

# IA Clarington Inhance Monthly Income SRI 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.



# Table of Contents

Message to Unitholders	1
Management's Responsibility for Financial Reporting	2
Financial Statements	
<b>Diversified Income Funds</b>	
IA Clarington Inhance Monthly Income SRI Fund	3
Generic Notes to the Financial Statements	14

## 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](http://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 Inhance Monthly Income SRI Fund

## Statements of Financial Position

As at	September 30	March 31
In thousands (except per unit figures)	2021 (unaudited) \$	2021 (audited) \$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Investments	510,737	443,561
Cash	26,921	26,773
Subscriptions receivable	721	1,699
Receivable for investments sold	-	133
Interest, dividends, distributions and other receivable	2,706	2,073
	<b>541,085</b>	<b>474,239</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Payable for investments purchased	-	5,699
Redemptions payable	574	359
Distributions payable	240	219
Expenses payable	417	468
	<b>1,231</b>	<b>6,745</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>539,854</b>	<b>467,494</b>
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series A	1,106	-
Series E6	52,043	45,201
Series EF	3,136	2,965
Series F	2,369	-
Series F6	68,185	58,811
Series I	275,574	219,899
Series L6	558	1,159
Series P6	335	315
Series T6	135,969	138,581
Series V	579	563
<b>UNITS OUTSTANDING</b>		
Series A	108	-
Series E6	5,548	4,976
Series EF	235	236
Series F	229	-
Series F6	5,630	5,022
Series I	14,883	12,721
Series L6	55	118
Series P6	32	31
Series T6	12,521	13,151
Series V	30	31
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series A	10.29	-
Series E6	9.38	9.08
Series EF	13.36	12.54
Series F	10.34	-
Series F6	12.11	11.71
Series I	18.52	17.29
Series L6	10.14	9.86
Series P6	10.61	10.20
Series T6	10.86	10.54
Series V	19.27	17.99

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.

## Statements of Comprehensive Income (unaudited)

For the periods ended September 30	2021	2020
In thousands (except per unit figures)	\$	\$
<b>INCOME</b>		
Interest for distribution purposes	995	1,171
Dividends	6,527	4,883
Securities lending	24	7
Income from income trusts	2,157	1,289
Foreign exchange gain (loss) on cash	(51)	(36)
Other changes in fair value of investments and derivative financial instruments		
Investments:		
Net realized gain (loss)	4,360	(1,623)
Net change in unrealized appreciation (depreciation)	19,434	45,109
Net gain (loss) in fair value of investments	<b>23,794</b>	<b>43,486</b>
Derivative financial instruments:		
Net realized gain (loss)	(16)	(21)
Net change in unrealized appreciation (depreciation)	(1)	-
Net gain (loss) in fair value of derivative financial instruments	<b>(17)</b>	<b>(21)</b>
Total other changes in fair value of investments and derivative financial instruments	<b>23,777</b>	<b>43,465</b>
	<b>33,429</b>	<b>50,779</b>
<b>EXPENSES</b>		
Management fees	2,159	1,881
Fixed Administration fees	313	290
Independent Review Committee fees	2	2
Transaction costs	35	44
Foreign withholding taxes	167	107
	<b>2,676</b>	<b>2,324</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>	<b>30,753</b>	<b>48,455</b>
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS BY SERIES</b>		
Series A	(16)	-
Series E6	2,773	5,443
Series EF	193	442
Series F	(4)	-
Series F6	3,850	7,128
Series I	15,760	18,052
Series L6	60	125
Series P6	21	35
Series T6	8,077	17,159
Series V	39	71
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS PER UNIT</b>		
Series A	(0.41)	-
Series E6	0.52	1.02
Series EF	0.82	1.46
Series F	(0.03)	-
Series F6	0.72	1.36
Series I	1.15	1.97
Series L6	0.75	1.09
Series P6	0.69	1.20
Series T6	0.63	1.18
Series V	1.30	2.16

