The funding requirement and the Commitment Fee are both contingent on whether or not the issuer of the credit agreement completes a contemplated transaction by the end of the Commitment Period. As at March 31, 2019, none of the Commitment Amounts were funded (March 31, 2018 – \$Nil). The unfunded Commitment Amounts, the Commitment Fee rates and Commitment Period end date are listed below.

	Total Unfunded Commitment Amount (US\$)	Total Number of Commitments	Range of Unfunded Commitment Amounts (US\$)	Range of Commitment Fee Rates (%)	Range of Commitment Period End Date
March 31, 2019	–	–	–	–	–
March 31, 2018	30	3	7 - 13	0.750	June 18, 2018 - August 21, 2018



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

(g) Offsetting of Financial Assets and Liabilities

The table below presents 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.

	March 31, 2019			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	3	(3)	–	–
Unrealized losses on derivative contracts	(66)	3	101	38
Liability for options written	–	–	–	–
Total	(63)	–	101	38

	March 31, 2018			
	Gross amount of assets/liabilities (\$)	Amount available for offset (\$)	Margin (\$)	Net amount (\$)
Unrealized gains on derivative contracts	4	(2)	–	2
Unrealized losses on derivative contracts	(74)	2	130	58
Liability for options written	–	–	–	–
Total	(70)	–	130	60

(h) Risks Associated with Financial Instruments

i. Risk exposure and management

The Fund seeks capital growth and income by investing primarily in a combination of equities and fixed income securities of issuers located anywhere in the world. Depending on economic conditions and relative valuations by the Fund's portfolio managers, the Fund will generally invest 30% to 70% of its assets in each of equity and fixed income securities, but may invest up to 100% of its assets in either asset class. The Fund follows an approach to investing that focuses on sustainable and responsible issuers.



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

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

ii. Currency risk

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

Currency	March 31, 2019			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	12,337	42	(6,098)	6,281
Euro	2,039	41	425	2,505
Japanese yen	1,171	(21)	(12)	1,138
British pound	591	–	27	618
Hong Kong dollar	330	–	–	330
New Zealand dollar	141	–	97	238
Swiss franc	306	–	(90)	216
Swedish krona	302	–	(125)	177
Indonesian rupiah	99	–	–	99
Australian dollar	944	6	(867)	83
Danish krone	586	–	(580)	6
Indian rupee	66	–	(63)	3
Israeli shekel	115	–	(116)	(1)
Norwegian krone	315	–	(338)	(23)
South Korean won	–	–	(370)	(370)
Total	19,342	68	(8,110)	11,300
% of Net Assets	86.2	0.3	(36.1)	50.4



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9. Fund Specific Information (in '000s, except for (a)) (cont'd)

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

ii. Currency risk (cont'd)

Currency	March 31, 2018			
	Investments (\$)	Cash and Short-Term Investments (\$)	Derivative Instruments (\$)	Net Exposure* (\$)
U.S. dollar	11,492	111	(5,613)	5,990
Japanese yen	1,478	–	(294)	1,184
Euro	1,697	12	(943)	766
British pound	715	4	(224)	495
Hong Kong dollar	349	–	–	349
Indian rupee	342	–	–	342
Swedish krona	306	(4)	(92)	210
New Zealand dollar	145	–	15	160
South Korean won	110	–	–	110
Swiss franc	208	–	(103)	105
Australian dollar	488	3	(446)	45
Norwegian krone	328	–	(294)	34
Danish krone	440	–	(446)	(6)
Total	18,098	126	(8,440)	9,784
% of Net Assets	84.3	0.6	(39.3)	45.6

* Includes both monetary and non-monetary financial instruments

As at March 31, 2019, had the Canadian dollar increased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have decreased by approximately \$584 or 2.6% of total net assets (2018 – \$489 or 2.3%). Similarly, had the Canadian dollar decreased by 5% relative to all foreign currencies, with all other variables held constant, net assets would have increased by approximately \$584 or 2.6% of the total net assets (2018 – \$489 or 2.3%). In practice, the actual trading results may differ and the difference could be material.

iii. Interest rate risk

The table below summarizes the Fund's exposure to interest rate risks from its investments in bonds by term to maturity.

