



Interim Management Report of Fund Performance

for the period ended June 30, 2020

All figures are reported in Canadian dollars unless otherwise noted.

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or annual financial statements at your request, and at no cost, by calling toll-free at 1-888-357-8777, 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 proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Fund Performance

Results of Operations

Imperial Short-Term Bond Pool's (the *Pool*) 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 six-month period ended June 30, 2020. All dollar figures are expressed in thousands, unless otherwise indicated.

The Pool's net asset value decreased by 9% during the period, from \$10,987,777 as at December 31, 2019 to \$9,952,570 as at June 30, 2020. Net redemptions of \$1,413,690 in the period, which included redemptions of \$911,502 due to rebalancing of a portfolio product that holds units of the Pool, were partially offset by positive investment performance, resulting in an overall decrease in net asset value.

Class A units of the Pool posted a return of 3.7% for the period. The Pool's benchmark, the FTSE Canada Short Term Overall Bond Index (the *benchmark*), returned 4.0% for the same period. The Pool's return is after the deduction of fees and expenses, unlike the benchmark's return.

Although the global economy and financial markets started 2020 off relatively strong, the spread of COVID-19 was the dominant macroeconomic theme during the period. Widespread self-isolation and quarantine measures, as well as shutdowns of non-essential businesses, brought Canadian economic activity to a virtual standstill. In response, Canada's gross domestic product shrank 11.6% from March to April. Millions of jobs were lost, sending the unemployment rate to its highest level on record.

A collapse in demand stemming from measures to contain the spread of COVID-19, along with excess supply as a result of a disagreement on output levels by the Organization of the Petroleum Exporting Countries, resulted in a steeply lower price of oil in March. This was followed by a partial rebound in the price of oil later in the period. Canada's inflation rate declined markedly, as lower energy prices and a substantial drop in consumer demand weighed on prices. Monthly retail sales fell by 26.4% in April. Near the end of the period, the inflation rate turned negative for the first time since 2009.

In response to these economic conditions, the Bank of Canada (the BoC) reduced its benchmark interest rate three times, by 50 bps each time. This reduced the BoC's overnight interest rate to 0.25%. The BoC also implemented a bond-buying program to help the economy and ensure the proper functioning of financial markets. This program included purchases of bankers' acceptances, which helped stabilize that market.

Similarly, the U.S. Federal Reserve Board (the *Fed*) reduced the federal funds rate by 50 bps and 100 bps at two meetings in March, lowering the Fed's target range to 0.00%–0.25%. The Fed noted it expects to maintain this low interest rate through 2021. The Fed also initiated a spending program to support credit conditions for both households and businesses, as well as to maintain the proper functioning of financial markets.

Bond yields declined materially over the period as central banks were widely expected to keep interest rates low for an extended period of time.

A significant overweight allocation to corporate bonds detracted from the Pool's performance as these bonds underperformed the federal sector.

Individual detractors from the Pool's performance included Ford Credit Canada Co. (2.77%, 2022/06/22), West Edmonton Mall Property Inc. (4.06%, 2024/02) and Ventas Canada Finance Ltd. (2.80%, 2024/04/12), as spreads widened (that is, as the difference in yield from a Government of Canada bond increased) in response to the COVID-19 pandemic.

An overweight allocation to municipal bonds contributed to the Pool's performance as these bonds outperformed the federal sector.

Individual contributors to performance included Canada Housing Trust No. 1 (2.40%, 2022/12/15) and Municipal Finance Authority of British Columbia (2.60%, 2023/04/23). The Canada Housing Trust bond benefited from contracting bond yields. The holding in Municipal

Finance Authority of British Columbia contributed to performance as municipal bonds outperformed Government of Canada bonds.

The Portfolio Advisor added a new holding in Municipal Finance Authority of British Columbia (2.95%, 2024/10/14), which was funded by eliminating the Pool's holding in a shorter-term bond from the same issuer, Municipal Finance Authority of British Columbia (2.15%, 2024/06/03). This change was made to increase the duration (sensitivity to interest rates) and yield of the portfolio. A new holding in Manulife Financial Corp. (2.24%, 2030/05/12) was added because the Portfolio Advisor found its credit spread attractive for a high-quality issuer.

