

# CI MSCI International Low Risk Weighted ETF

## Management Report of Fund Performance for the period ended June 30, 2022

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the investment fund. You can get a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-792-9355, by writing to us at CI Investments Inc., 15 York Street, Second Floor, Toronto, ON, M5J 0A3 or by visiting our website at [www.ci.com](http://www.ci.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

Securityholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

To request an alternate format of this document, please contact us at [service@ci.com](mailto:service@ci.com) or 1-800-792-9355.

### RESULTS OF OPERATIONS

The Fund's net assets decreased by \$6.6 million to \$8.7 million from December 31, 2021 to June 30, 2022. The Fund had net redemptions of \$5.2 million for the period. The Fund paid distributions totalling \$0.1 million while the portfolio's performance decreased assets by \$1.3 million. Hedged Common Units returned -7.3% after fees and expenses for the six-month period ended June 30, 2022. Over the same time period, the Fund's benchmark returned -12.3%. The benchmark is the MSCI EAFE Risk Weighted Top 175 Total Return Index (CAD Hedged) (the Benchmark or the Index).

Please refer to the "Past Performance" section which outlines the performance of the Fund's other units.

As global economies have begun emerging from the COVID-19 pandemic, the easing of pandemic-related restrictions led to robust demand in an environment challenged by continued global supply constraints. This demand led to rising inflationary pressures. Russia's invasion of Ukraine and prolonged shutdowns in China as part of its "zero-COVID-19" policy compounded inflationary pressures by boosting commodity prices and worsening supply-chain issues. In this environment, central banks have shifted focus from providing pandemic-related stimulus to responding to the significant rise in inflation through tightening monetary policy. Year-to-date through June 30, the Bank of Canada has raised its overnight rate target from 0.25% to 1.5%.

Expectations of elevated inflation and tighter monetary policy have led to a sharp increase in bond yields. The Government of Canada 10-year bond yield increased from 1.43% on December 31, 2021 to 3.22% on June 30, 2022. The abrupt repricing in bonds and the uncertain macroeconomic environment resulted in volatility in other asset classes.

As central banks focus on trying to keep inflation under control, potentially at the expense of economic growth, it has broadened concerns about the resilience of the financial system and of the possibility of a recession. Still, consensus forecasts have continued to call for growth. Estimates for growth in Canadian gross domestic product generally point to +3.8% in 2022, +2.3% in 2023 and +1.9% in 2024.

The Fund outperformed its benchmark for the period. Exposure to the energy, communication services and information technology sectors contributed to the Fund's performance. Top individual contributors to the Fund's performance included holdings in Elbit Systems Ltd., Keppel Corp. Ltd. and Osaka Gas Co. Ltd.

The Fund's allocation to the consumer staples, financials and industrials sectors detracted from performance. The largest individual detractors from the Fund's performance were positions in Sofina SA, Givaudan SA and Chocoladefabriken Lindt & Sprüngli AG.

Any notable changes in the Fund's holdings were related to rebalancing activity. Portfolios are obtained from MSCI and rebalanced as per their direction with respect to constituents and weightings. The Fund's management fee is 60 basis points.

### RECENT DEVELOPMENTS

Investors are likely to face an environment of rising inflation and rising interest rates, along with the potential for an economic downturn. Led by the United States, central banks globally are expected to continue monetary policy tightening in the second half of 2022 until inflationary pressures subside. Some investors already expect softening commodity prices and improving supply-chain dynamics to ease pricing pressures. Accordingly, this may reduce the need for interest rate increases, a scenario that would be positive for markets. The impact of higher interest rates has already started to impact demand in the housing sector, where transactions and prices are already slowing.

The prospect for further monetary tightening must be balanced against the growing possibility of a recession in the coming quarters, as the economy also faces various challenges. Higher interest rates have meant a strengthening U.S. dollar, which will likely negatively impact North American corporate profits. Second-quarter corporate earnings may also struggle to show year-over-year growth, given the particularly strong growth seen in 2021 during the post-pandemic reopening of the economy. Recent data suggests diminished economic confidence, which would be negative for equity markets. However, this could partly be offset by a reopening in China following COVID-19 lockdowns.