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

# IA Clarington Inhance Monthly Income SRI Fund

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

For the periods ended September 30 In thousands	2021 \$	2020 \$
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT THE BEGINNING OF THE PERIOD</b>		
Series A	-	-
Series E6	45,201	38,860
Series EF	2,965	3,104
Series F	-	-
Series F6	58,811	47,539
Series I	219,899	105,684
Series L6	1,159	892
Series P6	315	226
Series T6	138,581	120,895
Series V	563	474
<b>INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series A	(16)	-
Series E6	2,773	5,443
Series EF	193	442
Series F	(4)	-
Series F6	3,850	7,128
Series I	15,760	18,052
Series L6	60	125
Series P6	21	35
Series T6	8,077	17,159
Series V	39	71
<b>DISTRIBUTIONS TO HOLDERS OF REDEEMABLE UNITS</b>		
From net investment income:		
Series A	-	-
Series E6	(170)	(477)
Series EF	-	-
Series F	-	-
Series F6	(364)	(849)
Series I	-	-
Series L6	(3)	(9)
Series P6	(2)	(5)
Series T6	(396)	(1,409)
Series V	-	-
From return of capital:		
Series A	-	-
Series E6	(1,178)	(847)
Series EF	-	-
Series F	-	-
Series F6	(1,590)	(1,053)
Series I	-	-
Series L6	(20)	(25)
Series P6	(7)	(4)
Series T6	(3,390)	(2,927)
Series V	-	-
	(7,120)	(7,605)
<b>REDEEMABLE UNITS TRANSACTIONS</b>		
Proceeds from redeemable units issued:		
Series A	1,134	-
Series E6	7,861	652
Series EF	-	10
Series F	2,397	-
Series F6	8,954	3,072
Series I	40,594	24,422
Series L6	250	21
Series P6	-	-
Series T6	8,026	2,189
Series V	-	-

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

For the periods ended September 30 In thousands	2021 \$	2020 \$
Reinvestments of distribution to holders of redeemable units:		
Series A	-	-
Series E6	1,188	1,159
Series EF	-	-
Series F	-	-
Series F6	945	905
Series I	-	-
Series L6	22	34
Series P6	9	9
Series T6	3,576	4,101
Series V	-	-
Redemption of redeemable units:		
Series A	(12)	-
Series E6	(3,632)	(5,560)
Series EF	(22)	(655)
Series F	(24)	-
Series F6	(2,421)	(6,326)
Series I	(679)	(5,053)
Series L6	(910)	(37)
Series P6	(1)	(1)
Series T6	(18,505)	(10,601)
Series V	(23)	(76)
	48,727	8,265
<b>NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS</b>		
Series A	1,106	-
Series E6	6,842	370
Series EF	171	(203)
Series F	2,369	-
Series F6	9,374	2,877
Series I	55,675	37,421
Series L6	(601)	109
Series P6	20	34
Series T6	(2,612)	8,512
Series V	16	(5)
<b>NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS AT END OF THE PERIOD</b>		
Series A	1,106	-
Series E6	52,043	39,230
Series EF	3,136	2,901
Series F	2,369	-
Series F6	68,185	50,416
Series I	275,574	143,105
Series L6	558	1,001
Series P6	335	260
Series T6	135,969	129,407
Series V	579	469

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

# IA Clarington Inhance Monthly Income SRI Fund

## Statements of Cash Flows *(unaudited)*

For the periods ended September 30	2021	2020
In thousands	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	30,753	48,455
Adjustments		
Interest for distribution purposes	(995)	(1,171)
Dividends	(6,527)	(4,883)
Income from income trusts	(2,157)	(1,289)
Foreign withholding taxes	167	107
Foreign exchange loss (gain) on cash	51	36
Net realized loss (gain) of investments and derivative financial instruments	(4,344)	1,644
Net change in unrealized depreciation (appreciation) of investments and derivative financial instruments	(19,433)	(45,109)
Transaction costs	35	44
Proceeds from sale and maturity of investments	33,507	41,114
Purchases of investments	(82,507)	(44,598)
Increase / (decrease) in expenses payable	(52)	(36)
Interest received (paid)	971	1,151
Dividends received, net of withholding taxes	5,940	4,827
Income from income trusts received	1,967	1,325
Other income received	2	-
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>(42,622)</b>	<b>1,617</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid to holders of redeemable units net of reinvested distributions	(1,359)	(1,409)
Proceeds from issuances of redeemable units	69,216	30,366
Change in subscriptions receivable	978	(678)
Issuance of units from other series	(10,838)	(6,878)
Proceeds from redemption of redeemable units	(26,229)	(28,309)
Change in redemptions payable	215	535
Redemption of units from other series	10,838	6,878
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>42,821</b>	<b>505</b>
Foreign exchange gain (loss) on cash	(51)	(36)
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>148</b>	<b>2,086</b>
Cash (Bank Overdraft) at Beginning of the Period	26,773	9,755
<b>CASH (BANK OVERDRAFT) AT END OF THE PERIOD</b>	<b>26,921</b>	<b>11,841</b>

