



Annual Management Report of Fund Performance

for the financial year ended December 31, 2019

All figures are reported in Canadian dollars unless otherwise noted.

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling toll-free at 1-800-465-3863, by writing to us at CIBC, 18 York Street, Suite 1300, Toronto, Ontario, M5J 2T8, or by visiting our website at www.cibc.com/mutualfunds or SEDAR at www.sedar.com.

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

Management Discussion of Fund Performance

Investment Objective and Strategies

Investment Objective: CIBC Balanced Index Fund (the *Fund*) seeks to provide both long-term growth through capital appreciation and income by investing primarily in a combination of debt instruments, equity securities and options, futures, and forward contracts based on Canadian, U.S., and international stock market indices.

Investment Strategies: The Fund uses passive management strategies to create a portfolio with characteristics similar to the blended index described below, allowing the Fund to obtain a return that approximates the performance of that index: 35% FTSE Canada Universe Bond Index, 35% S&P/TSX Composite Index, 15% S&P 500 Total Return Index, 8% FTSE Canada 91 day TBill Index, and 7% MSCI EAFE Index.

Risk

The Fund is a Canadian fixed income balanced fund that is suitable for medium- to long-term investors who can tolerate low to medium investment risk.

For the period ended December 31, 2019, the Fund's overall level of risk remained as discussed in the simplified prospectus.

Results of Operations

The Fund's portfolio advisor is CIBC Asset Management Inc. (*CAMI* or the *Portfolio Advisor*). The commentary that follows provides a summary of the results of operations for the period ended December 31, 2019. All dollar figures are expressed in thousands, unless otherwise indicated.

The Fund's net asset value increased by 77% during the period, from \$700,224 as at December 31, 2018 to \$1,238,953 as at December 31, 2019. Net sales of \$419,626 and positive investment performance resulted in an overall increase in net asset value.

Class A units of the Fund posted a return of 13.8% for the period. The Fund's primary benchmarks, the S&P/TSX Composite Index and the FTSE Canada Universe Bond Index (the *benchmarks*), returned 22.8% and 6.9%, respectively, for the same period. The Fund's return is after the deduction of fees and expenses, unlike the benchmarks' returns.

See *Past Performance* for the returns of other classes of units offered by the Fund.

In September, the Organisation for Economic Co-operation and Development (the *OECD*) lowered its 2019 forecast for global economic growth to the slowest rate in a decade. It cited the impact of U.S.-China tariff issues on global trade and capital investment as the reason for the change. In addition, the OECD reduced its 2020 estimates of gross domestic product growth for 18 of the G20 economies.

Trade friction between the U.S. and China dominated headlines and led to a decline in activity in the manufacturing sector. Manufacturing output in the U.S., U.K. and Germany slowed.

In response to slower economic growth, global central banks offered additional monetary stimulus. The U.S. Federal Reserve Board changed its tone early in the period to signal that it would not raise the federal funds rate further. It then lowered the federal funds rate at its July, September and October meetings, ending at a range of 1.50% to 1.75%, and resumed growing its balance sheet, which supported risk appetite among investors.

The U.S. dollar strengthened during the first three quarters of the year, reaching its peak at the end of September before declining 3% in the fourth quarter. Similarly, the Canadian dollar was strong until the fourth quarter when a decline in Canadian factory sales, concerns about the U.S.-China trade conflict and uncertainty on the direction of Canadian interest rates put relative pressure on the currency.

The U.S. yield curve inverted in the second quarter, with yields on 10-year treasury bonds falling below yields on three-month treasury bills. This raised concerns about a recession, as an inverted yield curve has generally preceded past recessions.

Recession concerns abated late in the period as economic growth improved and investors anticipated an improvement in the trade relationship between the U.S. and China.

Canadian equities performed strongly over the year, rebounding from 2018 levels. Every sector had positive returns, with the exception of health care as cannabis stocks underperformed.

Concerns about a Canadian economic slowdown were largely offset by strong employment figures (until December) and housing starts. The Bank of Canada did not change its benchmark overnight interest rate during the period.