Interest rates increases going into an economic slowdown has caused parts of the U.S. yield curve to invert, meaning longer-term interest rates are lower than their short-term counterparts. This may indicate a possible peak in growth and inflation, or a different path going forward for interest rate increases.

### Series name change

Effective April 21, 2022, units that were previously issued as Common Units were renamed as Hedged Common Units.

### RELATED PARTY TRANSACTIONS

#### Manager, Portfolio Manager and Trustee

CI Investments Inc. is the Manager, Portfolio Manager and Trustee of the Fund. CI Investments Inc. is a subsidiary of CI Financial Corp. The Manager, in consideration of management fees, provided management services required in the day-to-day operations of the Fund.

# CI MSCI International Low Risk Weighted ETF

Management Report of Fund Performance for the period ended June 30, 2022

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Management fee rates as at June 30, 2022, for each of the Series are shown below:

	Annual management fee rate (%)
Hedged Common Units	0.600
Unhedged Common Units	0.600

The Manager received \$0.03 million in management fees for the period.

## **Management Fees**

100% of total management fees were used to pay for investment management and other general administration.

## **Independent Review Committee**

The Fund has received standing instructions from the Fund's Independent Review Committee (IRC) to make or hold an investment in the security of an issuer related to the Manager.

The applicable standing instructions require, amongst others, that related party transactions be conducted in accordance with the Manager's policies and procedures and applicable law and that the Manager advise the IRC of any material breach of such policies. The Manager's policies require that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; and (c) do not exceed the limitations of the applicable legislation. Annually, the IRC reviews reports which assess compliance with applicable CI policies and describe each instance that the Manager acted in reliance on the standing instructions noted above.

The Fund relied on the IRC's standing instructions regarding related party transactions during this reporting period.

Except as otherwise noted above, the Fund was not a party to any related party transactions during the period ended June 30, 2022.

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# CI MSCI International Low Risk Weighted ETF

Management Report of Fund Performance for the period ended June 30, 2022

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past periods.

Net Assets per Unit (\$) <sup>(1) (2) (4)</sup>		Increase (decrease) from operations:					Distributions:					Net assets at the end of the period shown <sup>(3)</sup>
Net assets at the beginning of period <sup>(2)</sup>		Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the period	Unrealized gains (losses) for the period	Total increase (decrease) from operations <sup>(2)</sup>	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital	Total distributions <sup>(2) (3)</sup>	
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Hedged Common Units</b>												
Commencement of operations August 03, 2017												
Listed TSX: RWX												
Jun. 30, 2022	22.48	0.45	(0.22)	1.12	(3.16)	(1.81)	(0.24)	-	-	-	(0.24)	20.60
Dec. 31, 2021	20.06	0.88	(0.59)	1.41	1.13	2.83	(0.52)	-	-	-	(0.52)	22.48
Dec. 31, 2020	22.77	0.61	(0.34)	(9.18)	5.82	(3.09)	(0.73)	-	-	-	(0.73)	20.06
Dec. 31, 2019	19.34	0.71	(0.33)	1.93	3.27	5.58	(0.09)	-	(0.33)	(0.40)	(0.82)	22.77
Dec. 31, 2018	20.56	0.88	(0.56)	0.08	(2.18)	(1.78)	(0.20)	-	(0.04)	(0.24)	(0.48)	19.34
Dec. 31, 2017	20.00	0.08	(0.08)	0.28	0.42	0.70	(0.10)	-	-	-	(0.10)	20.56
<b>Unhedged Common Units</b>												
Commencement of operations August 03, 2017												
Listed TSX: RWX.B												
Jun. 30, 2022	20.41	0.39	(0.19)	(0.10)	(2.78)	(2.68)	(0.23)	-	-	-	(0.23)	17.50
Dec. 31, 2021	19.43	0.88	(0.55)	0.35	0.80	1.48	(0.79)	-	-	-	(0.79)	20.41
Dec. 31, 2020	22.38	0.97	(0.29)	(4.47)	(2.68)	(6.47)	(3.86)	-	-	-	(3.86)	19.43
Dec. 31, 2019	20.10	0.79	(0.27)	0.35	0.80	1.67	(0.37)	-	(0.19)	(0.08)	(0.64)	22.38
Dec. 31, 2018	20.70	0.75	(0.60)	0.26	(0.61)	(0.20)	-	-	(0.44)	(0.06)	(0.50)	20.10
Dec. 31, 2017	20.00	0.34	(0.16)	0.17	0.63	0.98	(0.10)	-	-	-	(0.10)	20.70

(1) This information is derived from the Fund's semi-annual and annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant Series at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding for the relevant Series over the fiscal period.

