

IA Clarington Canadian Small Cap Fund

Semi-Annual Financial Statements

September 30, 2021



The Fund's auditor has not performed a review of the interim financial statements that are included in this report.

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Message to Unitholders

Dear Investor:

We are pleased to enclose the 2021 semi-annual report for IA Clarington Mutual Funds. The accompanying financial statements contain important information about your investment for the period ended September 30, 2021.

We thank you for your ongoing trust and are committed to providing you with active management solutions that continue to serve your needs.

Should you have any questions or require further information, please contact your Financial Advisor, the IA Clarington Client Services Team at 1.800.530.0204, or visit our website at: www.iaclarington.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Elliott", with a stylized flourish extending to the right.

Adam Elliott
Chief Executive Officer

Management's Responsibility for Financial Reporting

Management's Responsibility for Financial Reporting

The accompanying financial statements have been prepared by IA Clarington Investments Inc., the Manager of the Fund and approved by the board of directors of the Manager. The Manager is responsible for the information and representations contained in these financial statements and other sections of this report.

The Manager has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and include certain amounts that are based on estimates and judgements. The significant accounting policies which management believes are appropriate for the Fund are described in Generic Note 3 to the Financial Statements.

The Board is responsible for oversight of the financial reporting process and for reviewing and approving the financial statements of the Fund. The Board also reviews the adequacy of internal controls over the financial reporting process, auditing matters and financial reporting issues with management and the external auditors.



Adam Elliott
Chief Executive Officer



Nancy Cappadocia
Chief Financial Officer

November 12, 2021

IA Clarington Canadian Small Cap Fund

Statements of Financial Position

As at In thousands (except per unit figures)	September 30 2021 (unaudited) \$	March 31 2021 (audited) \$
ASSETS		
CURRENT ASSETS		
Investments	797,485	730,135
Cash	10,412	3,838
Subscriptions receivable	295	1,153
Receivable for investments sold	1,659	4,399
Interest, dividends, distributions and other receivable	4,229	5,057
	814,080	744,582
LIABILITIES		
CURRENT LIABILITIES		
Payable for investments purchased	10	1,827
Redemptions payable	1,346	1,803
Expenses payable	906	883
	2,262	4,513
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	811,818	740,069
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES		
Series A	233,532	229,543
Series E	36,080	31,200
Series EF	13,435	12,839
Series EX	5,277	5,131
Series EX5	1,146	1,070
Series F	135,223	115,160
Series FX	7,769	8,053
Series FX5	83	84
Series I	331,190	289,148
Series L	6,200	5,883
Series LX	1,523	1,445
Series LX5	77	71
Series O	5,816	5,390
Series P	150	137
Series X	32,444	32,982
Series X5	1,873	1,933
UNITS OUTSTANDING		
Series A	3,281	3,508
Series E	2,672	2,520
Series EF	973	1,020
Series EX	416	442
Series EX5	94	94
Series F	1,533	1,431
Series FX	607	691
Series FX5	7	7
Series I	3,487	3,361
Series L	86	89
Series LX	120	125
Series LX5	6	6
Series O	61	62
Series P	13	13
Series X	2,566	2,845
Series X5	154	169

Statements of Financial Position (continued)

As at In thousands (except per unit figures)	September 30 2021 (unaudited) \$	March 31 2021 (audited) \$
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	71.18	65.43
Series E	13.50	12.38
Series EF	13.81	12.59
Series EX	12.68	11.60
Series EX5	12.22	11.43
Series F	88.23	80.47
Series FX	12.79	11.65
Series FX5	12.33	11.47
Series I	94.98	86.04
Series L	71.87	66.10
Series LX	12.64	11.59
Series LX5	12.20	11.42
Series O	95.39	86.48
Series P	11.97	10.86
Series X	12.64	11.59
Series X5	12.19	11.42

Approved on behalf of the Board of Directors of IA Clarington Investments Inc.


Adam Elliott, Chief Executive Officer


Normand Pépin, Director

The accompanying Notes to the Financial Statements are an integral part of these statements.

IA Clarington Canadian Small Cap Fund

Statements of Comprehensive Income (unaudited)

For the periods ended September 30 In thousands (except per unit figures)	2021 \$	2020 \$
INCOME		
Interest for distribution purposes	70	40
Dividends	16,717	9,134
Securities lending	21	4
Income from income trusts	59	242
Other Income	5	-
Foreign exchange gain (loss) on cash	4	-
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	32,053	(7,879)
Net change in unrealized appreciation (depreciation)	28,497	152,274
Net gain (loss) in fair value of investments	60,550	144,395
Derivative financial instruments:		
Net realized gain (loss)	-	(9)
Net change in unrealized appreciation (depreciation)	1	-
Net gain (loss) in fair value of derivative financial instruments	1	(9)
Total other changes in fair value of investments and derivative financial instruments	60,551	144,386
	77,427	153,806
EXPENSES		
Management fees	4,978	3,750
Fixed Administration fees	497	414
Independent Review Committee fees	3	3
Transaction costs	275	257
Foreign withholding taxes	7	6
	5,760	4,430
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS	71,667	149,376
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES		
Series A	19,769	45,217
Series E	2,918	4,892
Series EF	1,233	2,558
Series EX	456	-
Series EX5	97	-
Series F	11,434	19,193
Series FX	760	-
Series FX5	8	-
Series I	30,719	74,760
Series L	511	1,716
Series LX	130	-
Series LX5	6	-
Series O	546	929
Series P	14	111
Series X	2,898	-
Series X5	168	-

Statements of Comprehensive Income (unaudited) (continued)

For the periods ended September 30 In thousands (except per unit figures)	2021 \$	2020 \$
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT		
Series A	5.84	10.37
Series E	1.08	1.96
Series EF	1.23	2.09
Series EX	1.09	-
Series EX5	1.04	-
Series F	7.64	12.91
Series FX	1.17	-
Series FX5	1.13	-
Series I	8.86	15.26
Series L	5.84	10.76
Series LX	1.06	-
Series LX5	1.04	-
Series O	8.93	14.46
Series P	1.12	2.07
Series X	1.08	-
Series X5	1.06	-

The accompanying Notes to the Financial Statements are an integral part of these statements.

IA Clarington Canadian Small Cap Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (*unaudited*)

For the periods ended September 30 In thousands	2021 \$	2020 \$
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD		
Series A	229,543	186,846
Series E	31,200	19,727
Series EF	12,839	10,367
Series EX	5,131	-
Series EX5	1,070	-
Series F	115,160	77,266
Series FX	8,053	-
Series FX5	84	-
Series I	289,148	308,089
Series L	5,883	7,275
Series LX	1,445	-
Series LX5	71	-
Series O	5,390	3,529
Series P	137	423
Series X	32,982	-
Series X5	1,933	-
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	19,769	45,217
Series E	2,918	4,892
Series EF	1,233	2,558
Series EX	456	-
Series EX5	97	-
Series F	11,434	19,193
Series FX	760	-
Series FX5	8	-
Series I	30,719	74,760
Series L	511	1,716
Series LX	130	-
Series LX5	6	-
Series O	546	929
Series P	14	111
Series X	2,898	-
Series X5	168	-
DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS		
From net investment income:		
Series A	-	-
Series E	-	-
Series EF	-	-
Series EX	-	-
Series EX5	(18)	-
Series F	-	-
Series FX	-	-
Series FX5	(1)	-
Series I	-	-
Series L	-	-
Series LX	-	-
Series LX5	(1)	-
Series O	-	-
Series P	-	-
Series X	-	-
Series X5	(27)	-

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units (*unaudited*) (*continued*)

For the periods ended September 30 In thousands	2021 \$	2020 \$
From return of capital:		
Series A	-	-
Series E	-	-
Series EF	-	-
Series EX	-	-
Series EX5	(6)	-
Series F	-	-
Series FX	-	-
Series FX5	(1)	-
Series I	-	-
Series L	-	-
Series LX	-	-
Series LX5	-	-
Series O	-	-
Series P	-	-
Series X	-	-
Series X5	(13)	-
	(67)	-
REDEEMABLE UNITS TRANSACTIONS		
Proceeds from redeemable units issued:		
Series A	7,745	5,019
Series E	4,025	932
Series EF	58	129
Series EX	20	-
Series EX5	-	-
Series F	15,765	11,678
Series FX	111	-
Series FX5	-	-
Series I	38,054	14,248
Series L	1,441	242
Series LX	3	-
Series LX5	-	-
Series O	-	154
Series P	-	-
Series X	278	-
Series X5	2	-
Reinvestments of distribution to holders of redeemable units:		
Series A	-	-
Series E	-	-
Series EF	-	-
Series EX	-	-
Series EX5	3	-
Series F	-	-
Series FX	-	-
Series FX5	2	-
Series I	-	-
Series L	-	-
Series LX	-	-
Series LX5	1	-
Series O	-	-
Series P	-	-
Series X	-	-
Series X5	25	-