The U.S.–Mexico–Canada Agreement made progress when the U.S. agreed to ratify the trade agreement. However, uncertainties remained in the market as a result of predictions of slower global economic growth, the U.S.–China trade dispute and impeachment proceedings in the U.S.

The best-performing sectors were the information technology, utilities and industrials sectors, while the health care, communication services and consumer staples sectors underperformed.

As an index fund, the Fund's composition is meant to reflect a portfolio with characteristics similar to that of the benchmarks. Securities were added and sold during the period for index-matching purposes.

Recent Developments

The composition of the Independent Review Committee (*IRC*) changed during the period. Effective February 28, 2019, Susan Silma resigned as a member of the IRC and, effective April 27, 2019, Barry Pollock was appointed as a member of the IRC.

Related Party Transactions

Canadian Imperial Bank of Commerce (*CIBC*) and its affiliates have the following roles and responsibilities with respect to the Fund, and receive the fees described below in connection with their roles and responsibilities.

Manager

CIBC is the Fund's manager (the *Manager*). CIBC receives management fees with respect to the Fund's day-to-day business and operations, calculated based on the net asset value of each respective class of units of the Fund as described in the section entitled *Management Fees*. The Manager compensates its wholesalers in connection with their marketing activities regarding the Fund. From time to time, CIBC may invest in units of the Fund.

Trustee

CIBC Trust Corporation, a wholly-owned subsidiary of CIBC, is the Fund's trustee (the *Trustee*). The Trustee holds title to the Fund's property (cash and securities) on behalf of its unitholders.

Portfolio Advisor

The portfolio advisor provides, or arranges to provide, investment advice and portfolio management services to the Fund. CAMI, a wholly-owned subsidiary of CIBC, is the Fund's portfolio advisor.

Distributor

Dealers and other firms sell the units of the Fund to investors. These dealers and other firms include CIBC's related dealers such as the

principal distributor, CIBC Securities Inc. (*CIBC SI*), the CIBC Investor's Edge discount brokerage division of CIBC Investor Services Inc. (*CIBC ISI*), the CIBC Imperial Investor Service division of CIBC ISI, and the CIBC Wood Gundy division of CIBC World Markets Inc. (*CIBC WM*). CIBC SI, CIBC ISI, and CIBC WM are wholly-owned subsidiaries of CIBC.

CIBC may pay trailing commissions to these dealers and firms, except for CIBC SI, in connection with the sale of units of the Fund. These dealers and other firms may pay a portion of these trailing commissions to their advisors who sell units of the Fund to investors. CIBC does not pay trailing commissions to CIBC SI for selling units of the Fund, although overall sales of CIBC funds may be considered in assessing the performance of their advisors and may therefore contribute to their annual compensation.

Brokerage Arrangements and Soft Dollars

The Portfolio Advisor makes decisions, including the selection of markets and dealers and the negotiation of commissions, with respect to the purchase and sale of portfolio securities, certain derivative products and the execution of portfolio transactions. Brokerage business may be allocated by the Portfolio Advisor to CIBC WM and CIBC World Markets Corp., each a subsidiary of CIBC. CIBC WM and CIBC World Markets Corp. may also earn spreads on the sale of fixed income securities and other securities and certain derivative products to the Fund. A spread is the difference between the bid and ask prices for a security in the applicable marketplace, with respect to the execution of portfolio transactions. The spread will differ based upon various factors such as the type and liquidity of the security.

Dealers, including CIBC WM and CIBC World Markets Corp., may furnish goods and services, other than order execution, to the Portfolio Advisor in partial exchange for processing trades through them (referred to in the industry as "soft dollar" arrangements). These goods and services are paid for with a portion of the brokerage commissions and assist the Portfolio Advisor with investment decision-making services for the Fund or relate directly to the execution of portfolio transactions on behalf of the Fund.

In addition, CIBC may enter into commission recapture arrangements with certain dealers with respect to the Fund. Any commission recaptured will be paid to the Fund.