The Portfolio Advisor increased an existing holding in Canada Housing Trust No. 1 (0.95%, 2025/06/15) to increase the Pool's duration.

The Pool's holding in Ford Credit Canada Co. (2.58%, 2021/05) was decreased to improve the credit quality of the portfolio.

Recent Developments

The recent spread of the coronavirus disease (also known as COVID-19) caused a significant slowdown in the global economy and volatility in global financial markets. The COVID-19 outbreak may adversely affect global markets and the Pool's performance.

The composition of the Independent Review Committee (*IRC*) changed. Don Hunter and Merle Kriss retired effective April 26, 2020. Effective April 27, 2020, David Forster and Deborah Leckman were appointed as members of the IRC. Marcia Lewis Brown was appointed Chair effective April 1, 2020.

Related Party Transactions

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

Manager

CIBC is the Pool's manager (the *Manager*). CIBC receives management fees with respect to the Pool's day-to-day business and operations, calculated based on the Pool's net asset value as described in the section entitled *Management Fees*.

Trustee

CIBC Trust Corporation (*CIBC Trust*), a wholly-owned subsidiary of CIBC, is the Pool's trustee (the *Trustee*). The Trustee holds title to the Pool'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 Pool. CAMI, a wholly-owned subsidiary of CIBC, is the Pool's portfolio advisor.

Discretionary Managers

As at the date of this report, units of the Pool are offered through discretionary investment management services provided by certain subsidiaries of CIBC (collectively, the *Discretionary Managers*). The

Discretionary Managers may include CIBC Trust and CAMI. The Discretionary Managers arrange to purchase, convert, switch and redeem units of the Pool on behalf of their clients who have entered into discretionary investment management agreements with one of the Discretionary Managers. The Discretionary Managers are the registered unitholders of the Pools for the purposes of receiving all unitholder materials and having the right to vote all proxies with respect to units of the Pool. Units of the Pool are also offered to investors in connection with certain products offered by affiliated dealers pursuant to the terms of the account agreements governing such products. There are no compensation arrangements with these dealers in respect of the sale of units of the Pool. However, CIBC Trust receives fees from its clients for offering discretionary management services and, from these fees, CIBC Trust may pay affiliated dealers and other CIBC members for services provided in connection with the client's discretionary investment managed account, which may hold units of the Pool.

CIBC receives fees from CIBC Trust for the services of CIBC advisors that assist investors with opening discretionary investment management accounts where CIBC Trust acts as the Discretionary Manager and for acting as the investors' ongoing relationship manager. CIBC is responsible for the remuneration of the CIBC advisors and may pay the CIBC advisors out of such fees. Further details of the arrangement between CIBC and CIBC Trust may be found in the discretionary investment management agreement between CIBC Trust and investors. CAMI receives fees from their clients for offering discretionary investment managed accounts, which may hold units of the Pool, and may pay a portion of such fees to their investment counsellors.

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 World Markets Inc. (*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 and other securities and certain derivative products to the Pool. 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 Pool or relate directly to the execution of portfolio transactions on behalf of the Pool.

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

During the period, the Pool did not pay any brokerage commissions or other fees to CIBC WM or 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.

Pool Transactions

The Pool 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;
- invest in or hold debt securities of CIBC or issuers related to a portfolio sub-advisor purchased 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.

Custodian

CIBC Mellon Trust Company is the Pool's custodian (the *Custodian*). The Custodian holds all cash and securities for the Pool 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 Pool including record-keeping and processing of foreign exchange transactions. The Custodian may hire sub-custodians for the Pool. The fees and spreads for services of the Custodian directly related to the execution of portfolio transactions by the Pool 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 Pool during that month. All other fees and spreads for the services of the Custodian are paid by the Manager and charged to the Pool 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 Pool, including securities lending, fund accounting and reporting, and portfolio valuation. Such servicing fees are paid by the Manager and charged to the Pool on a recoverable basis. CIBC indirectly owns a 50% interest in CIBC GSS.