IA Clarington Canadian Small Cap Fund

Statements of Changes in Net Assets Attributable to Holders of Redeemable Units *(unaudited) (continued)*

For the periods ended September 30 In thousands	2021 \$	2020 \$
Redemption of redeemable units:		
Series A	(23,525)	(28,125)
Series E	(2,063)	(2,040)
Series EF	(695)	(1,524)
Series EX	(330)	-
Series EX5	-	-
Series F	(7,136)	(13,790)
Series FX	(1,155)	-
Series FX5	(9)	-
Series I	(26,731)	(128,756)
Series L	(1,635)	(2,222)
Series LX	(55)	-
Series LX5	-	-
Series O	(120)	(333)
Series P	(1)	(4)
Series X	(3,714)	-
Series X5	(215)	-
	149	(144,392)
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS		
Series A	3,989	22,111
Series E	4,880	3,784
Series EF	596	1,163
Series EX	146	-
Series EX5	76	-
Series F	20,063	17,081
Series FX	(284)	-
Series FX5	(1)	-
Series I	42,042	(39,748)
Series L	317	(264)
Series LX	78	-
Series LX5	6	-
Series O	426	750
Series P	13	107
Series X	(538)	-
Series X5	(60)	-
NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD		
Series A	233,532	208,957
Series E	36,080	23,511
Series EF	13,435	11,530
Series EX	5,277	-
Series EX5	1,146	-
Series F	135,223	94,347
Series FX	7,769	-
Series FX5	83	-
Series I	331,190	268,341
Series L	6,200	7,011
Series LX	1,523	-
Series LX5	77	-
Series O	5,816	4,279
Series P	150	530
Series X	32,444	-
Series X5	1,873	-

The accompanying Notes to the Financial Statements are an integral part of these statements.

Statements of Cash Flows *(unaudited)*

For the periods ended September 30 In thousands	2021 \$	2020 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets attributable to holders of redeemable units	71,667	149,376
Adjustments		
Interest for distribution purposes	(70)	(40)
Dividends	(16,716)	(9,134)
Income from income trusts	(59)	(242)
Other Income	(5)	-
Foreign withholding taxes	7	6
Foreign exchange loss (gain) on cash	(4)	-
Net realized loss (gain) of investments and derivative financial instruments	(32,053)	7,888
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(28,498)	(152,274)
Transaction costs	275	257
Proceeds from sale and maturity of investments	119,545	173,831
Purchases of investments	(125,688)	(43,270)
Increase / (decrease) in expenses payable	23	5
Decrease / (increase) in other receivable	-	2,224
Interest received (paid)	64	16
Dividends received, net of withholding taxes	14,585	11,310
Income from income trusts received	59	260
Other income received	2,955	-
	6,087	140,213
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution paid to holders of redeemable units net of reinvested distributions	(36)	-
Proceeds from issuances of redeemable units	67,502	32,402
Change in subscriptions receivable	858	4,501
Issuance of units from other series	(6,519)	(7,356)
Proceeds from redemption of redeemable units	(67,384)	(176,794)
Change in redemptions payable	(457)	60
Redemption of units from other series	6,519	7,356
	483	(139,831)
Foreign exchange gain (loss) on cash	4	-
NET INCREASE (DECREASE) IN CASH	6,574	382
Cash (Bank Overdraft) at Beginning of the Period	3,838	2,899
CASH (BANK OVERDRAFT) AT END OF THE PERIOD	10,412	3,281

The accompanying Notes to the Financial Statements are an integral part of these statements.

IA Clarington Canadian Small Cap Fund

Schedule of Investment Portfolio (unaudited)

As at September 30, 2021 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$
CANADIAN EQUITIES (91.10%)			
COMMUNICATION SERVICES (1.73%)			
Cogeco Inc.	156,087	14,825	14,079
CONSUMER DISCRETIONARY (8.67%)			
A&W Revenue Royalties Income Fund	183,109	6,661	6,795
Aritzia Inc.	432,638	6,833	17,444
Leon's Furniture Ltd.	865,533	10,845	20,271
Martinrea International Inc.	1,508,651	20,593	16,972
Pet Valu Holdings Ltd.	305,500	7,128	8,936
		52,060	70,418
CONSUMER STAPLES (4.16%)			
Lassonde Industries Inc., Class 'A'	185,748	13,993	33,745
ENERGY (15.05%)			
Enerflex Ltd.	1,056,850	8,974	9,808
Freehold Royalties Ltd.	3,209,720	14,339	33,381
Parkland Corp.	873,961	23,519	31,104
Pason Systems Inc.	1,583,579	22,333	13,650
PrairieSky Royalty Ltd.	857,230	7,606	11,581
Secure Energy Services Inc.	4,757,482	32,411	22,646
		109,182	122,170
FINANCIALS (21.15%)			
Canadian Western Bank	1,295,045	33,286	47,489
*Coinsquare Ltd.	25,068	-	-
E-L Financial Corp. Ltd.	42,074	21,039	39,339
Element Fleet Management Corp.	1,474,634	9,789	18,846
Guardian Capital Group Ltd., Class 'A'	707,111	15,264	24,289
iA Financial Corp. Inc.	580,275	27,678	41,698
Mogo Inc.	5,267	43	29
		107,099	171,690
HEALTH CARE (2.89%)			
Andlauer Healthcare Group Inc.	156,860	2,782	7,741
Knight Therapeutics Inc.	2,936,869	19,983	15,712
		22,765	23,453
INDUSTRIALS (12.78%)			
Black Diamond Group Ltd.	741,584	8,315	2,803
Logistec Corp.	348,800	12,034	14,824
Mullen Group Ltd.	2,286,309	31,955	29,448
Richelieu Hardware Ltd.	172,373	2,266	7,181
Savaria Corp.	413,640	6,422	8,480
Stantec Inc.	334,560	11,092	19,906
Transcontinental Inc., Class 'A'	1,034,821	18,035	20,821
Westshore Terminals Investment Corp.	13,139	240	321
		90,359	103,784
INFORMATION TECHNOLOGY (2.57%)			
Evertz Technologies Ltd.	1,455,321	21,789	20,884
MATERIALS (8.80%)			
Major Drilling Group International Inc.	2,227,907	16,546	18,826
Stella-Jones Inc.	637,026	24,216	27,169
Winpak Ltd.	620,410	21,242	25,406
		62,004	71,401

As at September 30, 2021 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$
REAL ESTATE (5.49%)			
Information Services Corp.	843,689	13,604	23,336
Melcor Developments Ltd.	1,402,180	24,096	21,243
		37,700	44,579
UTILITIES (7.81%)			
AltaGas Ltd.	1,694,261	42,803	42,340
ATCO Ltd., Class 'I'	284,860	10,433	11,574
Superior Plus Corp.	702,244	8,038	9,501
		61,274	63,415
TOTAL CANADIAN EQUITIES		593,050	739,618
U.S. EQUITIES (2.90%)			
CONSUMER DISCRETIONARY (2.72%)			
Winmark Corp.	81,116	13,848	22,097
FINANCIALS (0.06%)			
*Opera Event Inc. Preferred, Series A	406,391	519	507
HEALTH CARE (0.12%)			
Curaleaf Holdings Inc.	54,802	764	845
Harvest Health & Recreation Inc., Warrants, 2022/12/20	117,720	-	48
*OG DNA Genetics Inc.	115,000	37	36
		801	929
TOTAL U.S. EQUITIES		15,168	23,533
As at September 30, 2021 In thousands	Face Value \$	Average Cost \$	Carrying Value \$
U.S. BONDS (0.17%)			
CORPORATES (0.17%)			
*Harvest Health & Recreation Inc., Restricted 9.250%, 2022-12-19	1,080	1,401	1,368
	Face Value \$	Average Cost \$	Carrying Value \$
SHORT-TERM INVESTMENTS (4.06%)			
Government of Canada, Treasury Bill 0.152%, 2021-11-25	5,000	4,999	4,999
0.137%, 2022-03-03	12,500	12,492	12,492
0.171%, 2022-06-23	15,500	15,480	15,475
TOTAL SHORT-TERM INVESTMENTS		32,971	32,966
TRANSACTION COSTS		(1,027)	
TOTAL INVESTMENT PORTFOLIO (98.23%)		641,563	797,485
OTHER ASSETS LESS LIABILITIES (1.77%)			14,333
TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)			811,818

† Denotes Level 3 financial assets

IA Clarington Canadian Small Cap Fund

Discussion of Financial Instrument Risk Management (unaudited)

September 30, 2021 (Generic Notes 3 and 5, in thousands of \$, except per unit figures)

In the sections Discussion of Financial Instrument Risk Management and Supplementary Notes to Financial Statements - Fund Specific Information, Net Assets is defined as "Net Assets Attributable to Holders of Redeemable Units", please refer to Generic Note 3.