During the period, the Fund paid brokerage commissions and other fees of \$40,215 to CIBC WM; the Fund did not pay any brokerage commissions or other fees to CIBC World Markets Corp. Spreads associated with fixed income and other securities are not ascertainable and, for that reason, cannot be included when determining these amounts.

Fund Transactions

The Fund may enter into one or more of the following transactions (the *Related Party Transactions*) in reliance on the standing instructions issued by the IRC:

- invest in or hold equity securities of CIBC or issuers related to a portfolio sub-advisor;

- invest in or hold non-exchange-traded debt securities of CIBC or an issuer related to CIBC, with terms-to-maturity of 365 days or more, issued in a primary offering and in the secondary market;
- make an investment in the securities of an issuer for which CIBC WM, CIBC World Markets Corp., or any affiliate of CIBC (a *Related Dealer*) acts as an underwriter during the offering of the securities or at any time during the 60-day period following the completion of the offering of such securities (in the case of a “private placement” offering, in accordance with the exemptive relief order granted by the Canadian securities regulatory authorities and in accordance with the policies and procedures relating to such investment);
- purchase equity or debt securities from or sell them to a Related Dealer, where it is acting as principal;
- undertake currency and currency derivative transactions where a Related Dealer is the counterparty;
- purchase securities from or sell securities to another investment fund or a managed account managed by the Manager or an affiliate; and
- engage in in-specie transfers by receiving portfolio securities from, or delivering portfolio securities to, a managed account or another investment fund managed by the Manager or an affiliate, in respect of a purchase or redemption on units in the fund, subject to certain conditions.

At least annually, the IRC reviews the Related Party Transactions for which they have issued standing instructions. The IRC is required to advise the Canadian securities regulatory authorities, after a matter has been referred or reported to the IRC by the Manager, if it determines that an investment decision was not made in accordance with a condition imposed by securities legislation or the IRC in any Related Party Transactions requiring its approval or recommendation, as applicable.

Custodian

CIBC Mellon Trust Company is the Fund's custodian (the *Custodian*). The Custodian holds all cash and securities for the Fund and ensures that those assets are kept separate from any other cash or securities that the Custodian might be holding. The Custodian also provides other services to the Fund including record-keeping and processing of foreign exchange transactions. The Custodian may hire sub-custodians for the Fund. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by the Fund are paid by CAMI and/or dealer(s) directed by CAMI, up to the amount of the credits generated under soft dollar arrangements from trading on behalf of the Fund during that month. All other fees and spreads for the services of the Custodian are paid by the Manager and charged to the Fund on a recoverable basis. CIBC owns a 50% interest in the Custodian.

Service Provider

CIBC Mellon Global Securities Services Company (*CIBC GSS*) provides certain services to the Fund, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing

fees are paid by the Manager and charged to the Fund on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

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 period ended December 31.

The Fund's Net Assets per Unit¹ - Class A Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------|-----------|----------|----------|----------|
| Net Assets, beginning of period | \$ 15.27 | \$ 15.98 | \$ 15.48 | \$ 14.69 | \$ 15.01 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | \$ 0.96 | \$ 0.42 | \$ 0.74 | \$ 0.65 | \$ 0.72 |
| Total expenses | (0.21) | (0.20) | (0.20) | (0.19) | (0.19) |
| Realized gains (losses) for the period | (0.01) | 0.02 | 0.05 | 0.05 | (0.01) |
| Unrealized gains (losses) for the period | 1.27 | (0.80) | 0.35 | 0.66 | (0.48) |
| Total increase (decrease) from operations² | \$ 2.01 | \$ (0.56) | \$ 0.94 | \$ 1.17 | \$ 0.04 |
| Distributions: | | | | | |
| From income (excluding dividends) | \$ 0.49 | \$ 0.10 | \$ 0.37 | \$ 0.28 | \$ 0.42 |
| From dividends | 0.11 | 0.08 | 0.08 | 0.09 | 0.10 |
| From capital gains | – | – | – | – | – |
| Return of capital | – | – | – | – | – |
| Total Distributions³ | \$ 0.60 | \$ 0.18 | \$ 0.45 | \$ 0.37 | \$ 0.52 |
| Net Assets, end of period | \$ 16.79 | \$ 15.27 | \$ 15.98 | \$ 15.48 | \$ 14.69 |