Term to Maturity	March 31, 2019 (\$)		March 31, 2018 (\$)	
	Bonds	Derivative Instruments	Bonds	Derivative Instruments
Less than 1 year	417	(2,138)	734	(1,998)
1-5 years	3,002	(326)	3,320	–
5-10 years	5,350	–	5,356	–
Greater than 10 years	1,575	–	1,113	–
Total	10,344	(2,464)	10,523	(1,998)

As at March 31, 2019, had prevailing interest rates increased by 1%, assuming a parallel shift in the yield curve, with all other variables held constant, net assets would have decreased by approximately \$221 or 1.0% (2018 – \$301 or 1.4%) of total net assets. Similarly, had prevailing interest rates decreased by 1%, with all other variables held constant, net assets would have increased by approximately \$362 or 1.6% (2018 – \$301 or 1.4%) of total net assets. In practice, the actual trading results may differ and the difference could be material.



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NOTES TO FINANCIAL STATEMENTS

9. Fund Specific Information (in '000s, except for (a)) (cont'd)

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

iv. Other price risk

The Fund's most significant exposure to price risk arises from its investment in equity securities and exchange-traded funds/notes. As at March 31, 2019, had the prices on the respective stock exchanges for these securities increased or decreased by 10%, with all other variables held constant, net assets would have increased or decreased by approximately \$1,120 or 5.0% (2018 – \$1,075 or 5.0%) of total net assets. In practice, the actual trading results may differ and the difference could be material.

v. Credit risk

The Fund's greatest concentration of credit risk is in debt securities, such as bonds. The fair value of debt securities includes consideration of the creditworthiness of the debt issuer. The maximum exposure to any one debt issuer as at March 31, 2019 was 9.8% (2018 – 5.3%) of the net assets of the Fund.

As at March 31, 2019 and 2018, debt securities by credit rating are as follows:

Bond Rating*	March 31, 2019	March 31, 2018
	% of Net Assets	% of Net Assets
AAA	12.6	16.1
AA	11.8	6.5
A	6.4	10.1
BBB	5.2	6.7
Less than BBB	9.4	9.4
Unrated	0.7	0.2
Total	46.1	49.0

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

(i) Fair Value Classification

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

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

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

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

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

	March 31, 2019				March 31, 2018			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
Bonds	–	10,344	–	10,344	–	10,523	–	10,523
Equities	11,106	–	–	11,106	7,796	2,637	–	10,433
Options	3	7	–	10	–	–	–	–
Exchange-traded funds/notes	95	–	–	95	312	–	–	312
Derivative assets	–	26	–	26	–	35	–	35
Derivative liabilities	(60)	(84)	–	(144)	(59)	(70)	–	(129)
Short-term investments	–	–	–	–	–	27	–	27
Total	11,144	10,293	–	21,437	8,049	13,152	–	21,201



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NOTES TO FINANCIAL STATEMENTS

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

(i) Fair Value Classification (cont'd)

The Fund'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.

In accordance with the Fund's valuation policy, the Fund applies fair value adjustment factors to the quoted market prices for non-North American equities when North American intraday stock market movements exceed pre-determined tolerances. The adjustment factors are applied in order to estimate the impact on fair values of events occurring between the close of the non-North American stock markets and the close of business for the Fund. If fair value adjustment factors are applied, non-North American equities are classified as Level 2. Consequently, during the period ended March 31, 2019, non-North American equities frequently transferred between Level 1 (unadjusted quoted market prices) and Level 2 (adjusted market prices).

As at March 31, 2019, these securities were classified as Level 1. As at March 31, 2018, fair value adjustments were applied to the majority of securities in non-North American markets (Level 2) that were closed on the last business day. The remaining non-North American securities were classified as Level 1. Other than as described above, there were no significant transfers between Level 1 and Level 2.

Other 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.

(j) Comparative Amounts

Certain prior period comparative amounts have been reclassified to conform to the current period's presentation.