Fair Value Measurements

For more information on fair value measurements and inputs, and the aggregation into the fair value hierarchy levels, please refer to Methods and Assumptions Used to Estimate Fair Values of Financial Instruments section in Generic Note 5 Management of Financial Risks.

The following tables present the hierarchy of financial instruments recorded at fair value, based on the hierarchy levels of input used at measurement date.

As at September 30, 2021

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
ASSETS				
Investments				
Equities	762,560	48	543	763,151
Investment funds	-	-	-	-
Bonds	-	-	1,368	1,368
Short-term investments	-	32,966	-	32,966
	762,560	33,014	1,911	797,485
Derivatives				
Derivative financial instruments	-	-	-	-
LIABILITIES				
Derivatives				
Derivative financial instruments	-	-	-	-
Total	762,560	33,014	1,911	797,485

As at March 31, 2021

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
ASSETS				
Investments				
Equities	722,294	47	5,437	727,778
Investment funds	-	-	-	-
Bonds	-	-	1,357	1,357
Short-term investments	-	1,000	-	1,000
	722,294	1,047	6,794	730,135
Derivatives				
Derivatives financial instruments	-	-	-	-
LIABILITIES				
Derivatives				
Derivatives financial instruments	-	-	-	-
Total	722,294	1,047	6,794	730,135

There were no significant transfers between the levels for the periods ending September 30, 2021 and March 31, 2021.

The following table provides financial instruments recognized at fair value and for which Level 3 inputs were used in determining fair value:

	Fair Value Measurements for Level 3 Securities			
	September 30, 2021		March 31, 2021	
	Bonds (\$)	Equities (\$)	Bonds (\$)	Equities (\$)
Balance - beginning of the period	1,357	5,437	-	-
Net realized gain (Loss) on investments	9	56	-	-
Net realized gain (loss) on derivatives	-	-	-	-
Net change in unrealized appreciation (depreciation) on investments	11	4	(44)	(17)
Net change in unrealized appreciation (depreciation) on derivatives	-	-	-	-
Purchases	-	-	1,401	5,454
Sales	(9)	(4,954)	-	-
Transfers into Level 3	-	-	-	-
Transfers out Level 3	-	-	-	-
Balance - end of period	1,368	543	1,357	5,437
Change in unrealized gain (loss) of investments and derivatives held at the end of period	11	4	(44)	(17)

The tables below summarize the valuation techniques and the unobservable inputs used in the fair value measurement of Level 3 financial instruments as of September 30, 2021 and March 31, 2021. The unobservable inputs used in valuation of Level 3 financial instruments can vary considerably over time depending on company specific factors and economic or market conditions. The table also illustrates the potential impact on the Fund if the unobservable inputs used in the valuation techniques had increased or decreased with all other variables held constant. Certain unobservable inputs used in the valuation techniques are not reasonably expected to shift and are indicated in the tables below as "n/a". Securities where the reasonable shift in the unobservable input did not result in a material impact on the Fund are indicated in the table below as nil.

As at September 30, 2021

Holdings	Valuation technique	Unobservable Input	Carrying Value	Reasonable shift (+/-)	Change in Valuation (+/1)
U.S. Dollar-Denominated Equities	Recent Financing	Financing Price	36	n/a	n/a
U.S. Dollar-Denominated Equities	Fair Value at Cost	Purchase Price	507	n/a	n/a
U.S. Dollar-Denominated Bonds*	Fair Value at Cost	Purchase Price	1,368	n/a	n/a
			1,911		

IA Clarington Canadian Small Cap Fund

Discussion of Financial Instrument Risk Management (unaudited) (continued)

September 30, 2021 (Generic Notes 3 and 5, in thousands of \$, except per unit figures)

As at March 31, 2021

Holdings	Valuation technique	Unobservable Input	Carrying Value	Reasonable shift (+/-)	Change in Valuation (+/-)
Equities	Fair Value at Cost	Purchase Price	4,898	n/a	n/a
U.S. Dollar-Denominated Equities	Recent Financing	Financing Price	36	n/a	n/a
U.S. Dollar-Denominated Equities	Fair Value at Cost	Purchase Price	503	n/a	n/a
U.S. Dollar-Denominated Bonds*	Fair Value at Cost	Purchase Price	1,367	n/a	n/a
			6,794		

* Level 3 U.S. dollar-denominated holdings are translated into Canadian Dollars at the applicable daily closing foreign exchange rate.

Credit Risk

As at September 30, 2021 and March 31, 2021, the Fund did not invest a significant portion of its holdings in debt instruments, therefore the Fund had no significant exposure to credit risk.

Concentration Risk

The following table summarizes the Fund's concentration risk:

Market Segments	Percentage of Net Assets As at September 30, 2021 (%)	Percentage of Net Assets As at March 31, 2021 (%)
Financials	21.21	23.25
Energy	15.05	13.88
Industrials	12.78	15.54
Consumer Discretionary	11.39	9.03
Materials	8.80	9.74
Utilities	7.81	11.39
Real Estate	5.49	5.06
Consumer Staples	4.16	4.32
Short-Term Investments	4.06	0.14
Health Care	3.01	2.17
Information Technology	2.57	2.78
Cash and Other Net Assets	1.77	1.33
Communication Services	1.73	1.19
Other	0.17	-
Corporate Bonds	-	0.18

Liquidity Risk

As at September 30, 2021 and March 31, 2021, the Fund's redeemable units are due on demand. All other financial liabilities of the Fund have maturities of less than 30 days. Refer to Generic Note 5 for further information.

Interest Rate Risk

As at September 30, 2021 and March 31, 2021, the majority of the Fund's financial assets and liabilities were non-interest bearing and, accordingly, the Fund was not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

Currency Risk

As at September 30, 2021 and March 31, 2021, the Fund had no significant exposure to currency risk.

Price Risk

As at September 30, 2021 and March 31, 2021, the estimated impact on the Net Assets of the Fund due to a reasonably possible change in benchmark, with all other variables held constant, is presented in the tables below. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

As at September 30, 2021

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Small Cap Index	10.00	100.00	9.42	76,452

As at March 31, 2021

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Composite Index	10.00	100.00	9.85	72,914

IA Clarington Canadian Small Cap Fund

Supplemental Notes to Financial Statements - Fund Specific Information

September 30, 2021 (Generic Note 1b, in thousands of \$, except per unit figures)

Investment Objectives

The Fund seeks to maximize long-term capital growth by investing primarily in equity securities of small cap Canadian companies. The Fund may invest up to 30% of its assets in foreign securities.

The Fund

The series of units of the Fund were established on the following dates:

	Dates of Inception MM/DD/YY
Series A	03/20/97
Series E	11/03/14
Series EF	06/25/15
Series EX	11/27/20
Series EX5	11/27/20
Series F	07/05/04
Series FX	11/27/20
Series FX5	11/27/20
Series I	07/05/04
Series L	02/28/11
Series LX	11/27/20
Series LX5	11/27/20
Series O	07/19/10
Series P	11/03/14
Series X	11/27/20
Series X5	11/27/20

Fund Merger

On November 27, 2020, the IA Clarington North American Opportunities Class and IA Clarington Focused Canadian Equity Class (the Terminating Funds), merged into the Fund (the Continuing Fund). Pursuant to the merger, the Continuing Fund acquired the investment portfolio and other assets of the Terminating Funds in exchange for shares in the Continuing Fund.

The purchase method was used to account for the merger such that the Continuing Fund was identified as the acquiring fund for accounting purposes. The financial statements of the Continuing Fund include the results of operations of the Terminating Fund from the date of the merger.