¹ This information is derived from the Fund's audited annual financial statements.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

³ Distributions were paid in cash, reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data - Class A Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|------------|------------|------------|-----------|-----------|
| Total Net Asset Value (000s)⁴ | \$ 234,839 | \$ 163,310 | \$ 138,229 | \$ 92,998 | \$ 84,327 |
| Number of Units Outstanding⁴ | 13,990,221 | 10,693,243 | 8,647,324 | 6,006,965 | 5,739,621 |
| Management Expense Ratio⁵ | 1.22% | 1.21% | 1.21% | 1.22% | 1.22% |
| Management Expense Ratio before waivers or absorptions⁶ | 1.32% | 1.32% | 1.34% | 1.35% | 1.37% |
| Trading Expense Ratio⁷ | 0.02% | 0.02% | 0.02% | 0.02% | 0.03% |
| Portfolio Turnover Rate⁸ | 26.40% | 30.55% | 33.26% | 30.54% | 35.52% |
| Net Asset Value per Unit | \$ 16.79 | \$ 15.27 | \$ 15.98 | \$ 15.48 | \$ 14.69 |

⁴ This information is presented as at December 31 of the period(s) shown.

⁵ Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period. The management expense ratio includes the fees attributable to exchange traded funds.

⁶ The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders. The management expense ratio before waivers or absorptions includes the fees attributable to exchange traded funds.

⁷ The trading expense ratio represents total commissions and other portfolio transaction costs before income taxes expressed as an annualized percentage of the daily average net asset value during the period. Spreads associated with fixed income securities trading are not ascertainable and, for that reason, are not included in the trading expense ratio calculation. Previously, the trading expense ratio included the non-trading expenses attributable to exchange traded funds which are now no longer included in the TER. Prior year fees attributable to exchange traded funds have been reclassified to the management expense ratio and management expense ratio before waivers or absorptions.

⁸ The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

CIBC Balanced Index Fund

The Fund's Net Assets per Unit¹ - Premium Class Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------|-----------|----------|----------|----------|
| Net Assets, beginning of period | \$ 11.55 | \$ 12.09 | \$ 11.70 | \$ 11.11 | \$ 11.35 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | \$ 0.74 | \$ 0.33 | \$ 0.56 | \$ 0.53 | \$ 0.55 |
| Total expenses | (0.06) | (0.05) | (0.05) | (0.05) | (0.05) |
| Realized gains (losses) for the period | (0.01) | (0.01) | 0.05 | 0.06 | (0.01) |
| Unrealized gains (losses) for the period | 0.87 | (0.65) | 0.24 | 0.46 | (0.41) |
| Total increase (decrease) from operations² | \$ 1.54 | \$ (0.38) | \$ 0.80 | \$ 1.00 | \$ 0.08 |
| Distributions: | | | | | |
| From income (excluding dividends) | \$ 0.45 | \$ 0.13 | \$ 0.35 | \$ 0.30 | \$ 0.39 |
| From dividends | 0.10 | 0.10 | 0.08 | 0.09 | 0.09 |
| From capital gains | — | — | — | — | — |
| Return of capital | — | — | — | — | — |
| Total Distributions³ | \$ 0.55 | \$ 0.23 | \$ 0.43 | \$ 0.39 | \$ 0.48 |
| Net Assets, end of period | \$ 12.70 | \$ 11.55 | \$ 12.09 | \$ 11.70 | \$ 11.11 |

¹ This information is derived from the Fund's audited annual financial statements.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