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



# IA Clarington Inhance Monthly Income SRI Fund

## Schedule of Investment Portfolio (unaudited)

As at September 30, 2021 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$	As at September 30, 2021 In thousands (except number of securities)	Number of Securities	Average Cost \$	Carrying Value \$	
<b>CANADIAN EQUITIES (59.24%)</b>				<b>REAL ESTATE (13.16%)</b>				
<b>COMMUNICATION SERVICES (6.77%)</b>				<b>ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST</b>				
BCE Inc.	133,206	8,086	8,452	BSR Real Estate Investment Trust	199,626	8,696	8,029	
BCE Inc., Preferred, Perpetual, Series 'AQ'	45,000	1,107	1,098	Dream Impact Trust	516,823	6,660	10,325	
Rogers Communications Inc., Class 'B'	126,483	6,384	7,481	Dream Industrial Real Estate Investment Trust	672,309	3,793	4,148	
Shaw Communications Inc., Class 'B'	279,307	6,748	10,284	First Capital Real Estate Investment Trust	549,507	4,972	8,902	
TELUS Corp.	330,915	6,381	9,213	H&R Real Estate Investment Trust	338,185	6,777	5,918	
		28,706	36,528	NorthWest Healthcare Properties Real Estate Investment Trust	347,331	6,349	5,429	
				RioCan Real Estate Investment Trust	650,988	6,902	8,404	
				Summit Industrial Income REIT	410,701	8,210	8,888	
					528,978	4,107	11,024	
						56,466	71,067	
<b>CONSUMER DISCRETIONARY (5.03%)</b>				<b>UTILITIES (3.49%)</b>				
A&W Revenue Royalties Income Fund	165,216	7,159	6,131	Altius Renewable Royalties Corp.	300,349	3,288	2,757	
Canadian Tire Corp. Ltd., Class 'A'	44,302	8,760	7,852	Brookfield Renewable Partners L.P.	148,839	2,226	6,966	
Diversified Royalty Corp.	1,733,173	4,604	4,801	Brookfield Renewable Power Preferred Equity Inc., Preferred, Series 'G'	45,000	955	1,150	
Magna International Inc.	87,642	5,563	8,354	Northland Power Inc.	199,577	5,300	7,943	
		26,086	27,138			11,769	18,816	
<b>CONSUMER STAPLES (1.77%)</b>				<b>TOTAL CANADIAN EQUITIES</b>				
Loblaw Cos. Ltd., Preferred, Perpetual, Series 'B'	50,000	1,246	1,314			252,434	319,803	
The North West Co. Inc.	244,259	6,694	8,261	<b>U.S. EQUITIES (16.20%)</b>				
		7,940	9,575	<b>COMMUNICATION SERVICES (1.93%)</b>				
				The Interpublic Group of Cos. Inc.				
					223,685	6,437	10,391	
<b>FINANCIALS (18.60%)</b>				<b>ENERGY (1.47%)</b>				
Bank of Montreal, Preferred, Perpetual, Series '44'	30,800	594	792	Enviva Partners L.P.				
Bank of Montreal, Preferred, Perpetual, Series '46'	67,675	1,714	1,827		115,933	6,741	7,944	
Bank of Montreal, Preferred, Series '33'	50,000	1,198	1,245	<b>FINANCIALS (1.09%)</b>				
Canadian Imperial Bank of Commerce	68,359	6,335	9,639	Hannon Armstrong Sustainable Infrastructure Capital Inc., REIT				