The exchange ratio (represented by the number of units issued by the Continuing Fund in exchange for each outstanding unit of the Terminating Fund), for the total number of units issued by the Continuing Fund and the Net Asset Value acquired are summarized as follows:

Merger Date	Terminating Fund	Continuing Fund	Exchange Ratio	Number of Units Issued	Net Asset Value Acquired
November 27, 2020	IA Clarington North American Opportunities Class	IA Clarington Canadian Small Cap Fund			
	Series A	Series X	1.0252	517	5,169
	Series E	Series EX	1.0418	73	730
	Series F	Series FX	1.1056	175	1,746
	Series L	Series LX	1.0229	48	476

Merger Date	Terminating Fund	Continuing Fund	Exchange Ratio	Number of Units Issued	Net Asset Value Acquired
November 27, 2020	IA Clarington Focused Canadian Equity Class	IA Clarington Canadian Small Cap Fund			
	Series A	Series X	1.0814	2,860	28,602
	Series E	Series EX	0.8666	180	1,805
	Series E5	Series EX5	0.6289	102	1,018
	Series EF	Series FX	0.8976	142	1,423
	Series EX	Series EX	1.1165	207	2,067
	Series F	Series FX	1.1966	516	5,158
	Series F5	Series FX5	0.7902	21	207
	Series L	Series LX	1.0796	106	1,064
	Series L5	Series LX5	0.7186	6	62
	Series T5	Series X5	0.7119	222	2,224

New Series

The following new series of the Fund was created on the date indicated below:

Series	Date
Series EX	11/27/20
Series EX5	11/27/20
Series FX	11/27/20
Series FX5	11/27/20
Series LX	11/27/20
Series LX5	11/27/20
Series X	11/27/20
Series X5	11/27/20

Management of Financial Risks

See Generic Note 5

Investments in Unconsolidated Structured Entities

The Fund has no significant interests in unconsolidated structured entities to disclose.

IA Clarington Canadian Small Cap Fund

Supplemental Notes to Financial Statements - Fund Specific Information *(continued)*

September 30, 2021 (Generic Note 1b, in thousands of \$, except per unit figures)

Related Party Transactions

See Generic Note 7

Management Fees

As at September 30, 2021 and March 31, 2021, the annualized management fee rate applicable for each series of the Fund, net of waivers, if any, is as follows:

Series	Management Fee as at September 30, 2021 (%)	Management Fee as at March 31, 2021 (%)
Series A	2.40	2.40
Series E	2.00	2.00
Series EF	0.94	0.94
Series EX	1.75	1.75
Series EX5	1.75	1.75
Series F	1.10	1.10
Series FX	0.80	0.80
Series FX5	0.80	0.80
Series I	-	-
Series L	2.40	2.40
Series LX	1.95	1.95
Series LX5	1.95	1.95
Series O	-	-
Series P	-	-
Series X	1.95	1.95
Series X5	1.95	1.95

The amount of management fees incurred during the period end is included in "Management Fees" in the Statement of Comprehensive Income.

Fixed Administration Fees

As at September 30, 2021 and March 31, 2021, the rate of the annual Fixed Administration Fee for each series of the Fund, net of waivers, if any, is as follows:

Series	Fixed Administration Fees as at September 30, 2021 (%)	Fixed Administration Fees as at March 31, 2021 (%)
Series A	0.25	0.25
Series E	0.21	0.21
Series EF	0.21	0.21
Series EX	0.14	0.14
Series EX5	0.24	0.24
Series F	0.14	0.14
Series FX	0.09	0.09
Series FX5	0.28	0.28
Series I	-	-
Series L	0.25	0.25
Series LX	0.21	0.21
Series LX5	0.14	0.14
Series O	0.15	0.15
Series P	0.21	0.21
Series X	0.21	0.21
Series X5	0.26	0.26

The amount of fixed administration fees incurred during the period end is included in "Fixed Administration Fees" in the Statement of Comprehensive Income.

Brokerage Commissions

During the periods ended September 30, 2021 and September 30, 2020, the Fund paid the following brokerage commissions to iA Private Wealth Inc. (formerly, Industrial Alliance Securities Inc.), a wholly owned subsidiary of Industrial Alliance:

September 30, 2021 (\$)	September 30, 2020 (\$)
4	-

Investments in the Fund

IA Clarington Investments Inc. and Industrial Alliance Insurance and Financial Services Inc. (Industrial Alliance) had investments in the Fund, at fair value, as at the following dates:

As at September 30, 2021	As at March 31, 2021
114	103

The preceding table excludes investments from other funds, including those managed by Industrial Alliance Investment Management Inc. ("IAIM"), a wholly-owned subsidiary of Industrial Alliance and related party to IA Clarington.

Redeemable Units

See Generic Note 8

For the periods ended September 30, 2021 and September 30, 2020, the following units were issued/reinvested and redeemed:

IA Clarington Canadian Small Cap Fund

Supplemental Notes to Financial Statements - Fund Specific Information (continued)

September 30, 2021 (Generic Note 1b, in thousands of \$, except per unit figures)

	Period ended	Beginning of Period	Issued/Reinvested during Period	Redeemed during Period	End of Period	Weighted Average Units
Series A	2021	3,508	111	338	3,281	3,389
	2020	4,556	109	576	4,089	4,360
Series E	2021	2,520	308	156	2,672	2,698
	2020	2,541	104	221	2,424	2,500
Series EF	2021	1,020	5	52	973	1,002
	2020	1,313	14	165	1,162	1,226
Series EX	2021	442	1	27	416	419
Series EX5	2021	94	-	-	94	94
Series F	2021	1,431	185	83	1,533	1,495
	2020	1,531	195	238	1,488	1,487
Series FX	2021	691	9	93	607	649
Series FX5	2021	7	-	-	7	7
Series I	2021	3,361	417	291	3,487	3,471
	2020	5,707	230	2,006	3,931	4,900
Series L	2021	89	21	24	86	88
	2020	176	5	45	136	160
Series LX	2021	125	-	5	120	122
Series LX5	2021	6	-	-	6	6
Series O	2021	62	-	1	61	61
	2020	65	2	5	62	64
Series P	2021	13	-	-	13	13
	2020	54	-	-	54	54
Series X	2021	2,845	23	302	2,566	2,691
Series X5	2021	169	2	17	154	159

Soft Dollar Commissions

See Generic Note 9

In addition to paying for the cost of brokerage services in respect to security transactions, commissions paid to certain brokers may also cover research services provided to the investment manager. The value of the research services included in the commissions paid by the Fund to those brokers are as follows:

For the period ended September 30, 2021 (\$)	For the period ended September 30, 2020 (\$)
-	38

Securities Lending

See Generic Note 10

For the periods ended September 30, 2021 and September 30, 2020 the Fund's securities lending income, net of withholding tax, was as follows:

	2021 (\$)	2020 (\$)
Gross securities lending income	26	6
Securities lending charges	(5)	(2)
Net securities lending income received by the Fund	21	4

During the period ended September 30, 2021, securities lending charges paid to the Fund's custodian, CIBC Mellon Trust Company, represented approximately 18% of the gross securities lending income.

During the period ended September 30, 2020, securities lending charges paid to the Fund's custodian, RBC Investor & Treasury Services, represented approximately 30% of the gross securities lending income.

As at September 30, 2021, the fair value of the loaned securities of the Fund included in the investments is as follows:

As at September 30, 2021

Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
20,047	21,076

There were no security loans outstanding as at March 31, 2021.

The collateral held for the loaned securities may consist of bonds, treasury bills, banker's acceptances and letters of credit.

Income Taxes

See Generic Note 11

As at the 2020 tax year end, the Fund had the following capital loss carry forwards for income tax purposes. Capital losses may be carried forward indefinitely to be applied against future capital gains.

Net Capital Losses (\$)	Non-Capital Losses (\$)	Year of Expiry
1,341	-	-

Generic Notes to the Financial Statements

September 30, 2021

(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

1. General Information

a) The Funds

The funds (the "Funds") are comprised of unincorporated open-end mutual fund trusts and unit trusts established under the laws of the Province of Ontario and governed by the Declaration of Trust. IA Clarington Investments Inc. ("IA Clarington" or the "Manager") is the manager and the trustee of the Funds. The Manager is a wholly-owned subsidiary of Industrial Alliance Insurance and Financial Services Inc. ("IA").

The Funds invest primarily in different types of securities depending on their investments policies. Refer to Schedule of Investment Portfolio specific to each fund for further details on their investments.

The Funds' functional and presentation currency is Canadian dollars, except for IA Clarington U.S. Dollar Floating Rate Income Fund, whose functional and presentation currency is U.S. dollars.

These financial statements were authorized for issue by the Manager on November 12, 2021.