³ Distributions were paid in cash, reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data - Premium Class Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|--------------|------------|------------|------------|------------|
| Total Net Asset Value (000s)⁴ | \$ 1,003,362 | \$ 536,874 | \$ 370,847 | \$ 177,855 | \$ 104,490 |
| Number of Units Outstanding⁴ | 79,011,144 | 46,494,702 | 30,678,456 | 15,200,501 | 9,403,800 |
| Management Expense Ratio⁵ | 0.41% | 0.41% | 0.41% | 0.39% | 0.41% |
| Management Expense Ratio before waivers or absorptions⁶ | 0.90% | 0.90% | 0.92% | 0.94% | 0.96% |
| Trading Expense Ratio⁷ | 0.02% | 0.02% | 0.02% | 0.02% | 0.03% |
| Portfolio Turnover Rate⁸ | 26.40% | 30.55% | 33.26% | 30.54% | 35.52% |
| Net Asset Value per Unit | \$ 12.70 | \$ 11.55 | \$ 12.09 | \$ 11.70 | \$ 11.11 |

⁴ This information is presented as at December 31 of the period(s) shown.

⁵ Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period. The management expense ratio includes the fees attributable to exchange traded funds.

⁶ The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders. The management expense ratio before waivers or absorptions includes the fees attributable to exchange traded funds.

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⁸ The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

CIBC Balanced Index Fund

The Fund's Net Assets per Unit¹ - Institutional Class Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------|-----------|----------|---------|---------|
| Net Assets, beginning of period | \$ 9.76 | \$ 10.19 | \$ 9.94 | \$ 9.43 | \$ 9.63 |
| Increase (decrease) from operations: | | | | | |
| Total revenue | \$ 0.67 | \$ 0.25 | \$ 0.34 | \$ 0.42 | \$ 0.46 |
| Total expenses | (0.03) | (0.03) | (0.03) | (0.03) | (0.03) |
| Realized gains (losses) for the period | 0.03 | 0.10 | 0.10 | 0.03 | (0.01) |
| Unrealized gains (losses) for the period | 0.29 | (0.46) | 0.32 | 0.45 | (0.20) |
| Total increase (decrease) from operations² | \$ 0.96 | \$ (0.14) | \$ 0.73 | \$ 0.87 | \$ 0.22 |
| Distributions: | | | | | |
| From income (excluding dividends) | \$ 0.40 | \$ 0.11 | \$ 0.31 | \$ 0.25 | \$ 0.34 |
| From dividends | 0.09 | 0.08 | 0.07 | 0.08 | 0.08 |
| From capital gains | — | — | — | — | — |
| Return of capital | — | — | — | — | — |
| Total Distributions³ | \$ 0.49 | \$ 0.19 | \$ 0.38 | \$ 0.33 | \$ 0.42 |
| Net Assets, end of period | \$ 10.72 | \$ 9.76 | \$ 10.19 | \$ 9.94 | \$ 9.43 |

¹ This information is derived from the Fund's audited annual financial statements.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The total increase (decrease) from operations is based on the weighted average number of units outstanding during the period.

³ Distributions were paid in cash, reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data - Institutional Class Units

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|----------|---------|----------|---------|---------|
| Total Net Asset Value (000s)⁴ | \$ 752 | \$ 40 | \$ 104 | \$ 71 | \$ 58 |
| Number of Units Outstanding⁴ | 70,182 | 4,117 | 10,184 | 7,156 | 6,128 |
| Management Expense Ratio⁵ | 0.26% | 0.26% | 0.27% | 0.27% | 0.27% |
| Management Expense Ratio before waivers or absorptions⁶ | 0.71% | 0.79% | 0.80% | 0.83% | 0.81% |
| Trading Expense Ratio⁷ | 0.02% | 0.02% | 0.02% | 0.02% | 0.03% |
| Portfolio Turnover Rate⁸ | 26.40% | 30.55% | 33.26% | 30.54% | 35.52% |
| Net Asset Value per Unit | \$ 10.72 | \$ 9.76 | \$ 10.19 | \$ 9.94 | \$ 9.43 |

⁴ This information is presented as at December 31 of the period(s) shown.

⁵ Management expense ratio is based on the total expenses of the fund (excluding commissions and other portfolio transaction costs), incurred by or allocated to a class of units for the period shown, expressed as an annualized percentage of the daily average net asset value of that class during the period. The management expense ratio includes the fees attributable to exchange traded funds.