Canadian Imperial Bank of Commerce, Preferred, Perpetual, Series '45'	50,500	1,263	1,286		86,997	2,228	5,894	
Canadian Imperial Bank of Commerce, Preferred, Perpetual, Series '51'	25,000	625	667	<b>INFORMATION TECHNOLOGY (5.23%)</b>				
Fairfax Financial Holdings Ltd., Preferred, Perpetual, Series 'C'	40,000	1,022	942	Cisco Systems Inc.				
Fiera Capital Corp.	705,525	8,483	7,380		146,446	7,947	10,098	
Great-West Lifeco Inc., Preferred, Perpetual, Series 'T'	50,000	1,250	1,350	International Business Machines Corp.	55,740	9,026	9,810	
Great-West Lifeco Inc., Preferred, Series 'G'	52,250	1,217	1,348	Seagate Technology Holdings PLC	79,802	5,914	8,343	
IGM Financial Inc.	199,983	7,822	9,049			22,887	28,251	
Manulife Financial Corp.	345,959	7,663	8,434	<b>REAL ESTATE (6.48%)</b>				
Manulife Financial Corp., Preferred, Series '17'	75,000	1,659	1,825	Iron Mountain Inc.				
Manulife Financial Corp., Preferred, Series '23'	140,100	3,501	3,577		186,486	6,278	10,265	
Power Corp. of Canada	231,943	6,316	9,684	Medical Properties Trust Inc.	308,609	8,343	7,847	
Power Financial Corp., Preferred, Perpetual, Series 'P'	50,000	772	892	Realty Income Corp., REIT	99,347	7,759	8,163	
Power Financial Corp., Preferred, Series 'K'	3,300	81	85	Simon Property Group Inc., REIT	52,729	9,384	8,682	
Royal Bank of Canada	76,009	6,136	9,579			31,764	34,957	
Sun Life Financial Inc.	129,686	5,082	8,456	<b>TOTAL U.S. EQUITIES</b>				
The Bank of Nova Scotia	123,916	7,874	9,660			70,057	87,437	
The Toronto-Dominion Bank	117,961	6,858	9,891	As at September 30, 2021				
The Toronto-Dominion Bank, Preferred, Perpetual, Series '18'	61,000	1,525	1,566	Country	Number of Securities	Average Cost \$	Carrying Value \$	
The Toronto-Dominion Bank, Preferred, Series '7'	50,000	1,250	1,251	In thousands (except number of securities)				
		80,240	100,425	<b>FOREIGN EQUITIES (2.44%)</b>				
				<b>MATERIALS (1.23%)</b>				
				Mercer International Inc.	Germany	450,769	5,611	6,618
<b>HEALTH CARE (1.37%)</b>				<b>UTILITIES (1.21%)</b>				
Chartwell Retirement Residences	612,847	4,995	7,391	Atlantica Sustainable Infrastructure PLC	Spain	149,949	5,239	6,556
<b>INDUSTRIALS (4.90%)</b>				<b>TOTAL FOREIGN EQUITIES</b>				
Exchange Income Corp.	223,773	7,353	9,920			10,850	13,174	
NFI Group Inc.	304,906	6,054	7,269	As at September 30, 2021				
Russel Metals Inc.	305,040	6,554	9,264	Country	Number of Securities	Average Cost \$	Carrying Value \$	
		19,961	26,453	In thousands (except number of securities)				
<b>MATERIALS (4.15%)</b>				<b>LABRADOR IRON ORE ROYALTY CORP.</b>				
Labrador Iron Ore Royalty Corp.	305,013	8,097	10,743					
Nutrien Ltd.	141,919	8,174	11,667					
		16,271	22,410					