Imperial Short-Term Bond Pool

Financial Highlights

The following tables show selected key financial information about the Pool and are intended to help you understand the Pool's financial performance for the period ended June 30, 2020 and December 31 of any other period(s) shown.

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

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|--|----------|----------|----------|----------|----------|----------|
| Net Assets, beginning of period | \$ 10.16 | \$ 10.03 | \$ 10.12 | \$ 10.31 | \$ 10.43 | \$ 10.46 |
| Increase (decrease) from operations: | | | | | | |
| Total revenue | \$ 0.13 | \$ 0.26 | \$ 0.26 | \$ 0.26 | \$ 0.27 | \$ 0.30 |
| Total expenses | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) | (0.01) |
| Realized gains (losses) for the period | 0.02 | (0.02) | (0.10) | (0.06) | (0.03) | (0.02) |
| Unrealized gains (losses) for the period | 0.23 | 0.13 | 0.02 | (0.13) | (0.09) | (0.01) |
| Total increase (decrease) from operations² | \$ 0.37 | \$ 0.36 | \$ 0.17 | \$ 0.06 | \$ 0.14 | \$ 0.26 |
| Distributions: | | | | | | |
| From income (excluding dividends) | \$ 0.13 | \$ 0.25 | \$ 0.25 | \$ 0.25 | \$ 0.26 | \$ 0.28 |
| From dividends | — | — | — | — | — | — |
| From capital gains | — | — | — | — | — | — |
| Return of capital | — | — | — | — | — | — |
| Total Distributions³ | \$ 0.13 | \$ 0.25 | \$ 0.25 | \$ 0.25 | \$ 0.26 | \$ 0.28 |
| Net Assets, end of period | \$ 10.40 | \$ 10.16 | \$ 10.03 | \$ 10.12 | \$ 10.31 | \$ 10.43 |

¹ This information is derived from the Pool's audited annual and unaudited interim 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 Pool, or both.

Ratios and Supplemental Data - Class A Units

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|--------------|---------------|---------------|--------------|--------------|--------------|
| Total Net Asset Value (000s)⁴ | \$ 9,952,570 | \$ 10,987,777 | \$ 10,000,998 | \$ 8,586,392 | \$ 9,416,903 | \$ 8,756,786 |
| Number of Units Outstanding⁴ | 956,748,448 | 1,081,388,043 | 997,000,736 | 848,377,757 | 912,971,379 | 839,279,992 |
| Management Expense Ratio⁵ | 0.12% * | 0.11% | 0.11% | 0.11% | 0.11% | 0.11% |
| Management Expense Ratio before waivers or absorptions⁶ | 0.31% * | 0.31% | 0.31% | 0.31% | 0.32% | 0.32% |
| Trading Expense Ratio⁷ | 0.00% * | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Portfolio Turnover Rate⁸ | 17.57% | 32.92% | 51.33% | 41.61% | 35.72% | 54.54% |
| Net Asset Value per Unit | \$ 10.40 | \$ 10.16 | \$ 10.03 | \$ 10.12 | \$ 10.31 | \$ 10.43 |

* Ratio has been annualized.

⁴ This information is presented as at June 30, 2020 and December 31 of the period(s) shown.

⁵ Management expense ratio is based on the total expenses of the pool (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.

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.

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.

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 Pool, either directly or indirectly, pays CIBC an annual management fee to cover the costs of managing the Pool. Management fees are based on the Pool'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 Pool. The Pool 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 the period ended June 30, 2020, 100% of the management fees collected from the Pool was attributable to general administration, investment advice, and profit.