⁶ The decision to waive and/or absorb management fees and operating expenses is at the discretion of the Manager. The practice of waiving and/or absorbing management fees and operating expenses may continue indefinitely or may be terminated at any time without notice to unitholders. The management expense ratio before waivers or absorptions includes the fees attributable to exchange traded funds.

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⁸ The portfolio turnover rate indicates how actively the portfolio advisor and/or portfolio sub-advisor manages the portfolio investments. A portfolio turnover rate of 100% is equivalent to a fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a portfolio turnover rate in a period, the greater the trading costs payable by a fund in the period, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

Management Fees

The Fund, either directly or indirectly, pays CIBC an annual management fee to cover the costs of managing the Fund. Management fees are based on the Fund's net asset value and are calculated daily and paid monthly. Management fees are paid to CIBC in consideration for providing, or arranging for the provision of, management, distribution, and portfolio advisory services. Advertising and promotional expenses, office overhead expenses and trailing commissions are paid by CIBC out of the management fees received from the Fund. The Fund is required to pay applicable taxes on the management fees paid to CIBC. Refer to the Simplified Prospectus for the annual management fee rate for each class of units.

The following table shows a breakdown of the services received in consideration of the management fees, as a percentage of the management fees collected from the Fund for the period ended December 31, 2019. These amounts do not include waived fees or absorbed expenses.

| | Class A Units | Premium Class Units | Institutional Class Units |
|---|---------------|---------------------|---------------------------|
| Sales and trailing commissions paid to dealers | 24.23% | 42.30% | 0.00% |
| General administration, investment advice, and profit | 75.77% | 57.70% | 100.00% |

Past Performance

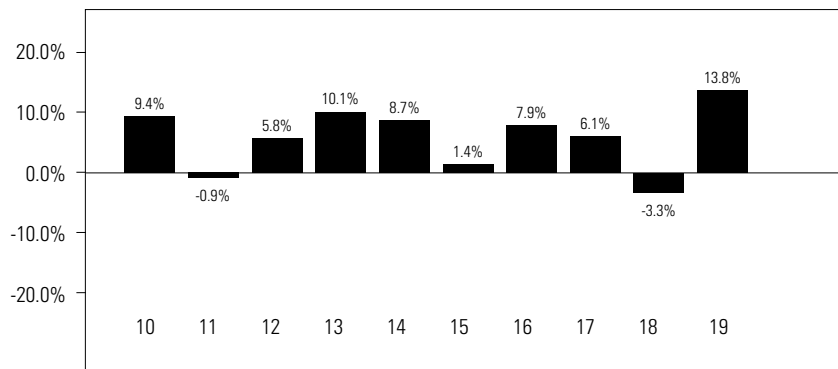
The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or other optional charges payable by any unitholder that would have reduced returns. Past performance does not necessarily indicate how a fund will perform in the future.

The Fund's returns are after the deduction of fees and expenses, and the difference in returns between classes of units is primarily due to differences in the management expense ratio. See *Financial Highlights* section for the management expense ratio.

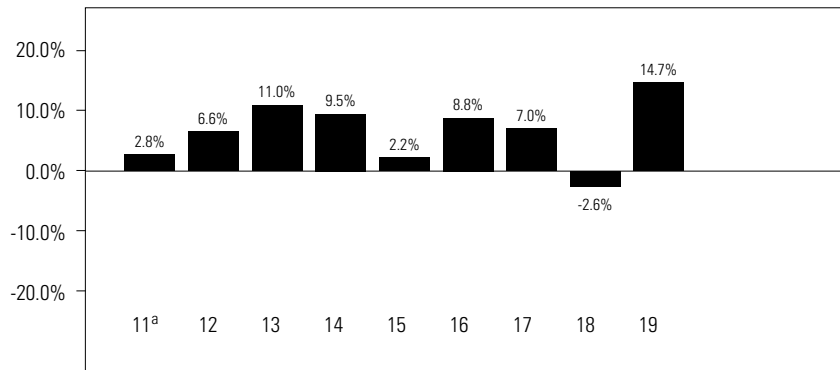
Year-by-Year Returns

These bar charts show the annual performance of each class of units of the Fund for each of the periods shown, and illustrate how the performance has changed from period to period. These bar charts show, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31, unless otherwise indicated.