# IA Clarington Inhance Monthly Income SRI Fund

## Schedule of Investment Portfolio (unaudited) (continued)

As at September 30, 2021  
In thousands

	Face Value \$	Average Cost \$	Carrying Value \$
<b>CANADIAN BONDS (16.25%)</b>			
<b>CORPORATES (16.25%)</b>			
407 International Inc., Callable 2.470%, 2022-09-08	2,000	1,984	2,027
1.800%, 2025-05-22	2,000	2,022	2,026
Bank of Montreal 2.850%, 2024-03-06	2,500	2,655	2,602
BCI QuadReal Realty, Callable 1.073%, 2026-02-04	2,900	2,870	2,834
Bell Canada Inc., Callable 2.750%, 2025-01-29	2,000	2,086	2,076
Canadian Imperial Bank of Commerce 2.430%, 2023-06-09	3,500	3,544	3,590
2.350%, 2024-08-28	6,750	7,002	6,948
1.100%, 2026-01-19	5,600	5,537	5,466
Canadian Imperial Bank of Commerce, Variable, Callable 1.960%, 2031-04-21	3,000	2,999	2,992
Canadian Western Bank 2.924%, 2022-12-15	2,000	2,016	2,051
1.570%, 2023-09-14	2,257	2,291	2,275
CT Real Estate Investment Trust, Series 'B', Callable 3.527%, 2025-06-09	2,000	1,983	2,118
Dollarama Inc., Callable 1.871%, 2026-07-08	3,000	3,000	2,996
Federation des Caisses Desjardins du Quebec 1.093%, 2026-01-21	2,000	1,959	1,951
1.587%, 2026-09-10	1,225	1,225	1,213
First Capital Real Estate Investment Trust, Series 'P' 3.950%, 2022-12-05	4,000	4,142	4,127
First Capital Real Estate Investment Trust, Series 'S' 4.323%, 2025-07-31	4,000	4,321	4,301
Glacier Credit Card Trust 2.280%, 2024-06-06	4,300	4,388	4,420
National Bank of Canada, Variable, Callable 3.183%, 2028-02-01	4,000	4,098	4,114
RioCan Real Estate Investment Trust, Callable 2.576%, 2025-02-12	2,000	2,000	2,048
1.974%, 2026-06-15	4,810	4,806	4,766
RioCan Real Estate Investment Trust, Series 'W' 3.287%, 2024-02-12	850	887	886
Royal Bank of Canada 3.296%, 2023-09-26	3,650	3,902	3,814
TELUS Corp., Callable 2.750%, 2026-07-08	3,100	3,242	3,212
The Bank of Nova Scotia 2.380%, 2023-05-01	7,500	7,622	7,679
The Toronto-Dominion Bank 1.128%, 2025-12-09	5,300	5,299	5,199
		87,880	87,731
<b>TOTAL CANADIAN BONDS</b>		<b>87,880</b>	<b>87,731</b>
<b>U.S. BONDS (0.48%)</b>			
<b>CORPORATES (0.48%)</b>			
Bank of America Corp., Variable, Callable 3.301%, 2024-04-24	2,500	2,502	2,592
TRANSACTION COSTS		(7)	
<b>TOTAL INVESTMENT PORTFOLIO (94.61%)</b>		<b>423,716</b>	<b>510,737</b>
OTHER ASSETS LESS LIABILITIES (5.39%)			29,117
<b>TOTAL NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS (100.00%)</b>			<b>539,854</b>

# IA Clarington Inhance Monthly Income SRI 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 (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	420,414	-	-	420,414
Investment funds	-	-	-	-
Bonds	-	90,323	-	90,323
Short-term investments	-	-	-	-
	420,414	90,323	-	510,737
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	420,414	90,323	-	510,737

#### As at March 31, 2021

	Financial Instruments at Fair Value			
	Level 1 (\$)	Level 2 (\$)	Level 3 (\$)	Total (\$)
<b>ASSETS</b>				
<b>Investments</b>				
Equities	359,950	-	-	359,950
Investment funds	-	-	-	-
Bonds	-	83,611	-	83,611
Short-term investments	-	-	-	-
	359,950	83,611	-	443,561
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>LIABILITIES</b>				
<b>Derivatives</b>				
Derivative financial instruments	-	-	-	-
<b>Total</b>	359,950	83,611	-	443,561

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

## Credit Risk

As at September 30, 2021 and March 31, 2021, the Fund had invested in debt instruments with the following credit rating(s):

Debt Instruments* by Credit Rating	Percentage of Net Assets As at September 30, 2021 (%)	Percentage of Net Assets As at March 31, 2021 (%)
AAA	0.82	0.95
AA	7.66	8.90
A	2.20	3.34
BBB	6.05	4.69
Pfd-2	3.28	4.23
Pfd-3	0.83	0.90

\* Excludes other Net Assets attributable to holders of redeemable units

Credit ratings are obtained from DBRS, Standard & Poor's or Moody's. The DBRS rating is presented and, if not available, the DBRS equivalent rating is presented.