The address of the Funds' administrative office is 522 University Avenue, Suite 700, Toronto, Ontario, Canada, M5G 1Y7.

b) Financial Reporting Dates

For Funds established before April 1, 2021, the Statements of Financial Position are as at September 30, 2021 and March 31, 2021 and the Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and the Statements of Cash Flows are for the 6-month periods ended September 30, 2021 and September 30, 2020.

For the IA Clarington Loomis Global Multisector Bond Fund, IA Wealth Enhanced Bond Pool, IA Clarington Loomis U.S. All Cap Growth Fund and IA Clarington Inhance Global Equity SRI Fund, the Statements of Financial Position are as at September 30, 2021 and March 31, 2021. The Statements of Comprehensive Income, the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units and the Statements of Cash Flows are for the 6-month period ended September 30, 2021.

2. Basis of Presentation

These unaudited interim financial statements have been prepared in compliance with International Financial Reporting Standards ("IFRS"), as published by the International Accounting Standards Board ("IASB") and in accordance with IAS34, Interim Financial Reporting. The Funds' auditor has not performed a review of the interim financial statements.

3. Summary of Significant Accounting Policies

The significant accounting policies are as follows:

a) Significant judgments and assumptions

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses during the reporting periods and complementary information. The most significant estimates and judgments include the fair value of financial instruments, the classification and measurement of investments and application of the fair value option.

The Funds hold financial instruments that are not quoted in active markets, including derivative financial instruments. Fair values of such instruments are determined using established valuation techniques. Actual results may differ from the Manager's best estimates. Estimates and assumptions are periodically

reviewed according to changing facts and circumstances. Changes in assumptions could affect the reported fair values of financial instruments.

i) *Classification and Measurement of Investments*

In classifying and measuring financial instruments held by the Funds, the Manager is required to make significant judgments in determining the most appropriate classification in accordance with IFRS 9. IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income ("FVOCI"), and fair value through profit and loss ("FVTPL"). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Assessment and decision on the business model approach used is an accounting judgement.

b) Financial Instruments

i) *Classification of Financial Instruments*

The Funds initially recognize financial instruments at fair value, plus transaction costs in the case of financial instruments measured at amortized cost. Ongoing purchases and sales of financial assets are recognized at their trade date, with the exception of term loans which are recognized on their settlement date.

The Funds classify their investments (equity securities, investment funds and bonds), short-term investments, and derivative financial instruments at fair value through profit or loss.

The Funds' accounting policies for measuring the fair value of their investments and derivative financial instruments are identical to those used in measuring their Net Asset Value ("NAV") for transactions with unitholders.

The Funds' obligation for net assets attributable to holders of redeemable units which are classified as an "other financial liability", is presented at the redemption amount, which approximates fair value or amortized cost for the Target Click Funds. All other financial assets and liabilities are measured at amortized cost. Under this method, the financial assets and liabilities reflect the amount required to be received or paid, discounted when appropriate, at the contract's effective rates.

As at September 30, 2021 and March 31, 2021, there were no differences between the Funds' net asset value per unit for transactions and their net assets attributable to holders of redeemable units per unit in accordance with IFRS.

ii) *Fair Value Measurements*

Fair value is the price that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In circumstances where the last traded price for equities and the mid price for bonds is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances, and in cases where the last traded price has a traded volume lower than 100, the mid price is used.

iii) *Impairment of Financial Assets*

At each reporting period, the Funds assess whether the credit risk of a financial asset classified at amortized cost has increased significantly since the initial recognition and whether an expected credit loss needs to be recognized. To assess this, the funds compare the impairment risk of the financial instrument on the reporting date with the impairment risk on the initial recognition date. Considering the short-term nature of financial instruments at amortized cost, the Funds apply the simplified method to recognize expected credit losses. The amount recognized as expected credit loss corresponds to the expected shortfall in discounted cash flows over the lifetime of the financial instrument.

Generic Notes to the Financial Statements

September 30, 2021

(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

iv) Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or the Funds have substantially transferred all risks and rewards of ownership. Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

c) Short Term Investments

Short term investments consist of banker's acceptances, Treasury bills and bank guaranteed asset-backed commercial paper with maturities of less than one year at the acquisition date.

d) Cash & Margin

Cash is comprised of deposits with financial institutions.

A portion of the assets of a Fund which holds derivative financial instruments are held by broker as margin or collateral. Margin or collateral may be comprised of cash or securities pledged. Securities pledged as collateral or deposited to meet margin requirements follow the fair value policies outlined above and are identified in the Schedule of Investment Portfolio. In addition, these securities are included in "Investments" in the Statements of Financial Position. For the IA Clarington Global Equity Exposure Fund, there are no restrictions on these assets other than as set out in the Special Custody Agreements between the Fund, the Custodian and the broker. For all other Funds, there are no restrictions on these assets, other than as set out in any margin or collateral agreements of the Fund. There is no impact on the Fund's Net Asset Value ("NAV") based on the holding.

e) Income Recognition

Dividend income is recorded on the ex-dividend date. Distributions from investment funds and income from income trusts are recognized on the distribution date. The latter income may include dividends, interest, capital gains and return of capital. The proceeds of distributions may be used to purchase additional units of the reference funds.

Income from derivative financial instruments shown on the Statements of Comprehensive Income represents the income received by the fund for those derivative financial investments which are not held for hedging purposes.

Interest for distribution purposes shown on the Statements of Comprehensive Income represents the coupon interest received by the fund accounted for on an accrual basis.

Realized gains or losses and unrealized appreciation and depreciation on investments are calculated on an average cost basis, without giving effect to transaction costs.

Gains or losses from daily valuation of derivative financial instruments are included in Derivative financial instruments: Net change in unrealized appreciation (depreciation) until the contracts are settled or expired. Realized gains or losses from settlement or expiration are included in Derivative financial instruments: Net realized gain (loss).

f) Other Financial Assets and Liabilities

All financial assets and liabilities of each Fund, other than investments, derivative financial instruments and each Fund's obligation for net assets attributable to holders of redeemable units other than the Target Click Funds, are carried at amortized cost which approximates fair value due to their short term nature. Each Fund's obligation for net assets attributable to holders of redeemable units is presented at the redemption amount which approximates fair value.

g) Foreign Currency Translation

The fair value of portfolio investments denominated in foreign currency, foreign currency holdings and other assets and liabilities are translated into the functional currency at the exchange rate applicable on the measurement date. Investment transactions, income and expenses are translated at the exchange rates on the dates of such transactions.

Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash", and those relating to other financial assets and liabilities as well as realized and unrealized foreign currency gains or losses on investments or derivative financial instruments are presented within "Total other changes in fair value of investments and derivative financial instruments", in the Statements of Comprehensive Income.

h) Foreign currency contracts

Foreign currency contracts, if purchased or sold, are valued at the current market value thereof on the valuation date. The value of these currency contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out. It is reported in the Statement of Comprehensive Income and in the Statements of Financial Position. For spot contracts and when currency contracts are closed out or expire, realized gains or losses are recognized and are included in the Statements of Comprehensive Income. The Canadian dollar value of currency contracts is determined using currency contracts exchange rates supplied by an independent service provider.

The Funds may enter into currency contracts primarily with the intention to offset or reduce exchange rate risks associated with the investments and also, periodically, to enhance returns to the portfolio. Losses may arise due to a change in the value of the currency contracts or if the counterparty fails to perform under the contract.

i) Expenses

All expenses are recognized in the Statements of Comprehensive Income on the accrual basis.

j) Net Assets Attributable to Holders of Redeemable Units

Units of the Funds are issued and redeemed at their NAV per Unit. The NAV per unit is determined at the end of each day the Toronto Stock Exchange is open for trading. The NAV of a particular series of Units of a Fund is computed by calculating the value of that series' proportionate share of the assets and liabilities of the Funds common to all series, less the liabilities of the Funds attributable only to that series. Income, non-series specific expenses, realized and unrealized gains (losses) of investments, and foreign currency and transaction costs are allocated proportionately to each series based upon the relative NAV of each series of the Fund. Expenses directly attributable to a series are charged directly to that series.

Redeemable units can be redeemed at any time for cash equal to a proportionate share of the Fund's net asset value attributable to the unit series. The redeemable units are classified as financial liabilities and are measured at their redemption amount or at amortized cost for the Target Click Funds.

The increase (decrease) in net assets attributable to holders of redeemable units per unit reported in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series for the period, divided by the weighted average number of units of the series outstanding during the period.