Class A Units

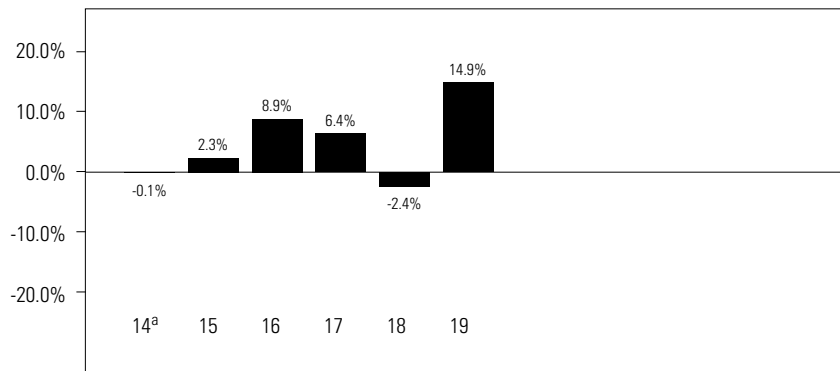


Premium Class Units



^a 2011 return is for the period from November 23, 2011 to December 31, 2011.

Institutional Class Units



^a 2014 return is for the period from November 27, 2014 to December 31, 2014.

Annual Compound Returns

This table shows the annual compound return of each class of units of the Fund for each indicated period ended on December 31, 2019. The annual compound total return is also compared to the Fund's benchmarks.

The Fund's primary benchmarks are the FTSE Canada Universe Bond Index and the S&P/TSX Composite Index.

The Fund's blended benchmark (*Blended Benchmark*) is comprised of the following:

- 35% FTSE Canada Universe Bond Index
- 35% S&P/TSX Composite Index
- 15% S&P 500 Total Return Index
- 8% FTSE Canada 91 Day TBill Index
- 7% MSCI EAFE Index

CIBC Balanced Index Fund

| | <i>1 Year</i> | <i>3 Years</i> | <i>5 Years</i> | <i>10 Years*</i> | <i>or</i> | <i>Since Inception*</i> | <i>Inception Date</i> |
|---------------------------------|---------------|----------------|----------------|------------------|-----------|-------------------------|-----------------------|
| Class A units | 13.8% | 5.3% | 5.0% | 5.8% | | | December 4, 1998 |
| S&P/TSX Composite Index | 22.8% | 6.9% | 6.3% | 6.9% | | | |
| FTSE Canada Universe Bond Index | 6.9% | 3.6% | 3.2% | 4.3% | | | |
| Blended Benchmark | 15.3% | 6.6% | 6.2% | 7.1% | | | |
| Premium Class units | 14.7% | 6.1% | 5.9% | | | 7.3% | November 23, 2011 |
| S&P/TSX Composite Index | 22.8% | 6.9% | 6.3% | | | 8.1% | |
| FTSE Canada Universe Bond Index | 6.9% | 3.6% | 3.2% | | | 3.6% | |
| Blended Benchmark | 15.3% | 6.6% | 6.2% | | | 7.5% | |
| Institutional Class units | 14.9% | 6.1% | 5.9% | | | 5.7% | November 27, 2014 |
| S&P/TSX Composite Index | 22.8% | 6.9% | 6.3% | | | 6.1% | |
| FTSE Canada Universe Bond Index | 6.9% | 3.6% | 3.2% | | | 3.3% | |
| Blended Benchmark | 15.3% | 6.6% | 6.2% | | | 6.2% | |

* If a class of units has been outstanding for less than 10 years, the annual compound return since inception is shown.

FTSE Canada 91 Day TBill Index measures the returns attributable to 91-day Treasury Bills.