(3) Distributions are automatically reinvested in additional units of the Fund.

(4) This information is provided for the period ended June 30, 2022 and the years ended December 31.

# CI MSCI International Low Risk Weighted ETF

Management Report of Fund Performance for the period ended June 30, 2022

## FINANCIAL HIGHLIGHTS (cont'd)

### Ratios and Supplemental Data <sup>(1) (5)</sup>

	Total net assets <sup>(1)</sup> \$000's	Number of units outstanding <sup>(1)</sup> 000's	Management expense ratio before waivers or absorptions after taxes <sup>(2)</sup> %	Management expense ratio before taxes <sup>(2)</sup> %	Harmonized sales tax <sup>(2)</sup> %	Management expense ratio after taxes <sup>(2)</sup> %	Effective HST rate for the period <sup>(2)</sup> %	Trading expense ratio <sup>(3)</sup> %	Portfolio turnover rate <sup>(4)</sup> %	Closing market price <sup>(6)</sup> \$
<b>Hedged Common Units</b>										
Commencement of operations August 03, 2017										
Listed TSX: RWX										
Jun. 30, 2022	4,634	225	0.66	0.61	0.05	0.66	7.85	0.86	13.42	20.64
Dec. 31, 2021	8,432	375	0.66	0.61	0.05	0.66	9.10	0.40	47.48	22.51
Dec. 31, 2020	13,042	650	0.68	0.61	0.07	0.68	12.75	0.31	30.57	20.20
Dec. 31, 2019	9,108	400	0.71	n/a ^	n/a ^	0.71	n/a ^	0.38	59.26	22.65
Dec. 31, 2018	26,105	1,350	0.83	n/a ^	n/a ^	0.83	n/a ^	1.65	81.68	19.40
Dec. 31, 2017	3,084	150	0.71	n/a ^	n/a ^	0.71	n/a ^	0.72	45.12	20.50
<b>Unhedged Common Units</b>										
Commencement of operations August 03, 2017										
Listed TSX: RVX.B										
Jun. 30, 2022	4,113	235	0.65	0.61	0.04	0.65	7.00	0.86	13.42	17.53
Dec. 31, 2021	6,837	335	0.66	0.61	0.05	0.66	9.61	0.40	47.48	20.57
Dec. 31, 2020	4,566	235	0.67	0.66	0.01	0.67	9.01	0.31	30.57	19.67
Dec. 31, 2019	221,562	9,900	0.68	n/a ^	n/a ^	0.68	n/a ^	0.38	59.26	22.42
Dec. 31, 2018	1,005	50	0.86	n/a ^	n/a ^	0.86	n/a ^	1.65	81.68	19.72
Dec. 31, 2017	3,105	150	0.71	n/a ^	n/a ^	0.71	n/a ^	0.72	45.12	20.72

(1) This information is derived from the Fund's semi-annual and annual financial statements.

(2) Management expense ratio is calculated based on expenses charged to the Fund (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the period, including the Fund's proportionate share of any underlying fund(s) expenses, if applicable. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period, including the Fund's proportionate share of such expenses of any underlying fund(s), if applicable.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the period, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the period.

(5) This information is provided for the period ended June 30, 2022 and the years ended December 31.

(6) Closing market price.

^Historical information pertaining to HST is not available.