Distributions to holders of redeemable units are recognized in the Statements of Changes in Net Assets Attributable to Holders of Redeemable Units.

Generic Notes to the Financial Statements

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(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

k) Investments in Subsidiaries, Joint Ventures and Associates

In determining whether a Fund is an investment entity, the Manager may be required to make significant judgements about whether the Fund has the typical characteristics of an investment entity. An investment entity is an entity that may hold only one investment, an underlying fund, however, consistent with the investment entity definition, the Fund primarily obtains funds from one or more investors for the purpose of providing them with investment management services, commits to its investors that the business purpose is to invest the funds solely for returns from capital appreciation, investment income or both, and measures and evaluates the performance of its investments on a fair value basis.

Each Fund has determined that it meets the definition of an investment entity and it is required to account for investments in associates, joint ventures and subsidiaries at fair value through profit and loss.

Subsidiaries are all entities, including investments in other investment entities, over which a fund has control. A fund is deemed to control an entity when it has rights to or is entitled to variable returns from its involvement with the entity, and has the ability to affect those returns through its power over the entity. The Funds are investment entities and therefore account for investments in subsidiaries, if any, at fair value through profit and loss. The Funds also designate any investments in associates and joint ventures at fair value through profit and loss.

l) Transaction Costs

The transaction costs related to investments are expensed as incurred in the Statements of Comprehensive Income in the item line "Transaction costs". Transaction costs are incremental costs that are directly attributable to the acquisition, issuance or disposal of an investment, including fees and commissions paid to agents, advisors, brokers and dealers.

4. New Accounting Policies

On January 23, 2020, the IASB published an amendment to IAS-1 "Presentation of Financial Statements". The amendment concerns the classification of liabilities as current or non-current and only affects the presentation of liabilities in the statement of financial position, and not the amount or timing of recognition of any asset, liability income or expense, or the information that entities disclose about those items. The provisions of this amendment will apply retrospectively to financial statements beginning on or after January 1, 2022. Early adoption is permitted. The Company has evaluated this amendment and has determined that there is no impact on the Fund's financial statements.

5. Management of Financial Risks

a) Methods and Assumptions Used to Estimate Fair Values of Financial Instruments

Disclosures regarding financial instruments must be presented as a hierarchy that categorizes the inputs to valuation techniques used to value assets and liabilities at measurement date. The hierarchy gives the highest priority to readily available unadjusted quoted prices in active markets for identical assets or liabilities and lowest priority to unobserved inputs when market prices are not readily available or reliable. The three levels of the hierarchy are described below:

Level 1 - Valuation based on quoted prices in active markets (unadjusted) for identical assets or liabilities.

Level 2 - Valuation model based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Valuation model based on significant unobservable inputs that are supported by little or no market activity.

All fair value measurements in the Funds are recurring. The financial instruments are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

Invested assets are accounted for using the methods described below and the hierarchy of financial instruments at fair value is disclosed in the Discussion of Financial Instrument Risk Management section of each Fund.

i) Equities

Each equity listed is valued at the close price reported on the principal securities exchange on which the issue is traded or, if no active market exists, the fair value is estimated using equity valuation methods, which analyze the fair value of the net asset, and other techniques that rely on comparisons with reference data, such as market indices. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

ii) Investments in Reference funds

Investments in reference funds are valued at fair value which generally corresponds to the NAV of the reference fund at the valuation date.

iii) Bonds

Fixed-income investments, which include primarily government bonds, corporate bonds, zero coupon bonds, residue bonds and municipal bonds are valued on mid prices using independent pricing services, or by dealers who trade such securities. Pricing services consider yield or price of fixed-income securities of comparable quality, coupon, maturity and type as well as dealer supplied prices.

The par value and cost base of real return bonds are adjusted daily by the inflation adjustment. Interest is accrued on each valuation date based on the inflation adjusted to par at that time. The daily change in the inflation adjusted to par is recognized as income. At maturity, the bonds will pay their final coupon interest payment, plus the cumulative inflation compensation accrued from the original issue date.

No efficient market has been developed for certain bonds. The Manager estimates the fair value of these investments according to a valuation model that it believes is appropriate under the circumstances. The valuation is modelled on an individual basis according to the category of reference assets, including traditional or synthetic assets.

iv) Valuation of Unlisted Securities and Other Investments

When the valuation principles of the aforementioned investments are not appropriate, fair value is determined according to the Manager's best estimates, based on established valuation procedures. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. The fair value of these securities established for the purpose of calculating the Funds' net assets attributable to holders of redeemable units may differ from the securities' most recent bid or ask price.

Equity investments consist of common shares, purchase warrants and preferred shares. The equity investments are valued based on the last round of financing, third party valuations, financial statements and liquidity discounts. Fixed income investments are valued at fair value based on operating results and financial condition of the company. The manager will assess the ability of the company to meet financial covenants, including the ability to make interest and principal payments, the need for further financing and the ability to cover the amount of the Fund's investment with

Generic Notes to the Financial Statements

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the assets of the investee company. In addition to the range of valuation methods employed, a significant number of key assumptions used in the valuation of individual investments are specific to the investee company.

v) *Short-term Investments*

Short-term investments are accounted for at the mid rate using valuations based on a matrix system which considers such factors as security prices, yields and maturities of similar benchmarks. For the Money Market Fund, the cost of short-term investments together with interest accrued approximates the fair value.

For items 5i to 5v, the difference, if any, between the total fair value and the total cost of securities corresponds to Investments: Net change in unrealized appreciation (depreciation).

vi) *Cash*

Cash and Bank overdraft are accounted for at amortized cost.

vii) *Derivative Financial Instruments*

The fair value of currency contracts is based on a matrix of market forward quotes. The forward quotes are calculated with a linear interpolation. If the matrix is not available, current market quotes for the reference currencies are used.

Options, futures and swaps are marked-to-market on each valuation day according to the gain or loss that would be realized if the contracts were settled.

The difference between the fair value and cost of securities corresponds to Derivative financial instruments: Net change in unrealized appreciation (depreciation).

viii) *Other information*

If an investment security cannot be valued under the above criteria, or under any valuation criteria set out in securities legislation, or if any of the valuation criteria adopted by the Manager but not set out in securities legislation, are at any time considered by the Manager to be inappropriate in the circumstances, then the Manager shall use a valuation that it considers to be fair in the circumstances.

ix) *Fair Value Pricing*

For the purpose of calculating the NAV, the Funds use fair value pricing with a view to deter excessive short-term trading in the Funds and to mitigate market timing opportunities. Fair value pricing is designed to provide a more accurate NAV by making fair value factor adjustments to quoted or published prices of the non-North-American equities for significant events occurring between the earlier of close of non-North-American markets, and the time at which NAV is determined. Therefore, the fair value of equities for the purpose of calculating the NAV of the Funds may differ from the closing market price of the equities.

b) *Financial Risks*

A Fund's investment activities expose it to a variety of financial risks which may include: credit risk, concentration risk, liquidity risk and market risk (including interest rate risk, currency risk and price risk). The value of investments within a Fund's portfolio can fluctuate from day to day, reflecting changes in interest rates, economic conditions, market and company news related to specific securities within the Funds. The Schedule of Investment Portfolio presents securities by asset type, geographic region, and market segment. The level of risk depends on the Fund's investment objectives and strategy.

The Manager manages the potential adverse effects of financial risks on a Fund's performance by employing and overseeing professional and experienced portfolio advisors that regularly monitors the Fund's positions and market events and diversifies the investment portfolios, within the constraints of the investment guidelines.

A Fund's overall risk management practice involves oversight of investment activities and monitoring and testing of compliance with the Fund's investment strategy and securities regulations.

Reference Fund Units

Some Funds can invest in units of other investment funds ("reference funds") whose investment policies permit investments in vehicles such as bonds, stocks or other fund units. Certain risk disclosure in the Discussion of Financial Instrument Risk Management section look through to the reference funds' information, if applicable. The manager of each reference fund is responsible for ensuring investments comply with the fund's investment policy. These investments are presented in the Schedule of Investment Portfolio.

i) *Credit Risk*

Credit risk is the risk that a Fund will sustain a financial loss if a counterparty or a debtor does not meet its commitments to the Fund. The maximum credit risk associated with financial instruments corresponds to the carrying value of the financial instruments presented in the Statements of Financial Position.