FTSE Canada Universe Bond Index is comprised of marketable Canadian bonds intended to reflect the performance of the broad Canadian investment-grade bond market. Returns are calculated daily and are weighted by market capitalization.

MSCI EAFE Index is a free float-adjusted market capitalization index of stocks of companies of developed market equity indices covering countries in Europe, Australia, and the Far East.

S&P 500 Total Return Index is a capitalization-weighted index of 500 stocks, designed to measure performance of the broad U.S. economy representing all major industries.

S&P/TSX Composite Index is intended to represent the Canadian equity market and includes the largest companies listed on the TSX.

A discussion of the Fund's relative performance compared to its primary benchmarks can be found in *Results of Operations*.

CIBC Balanced Index Fund

Summary of Investment Portfolio (as at December 31, 2019)

The summary of investment portfolio may change due to ongoing portfolio transactions of the investment fund. A quarterly update is available by visiting www.cibc.com/mutualfunds. The Top Positions table shows a fund's 25 largest positions. For funds with fewer than 25 positions in total, all positions are shown. Cash and cash equivalents are shown in total as one position.

| <i>Portfolio Breakdown</i> | <i>% of Net Asset Value</i> | <i>Top Positions</i> | <i>% of Net Asset Value</i> |
|--|-----------------------------|--|-----------------------------|
| Financials | 19.5 | United States S&P 500 E-Mini Index Future, March 2020 | 14.8 |
| Futures Contracts - Equity | 17.2 | Cash & Cash Equivalents | 9.6 |
| Provincial Government & Guaranteed Bonds | 12.1 | iShares MSCI EAFE ETF | 6.9 |
| Government of Canada & Guaranteed Bonds | 11.7 | iShares Core S&P/TSX Capped Composite Index ETF | 3.1 |
| Other Equities | 11.6 | S&P/TSX 60 Index Future, March 2020 | 2.4 |
| Cash & Cash Equivalents | 9.6 | Royal Bank of Canada | 1.8 |
| Corporate Bonds | 9.6 | Toronto-Dominion Bank (The) | 1.6 |
| Energy | 5.0 | Enbridge Inc. | 1.3 |
| Materials | 3.3 | Bank of Nova Scotia | 1.1 |
| Municipal Government & Guaranteed Bonds | 0.8 | Government of Canada, 3.50%, 2045/12/01 | 1.1 |
| Other Assets, less Liabilities | -0.1 | Government of Canada, 4.00%, 2041/06/01 | 1.1 |
| Forward & Spot Contracts | -0.3 | Canadian National Railway Co. | 1.0 |
| | | Government of Canada, 5.00%, 2037/06/01 | 1.0 |
| | | Canada Housing Trust No. 1, 2.40%, 2022/12/15 | 0.9 |
| | | Brookfield Asset Management Inc., Class 'A' | 0.9 |
| | | Suncor Energy Inc. | 0.8 |
| | | TC Energy Corp. | 0.8 |
| | | Bank of Montreal | 0.8 |
| | | Canada Housing Trust No. 1, Series '71', 1.25%, 2021/06/15 | 0.7 |
| | | BCE Inc. | 0.7 |
| | | Canada Housing Trust No. 1, 1.50%, 2021/12/15 | 0.7 |
| | | Shopify Inc., Class 'A' | 0.7 |
| | | Manulife Financial Corp. | 0.6 |
| | | Canadian Natural Resources Ltd. | 0.6 |
| | | Canadian Imperial Bank of Commerce | 0.6 |

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A note on forward-looking statements

The management report of fund performance may contain forward-looking statements. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or other similar wording. In addition, any statements that may be made concerning future performance, strategies, or prospects and possible future actions taken by the fund, are also forward-looking statements. Forward-looking statements are not guarantees of future performance. These statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results and achievements of the fund to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market, and business conditions; fluctuations in securities prices, interest rates, and foreign currency exchange rates; changes in government regulations; 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. CIBC does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments, or otherwise prior to the release of the next management report of fund performance.

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