Past Performance

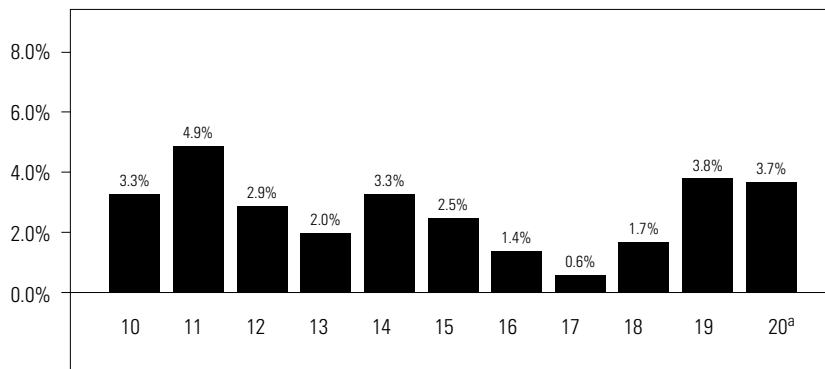
The performance data provided assumes reinvestment of distributions only and does not take into account sales, redemption, distribution, or other optional charges payable by any unitholder that would have reduced returns. Past performance does not necessarily indicate how a fund will perform in the future.

The Pool's returns are after the deduction of fees and expenses. See *Financial Highlights* section for the management expense ratio.

Year-by-Year Returns

The bar chart shows the Pool's annual performance for each of the periods shown, and illustrates how the performance has changed from period to period. The bar chart shows, in percentage terms, how an investment made on January 1 would have increased or decreased by December 31, unless otherwise indicated.

Class A Units



^a 2020 return is for the period from January 1, 2020 to June 30, 2020.

Imperial Short-Term Bond Pool

Summary of Investment Portfolio (as at June 30, 2020)

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. If the fund holds 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> |
|--|---------------------------------|
| Corporate Bonds | 55.2 |
| Government of Canada & Guaranteed Bonds | 32.1 |
| Foreign Currency Bonds | 4.6 |
| Mortgage-Backed Securities | 2.7 |
| Provincial Government & Guaranteed Bonds | 2.4 |
| Cash & Cash Equivalents | 1.4 |
| Municipal Government & Guaranteed Bonds | 1.4 |
| Supranational Bonds | 0.4 |
| Other Assets, less Liabilities | -0.2 |

| <i>Top Positions</i> | <i>% of Net Asset Value</i> |
|--|---------------------------------|
| Government of Canada, 2.25%, 2029/06/01 | 6.7 |
| Canada Housing Trust No. 1, 2.90%, 2024/06/15 | 4.7 |
| Canada Housing Trust No. 1, 1.75%, 2022/06/15 | 4.7 |
| Canada Housing Trust No. 1, 2.35%, 2023/06/15 | 4.1 |
| Canada Housing Trust No. 1, 2.40%, 2022/12/15 | 3.7 |
| Canada Housing Trust No. 1, 2.35%, 2023/09/15 | 2.3 |
| Bank of Nova Scotia, 1.83%, 2022/04/27 | 1.6 |
| Canada Housing Trust No. 1, Series 'SEPT', 2.55%, 2023/12/15 | 1.6 |
| Government of Canada, 2.25%, 2025/06/01 | 1.5 |
| Toronto-Dominion Bank (The), 1.99%, 2022/03/23 | 1.5 |
| Royal Bank of Canada, 2.00%, 2022/03/21 | 1.5 |
| Cash & Cash Equivalents | 1.4 |
| National Bank of Canada, 1.96%, 2022/06/30 | 1.4 |
| Government of Canada, 1.25%, 2025/03/01 | 1.2 |
| Fortified Trust, Series 'A', 1.67%, 2021/07/23 | 1.2 |
| Toronto-Dominion Bank (The), 2.62%, 2021/12/22 | 1.1 |
| Bank of Nova Scotia, 2.38%, 2023/05/01 | 1.1 |
| Province of Ontario, 2.85%, 2023/06/02 | 1.1 |
| HSBC Bank Canada, 2.54%, 2023/01/31 | 0.9 |
| Bank of Montreal, Variable Rate, Callable, 3.32%, 2026/06/01 | 0.9 |
| HSBC Bank Canada, 2.17%, 2022/06/29 | 0.9 |
| TELUS Corp., Callable, 2.35%, 2022/03/28 | 0.9 |
| Canadian Natural Resources Ltd., 3.31%, 2022/02/11 | 0.8 |
| Suncor Energy Inc., Series '5', Callable, 3.10%, 2021/11/26 | 0.8 |
| Wells Fargo & Co., Callable, 3.18%, 2024/02/08 | 0.8 |

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.

**Imperial Pools
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