Credit risk can also occur when there is a concentration of investments in entities with similar characteristics or that operate in the same sector of activity or the same geographic region, or when a substantial investment is made with a single entity. Credit Risk is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

The Fund's investment strategies aim to limit this risk by ensuring sound diversification, by limiting exposure to a same issuer and by seeking a relatively high quality of issuers. The Funds invest in financial assets, which generally have an investment grade as rated by a well known rating agency. The fair value of debt instruments includes consideration of the creditworthiness of the issuer, and represents the maximum credit risk exposure of the Fund.

All transactions in listed securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

ii) *Concentration Risk*

Concentration risk arises as a result of the concentration of exposures within the same category, whether due to geographical location, product type, industry sector or counterparty type and are affected similarly by changes in economic or other conditions. The Fund's investment strategies aim to limit this risk by ensuring sound diversification.

iii) *Liquidity Risk*

Liquidity risk is the risk that a Fund will encounter difficulty to respect its financial obligations at the appropriate time and under reasonable conditions. The Funds' exposure to liquidity risk is concentrated in the daily cash redemption of units. Liquidity risk is managed by investing the majority of the Funds' assets in investments that are traded in an active market and can be readily disposed of. In addition, the Funds retain sufficient cash and short-term investments to maintain liquidity for the purpose of funding redemptions. Each Fund also has the ability to borrow up to 5% of its Net Asset Value for the purpose of funding redemptions.

Redeemable units are redeemable on demand at the holder's option. However, the Manager does not expect that the contractual maturity disclosed in the Discussion of Financial Instrument Risk Management's section of each Fund will be representative of the actual cash outflows, as holders of these instruments typically retain them for a longer period.

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(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

Some Funds may invest in financial instruments that are not traded in active markets and may be illiquid. Such investments include private equity and bonds and are included in the Schedule of Investment Portfolio.

The recent international spread of COVID-19 has caused volatility and decline in global financial markets, as well as significant disruptions to global business activity, which have caused losses for investors. The impact of unanticipated market disruptions, including COVID-19, may cause exchanges to suspend trading and/or investment funds to suspend dealing (which could be for an extended period of time), may exacerbate pre-existing political, social or economic risk, and may disproportionately affect certain issuers, industries or types of securities. These impacts may have an effect on the performance of the Funds, the performance of the securities in which the Funds invest and may lead to an increase in the amount of redemptions experienced by the Funds, including redemptions by large investors. Each of these effects may lead to illiquidity and losses on your investment. Such unanticipated market disruptions, including COVID-19, may be short-term or may last for an extended period of time, and could have effects that cannot necessarily be presently foreseen. Even if general economic conditions do not change or improve, the value of an investment in a Fund could decline if the particular industries, sectors, companies or types of securities in which the Fund invests do not perform well or are adversely affected by such unanticipated events.

iv) Market Risk

a) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of interest-bearing financial instruments. The Funds are exposed to the risk that the value of such financial instruments will fluctuate due to changes in the prevailing levels of market interest rates. There is minimal sensitivity to interest rate fluctuations on any cash or short-term investments since they are invested at short-term market interest rates and usually held to maturity. Interest Rate Risk is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

The Fund's investment strategies aim to limit this risk by ensuring sound diversification, by limiting exposure to a same issuer and by seeking a relatively high quality of issuers.

b) Currency Risk

Some Funds may invest in monetary and non-monetary assets denominated in currencies other than Canadian dollar. These investments result in currency risk, which is the risk that the fair value or future cash flows of the financial instrument will fluctuate because of changes in foreign exchange rates. The Funds may enter into foreign exchange forward contracts to reduce their foreign currency exposure. The sensitivity analysis is disclosed in the Discussion of Financial Instrument Risk Management of each Fund.

c) Price Risk

Price risk is the risk that the fair value or future cash flows 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 those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in a market. All investments present a risk of loss of capital. The Fund's portfolio advisor moderates this risk through a careful selection and diversification of securities and other financial instruments within the parameters of the Fund's investment objectives and strategies. Except for derivative financial instruments, the maximum risk resulting from financial instruments is equivalent to their fair value. The Fund's overall market positions are monitored on a daily basis by the Fund's portfolio advisor.

Details of the Fund's price sensitivity is disclosed in the Discussion of Financial Instrument Risk Management's section of each Fund.

Refer to the Discussion of Financial Instrument Risk Management for Funds specific risk disclosure.

c) Investments in Unconsolidated Structured Entities

Each Fund has determined that its investments in reference funds are investments in unconsolidated structured entities. Some Funds may invest in reference funds to achieve their investment objectives and apply various investment strategies to accomplish their objectives.

A Fund's investments in reference funds are susceptible to market price risk arising from uncertainty about future values of those reference funds.

A Fund's maximum exposure to loss from its interests in reference funds is equal to the total carrying value of its investments in reference funds.

d) Offsetting Financial Assets and Liabilities

Some Funds may invest in derivative financial instruments through an International Swaps and Derivatives Association's (ISDA) Master Agreement. This agreement requires guarantees by the counterparty or by the Funds. The amount of assets to pledge is based on changes in fair value of financial instruments. The fair value is monitored daily. The assets pledged by the Funds as collateral can consist of, but are not limited to cash, Treasury bills and Government of Canada bonds. The Funds may receive assets as collateral from the counterparty. According to the conditions set forth in the Credit Support Annex to the ISDA, the Funds may be authorized to sell or re-pledge the assets they receive. In addition, under the ISDA, the Funds have the right to offset in the event of default, insolvency, bankruptcy or other early termination.

6. Open currency contracts

The following is a list of abbreviations used in the Currency Contracts table which can be found in the Supplemental Notes to Financial Statements - Fund Specific Information and is applicable for a Fund who engages in Currency Contracts:

AUD - Australian Dollar; ARS - Argentine Peso; BMD - Bermudian Dollar; BRL - Brazilian Real; CAD - Canadian Dollar; CHF - Swiss Franc; CLP - Chile Peso; CNH - Chinese Yuan; CNY - Chinese Yuan; COP - Colombian Peso; CZK - Czech Koruna; DKK - Danish Krone; EGP - Egyptian Pound; EUR - Euro; GBP - British Pound; GHS - Ghanaian Cedi; HKD - Hong Kong Dollar; HUF - Hungarian Forint; IDR - Indonesian Rupiah; ILS - New Israeli Shekel; INR - Indian Rupee; JPY - Japanese Yen; KES - Kenya Shilling; KRW - South Korean Won; KZT - Kazakhstani Tenge; MXN - Mexico Peso; MYR - Malaysian Ringgit; NGN - Nigeria Naira; NOK - Norwegian Krone; NZD - New Zealand Dollar; PEN - Peruvian Sol; PHP - Philippine Peso; PLN - Polish Zloty; RON - Romanian Leu; RUB - Russian Ruble; SEK - Swedish Krona; SGD - Singapore Dollar; THB - Thai Baht; TRY - Turkey Lira; TWD - New Taiwan Dollar; USD - United States Dollar; UYU - Uruguayan Peso; ZAR - South African Rand.

7. Related Party Transactions

a) Management Fees

Each series of the Funds, except Series I, Series O and Series V, pays an annual management fee to the Manager which is calculated daily based on the daily NAV of each series and payable monthly in arrears plus applicable taxes, as disclosed in the Management Fees section of the Supplemental Notes to Financial Statements - Fund Specific Information.

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(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

Management fees for Series I, Series O, and Series V units are negotiated and paid directly by the investor or the portfolio manager, not by the Fund. These fees will not exceed the Series A or Series T management fees of the Funds.

Management fees for Series P units are paid directly by the investor, not by the Fund, and will not exceed the Series E management fees of that Fund. The Series P management fee is paid by a redemption of Series P units held by the investor.

The Manager may reduce the effective management fee payable by some unitholders, by causing the Funds to make management fee distributions to these unitholders so that the effective management fee will equal a target rate.

All expense payable amounts located in the Statements of Financial Position, if any, are composed of Management Fees and Fixed Administration Fees which are related party transactions.

At its sole discretion, the Manager may waive management fees or absorb expenses of the Funds. Such waivers and absorptions can be terminated at any time, but can be expected to continue until such time as the Funds are of sufficient size to reasonably absorb all management fees and expenses incurred in their operation. Even where continued, the amount of waivers and absorptions can fluctuate from time to time.

b) Fixed Administration Fees and Operating Expenses

i) For all Funds, except for IA Clarington Global Equity Exposure Fund

The Manager pays the operating expenses of each Fund, other than the "Fund Costs" (as defined below) (the "Operating Expenses"), in exchange for the payment by each Fund of an annual fixed rate administration fee (the "Administration Fee") with respect to each series of a Fund, except for the IA Clarington Global Equity Exposure Fund.