# CI MSCI International Low Risk Weighted ETF

Management Report of Fund Performance for the period ended June 30, 2022

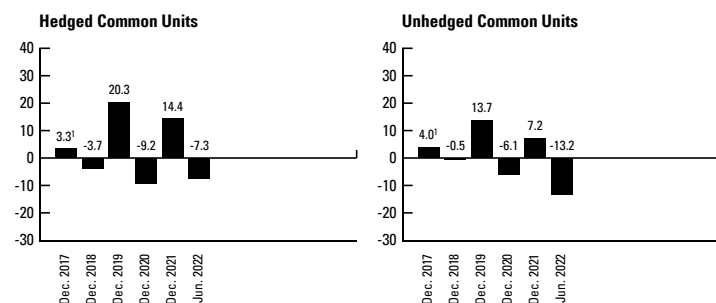
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## PAST PERFORMANCE

This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the periods shown were reinvested in additional units of the relevant Series of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

### Year-by-Year Returns

The following charts show the Fund's semi-annual and annual performance for each of the periods shown and illustrate how the Fund's performance has changed from period to period. In percentage terms, the charts show how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period, except where noted.



<sup>1</sup> 2017 return is for the period from August 03, 2017 to December 31, 2017.

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Management Report of Fund Performance for the period ended June 30, 2022

## SUMMARY OF INVESTMENT PORTFOLIO as at June 30, 2022

Category	% of Net Assets	Category	% of Net Assets	Top 25 Holdings	% of Net Assets
<b>Country allocation</b>		<b>Sector allocation</b>			
Japan .....	17.3	Consumer Staples .....	21.2	HK Electric Investments & HK Electric Investments Ltd .....	2.0
Hong Kong .....	12.4	Financials .....	15.8	Chocoladefabriken Lindt & Sprungli AG .....	1.3
Switzerland .....	11.8	Utilities .....	13.3	CLP Holdings Ltd. ....	1.3
U.K. ....	10.0	Industrials .....	12.4	Orkla ASA .....	1.1
Australia .....	8.2	Communication Services .....	10.5	Nestle SA, Registered .....	1.1
Singapore .....	6.5	Real Estate .....	7.7	MTR Corp. Ltd. ....	1.0
Germany .....	5.7	Health Care .....	5.9	SoftBank Corp. ....	1.0
France .....	4.9	Materials .....	4.8	Swisscom AG .....	1.0
Sweden .....	4.1	Consumer Discretionary .....	4.5	HKT Trust and HKT Ltd. ....	1.0
Norway .....	3.2	Information Technology .....	2.4	Barry Callebaut AG .....	1.0
Netherlands .....	3.1	Foreign Currency Forward Contract(s) .....	0.6	Power Assets Holdings Ltd. ....	0.9
Israel .....	2.5	Cash & Cash Equivalents .....	0.4	Telenor ASA .....	0.9
Italy .....	2.0	Energy .....	0.4	UOL Group Ltd. ....	0.9
Denmark .....	1.5	Other Net Assets (Liabilities) .....	0.1	McDonald's Holdings Co. (Japan) Ltd. ....	0.8
Spain .....	1.5			Hong Kong & China Gas Co. Ltd. ....	0.8
Finland .....	1.3			Japan Tobacco Inc. ....	0.8
Portugal .....	0.9			ASX Ltd. ....	0.8
Belgium .....	0.8			Meiji Holdings Co. Ltd. ....	0.8
New Zealand .....	0.7			Singapore Exchange Ltd. ....	0.8
Foreign Currency Forward Contract(s) .....	0.6			Woolworths Group Ltd. ....	0.8
Ireland .....	0.5			Gjensidige Forsikring ASA .....	0.7
Cash & Cash Equivalents .....	0.4			Severn Trent PLC .....	0.7
Other Net Assets (Liabilities) .....	0.1			Givaudan SA, Registered .....	0.7
				Spark New Zealand Ltd. ....	0.7
				Nippon Telegraph & Telephone Corp. ....	0.7
				<b>Total Net Assets (in \$000's)</b>	<b>\$8,747</b>

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

## A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words “may,” “could,” “should,” “would,” “suspect,” “outlook,” “believe,” “plan,” “anticipate,” “estimate,” “expect,” “intend,” “forecast,” “objective,” and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made by the Fund. These factors include, but are not limited to, general

economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.