The Administration Fee is equal to a specified percentage of the NAV of each series of a Fund, calculated and paid in the same manner as the management fees for such Fund. The Operating Expenses payable by the Manager include, but are not limited to, audit fees, fund accounting costs, transfer agency and recordkeeping costs, custodian costs, administration costs and trustee services relating to registered tax plans, costs of printing and disseminating prospectuses, annual information forms, fund facts and continuous disclosure materials, legal fees, investor communication costs and regulatory filing fees. The Manager is not obligated to pay any other expense, cost or fee, including those arising from new government or regulatory requirements relating to the foregoing expenses, costs and fees. Dealer compensation programs and any advertising, marketing and promotional costs are the responsibility of the Manager.

In addition to the Administration Fee, the Funds also pay certain expenses, "Fund Costs", which include fees, costs and expenses associated with all taxes, borrowing or interest, directors' fees, securityholder meetings, Independent Review Committee or other advisory committees, compliance with any governmental and regulatory requirements imposed commencing after June 20, 2013 (including relating to the Operating Expenses), and any new types of costs, expenses or fees not incurred prior to June 20, 2013, including arising from new government or regulatory requirements relating to the Operating Expenses or related to external services that were not commonly charged in the Canadian mutual fund industry as of June 20, 2013. The Manager may, in some years and in certain cases, pay a portion of a series' Administration Fee or Fund Costs. The decision to absorb the Administration Fee or Fund Costs, or a portion thereof, is reviewed annually and determined at the discretion of the Manager without notice to securityholders.

ii) For IA Clarington Global Equity Exposure Fund

The IA Clarington Global Equity Exposure Fund ("GEEF"), is responsible for payment of all expenses relating to its operation and the carrying on of its business. This includes, but is not limited to, legal, audit and custodial fees, taxes, brokerage fees, interest, operating and administrative fees,

various costs and expenses. The GEEF is responsible for the fees, costs and expenses of financial and other reports and prospectuses required to comply with all regulatory requirements in connection with the distribution of securities. The GEEF is also responsible for its operating expenses, which are calculated and accrued daily based on its average net asset value. The Manager pays for these operating expenses on behalf of the GEEF, except for certain expenses such as interest and taxes, and is then reimbursed by the GEEF. Dealer compensation programs and any advertising, marketing and promotional costs are the responsibility of the Manager.

For the provision of Fund accounting services beginning April 1, 2016, the GEEF paid a service fee to Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance"). As at September 30, 2021 and September 30, 2020, the total service fee paid to Industrial Alliance was approximately \$1,978 and \$11,865, respectively, and there was no accrued portion outstanding. IA Clarington is wholly owned by Industrial Alliance.

8. Redeemable Units

Each Fund's redeemable units are managed in accordance with its investment objectives, as outlined in the Fund's prospectus. Each Fund seeks to achieve its investment objectives, while managing liquidity in order to meet redemptions. The Statements of Changes in Net Assets Attributable to Holders of Redeemable Units identifies the changes in the Fund's redeemable unit during the periods.

The increase (decrease) in net assets attributable to holders of redeemable units per unit reported in the Statement of Comprehensive Income represents the increase (decrease) in net assets attributable to holders of redeemable units by series for the period, divided by the weighted average number of units of the series outstanding during the period.

The authorized redeemable units of each series of the Trusts consists of an unlimited number of units without nominal or par value.

Units of a series of a Trust are redeemable at the option of the holder in accordance with the Declaration of Trust at the current NAV of that series.

Units of each Fund are deemed to be a financial liability because of each Fund's multiple series structure and each series has non-identical features. The Funds' outstanding units include a contractual obligation to distribute any net income and net realized capital gains annually (in cash at the request of the unitholder). Therefore the ongoing redemption feature is not the units' only contractual obligation. The Fund's outstanding redeemable units are classified as financial liabilities in accordance with the requirements of International Accounting Standard 32 Financial Instruments: Presentation.

The purchase and redemption charges to investors in Series A, Series B, Series B5, Series T4, Series T5, Series T6, Series T8, Series X, Series X5 and Series Y units of a Trust differ depending on the purchase option. They can be charged either an upfront sales commission upon purchase that is payable to their dealer, or a redemption fee upon redemption that is payable to the Manager. The Manager also charges the Series a management fee.

Series E, Series E4, Series E5, Series E6, Series EX, Series EX5 and Series EX6 units are available to investors who invest at least \$100,000. The Manager also charges the Series a management fee.

Investors in Series EF, Series EF4, Series EF5, Series EF6, Series F, Series F4, Series F5, Series F6, Series F8, Series FX, Series FX5, Series FX6 and Series W units of a Trust do not pay sales commission upon purchase, nor redemption fees upon redemption. Investors pay an annual fee, the amount of which is negotiated with their dealer, to their dealer for investment advice and other services. The Manager also charges the Series a management fee.

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(also see Supplemental Notes to the Financial Statements - Fund Specific Information)

Investors in Series I, Series O and Series V units of the Trust do not pay sales commission upon purchase, nor redemption fees upon redemption. Investors negotiate a separate fee that is paid directly to the Manager. No management fees are charged to the Funds with respect to Series I, Series O and Series V units.

For investors in Series L, Series L4, Series L5, Series L6, Series L8, Series LX and Series LX5 units their dealer will pay a redemption charge to the Manager. The Manager also charges the Series a management fee.

Series P, Series P4, Series P5 and Series P6 units are available to investors who invest at least \$100,000. Investors are charged a management fee based on the amount of their investment which are paid directly to the Manager. No management fees are charged to the Funds with respect to Series P, Series P4, Series P5 and Series P6 units.

ETF Series Securities may be redeemed on any trading day for cash proceeds at a redemption price equal to 95% of the closing price of the ETF Series Securities on the effective date of the redemption, subject to a maximum redemption price of the applicable net asset value per ETF Series Security.

The management fees charged by the Manager to each Fund for all units other than Series I, Series O and Series V units are listed in the Supplemental Notes to Financial Statements - Fund Specific Information.

A Fund may offer series which distribute monthly. Monthly distributions will generally consist of net income and/or return of capital. Distributions can either be reinvested in additional units or paid in cash.

9. Soft Dollar Commissions

In addition to paying for the cost of brokerage services in respect to security transactions, commissions paid to certain brokers may also cover research services provided to the investment manager. The value of the research services included in the commissions paid by the Funds to those brokers can be found in the Supplemental Notes to Financial Statements - Fund Specific Information.

10. Securities Lending

Certain Funds may enter into securities lending transactions. These transactions will be used in conjunction with other investment strategies in order to seek enhanced returns. The credit risk related to securities lending transactions is limited by the fact that the value of cash or securities held as collateral by the Funds in connection with these transactions is at least 105% of the fair value of loaned securities, except on loans for U.S. securities or global fixed-income securities, for which the applicable percentage will be 102%. This amount is deposited by the borrower with a lending agent until the underlying security has been returned to the Funds in order to provide for the risk of counterparty default or collateral deficiency. The fair value of the loaned securities is monitored on a daily basis with additional collateral obtained or refunded as the market values fluctuate. It is the Funds' practice to obtain a guarantee from the lending agent against counterparty default, including collateral deficiency. Income from securities lending is disclosed separately in the Statements of Comprehensive Income.

11. Income Taxes

The Funds each qualify or are expected to qualify as a mutual fund trust, under the provisions of the Canadian Income Tax Act and, accordingly, are not subject to income tax on that portion of their net investment income, including net realized gains, that is distributed to Unitholders. Such distributed income is taxable in the hands of the Unitholders. Income tax on net realized capital gains is generally recoverable, as redemptions occur, by virtue of the refunding provisions contained

in the Canadian Income Tax Act. Sufficient income and net realized capital gains have been distributed to the Unitholders, therefore no provision for income taxes has been recorded in the accompanying financial statements.

The IA Clarington International Equity Fund and IA Clarington Inhance Global Equity SRI Fund are deemed to be a quasi-mutual fundtrusts.

As at the December 31, 2020 tax year end, the Funds, had capital and non-capital loss carry forwards for income tax purposes as disclosed in the Supplemental Notes to Financial Statements - Fund Specific Information. Non-capital losses expire as noted. Capital losses may be carried forward indefinitely to be applied against future capital gains.

Income from investments held by the Funds may be subject to withholding taxes in the jurisdictions other than those of the Funds as imposed by the country of origin. Withholding taxes, if any, are shown in a separate item in the Statements of Comprehensive Income.

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