## 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	19.69	19.99
Real Estate	19.64	19.04
Corporate Bonds	16.73	17.88
Communication Services	8.70	7.94
Cash and Other Net Assets	5.39	5.12
Materials	5.38	5.60
Information Technology	5.23	4.67
Consumer Discretionary	5.03	4.09
Industrials	4.90	4.93
Utilities	4.70	5.63
Consumer Staples	1.77	1.75
Energy	1.47	1.90
Health Care	1.37	1.46

## 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

The tables below summarize the Fund's exposure to interest rate risk by remaining terms to maturity as at September 30, 2021 and March 31, 2021. If the prevailing interest rates had been raised or lowered by 1%, assuming a parallel shift in the yield curve, with all other factors remaining constant, the Net Assets would have respectively decreased or increased by the amount presented under "Impact on Net Assets". The Fund's sensitivity to interest rate changes was estimated using the weighted average duration of the portfolio. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

# IA Clarington Inhance Monthly Income SRI 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 September 30, 2021

	< 1 year (\$)	1-5 years (\$)	6-10 years (\$)	> 10 years (\$)	Non- interest Bearing (\$)	Total (\$)	Impact on Net Assets (\$)
Investments	2,027	81,190	7,106	-	420,414	510,737	2,748
Cash/Margin/ (Bank overdraft)	26,921	-	-	-	-	26,921	-
Other assets	-	-	-	-	3,427	3,427	-
Liabilities	-	-	-	-	1,231	1,231	-

As at March 31, 2021

	< 1 year (\$)	1-5 years (\$)	6-10 years (\$)	> 10 years (\$)	Non- interest Bearing (\$)	Total (\$)	Impact on Net Assets (\$)
Investments	-	83,611	-	-	359,950	443,561	2,605
Cash/Margin/ (Bank overdraft)	26,773	-	-	-	-	26,773	-
Other assets	-	-	-	-	3,905	3,905	-
Liabilities	-	-	-	-	6,745	6,745	-

### Currency Risk

The tables below summarize the Fund's exposure to currency risk, if any, based on monetary and non-monetary assets of the Fund. The tables also illustrate the impact on Net Assets if the Canadian dollar had strengthened or weakened by 5% in relation to all foreign currencies, with all other factors remaining constant. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

As at September 30, 2021

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
USD	112,191	(73)	112,118	20.77	5,606

As at March 31, 2021

Currency*	Financial Instruments (\$)	Currency Contracts (\$)	Total Exposure (\$)	Percentage of Net Assets (%)	Impact on Net Assets (\$)
USD	94,756	-	94,756	20.27	4,738

\* See generic note 6 for currency symbols.

### 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.

Effective June 30, 2021, the narrow benchmark for the Fund was changed from the S&P/TSX Composite Index (60%) and FTSE Canada Universe Bond Index (40%), to the S&P/TSX Composite Index (70%) and FTSE Canada Universe Bond Index (30%). The benchmark changes were made to be more representative of the investment mandate of the Fund.

As at September 30, 2021

Benchmark	Change in Benchmark (%)	Exposure to Benchmark (%)	Impact on Net Assets (%)	Impact on Net Assets (\$)
S&P/TSX Composite Index	10.00	70.00	6.62	35,752
FTSE Canada Universe Bond Index	3.00	30.00	0.85	4,597

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	60.00	5.69	26,614
FTSE Canada Universe Bond Index	3.00	40.00	1.14	5,323

# IA Clarington Inhance Monthly Income SRI 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 aims to provide a reasonably consistent level of monthly income by investing primarily in fixed income and high yield equity securities of Canadian issuers which meet the manager's socially responsible investment principles.

### The Fund

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

	Dates of Inception MM/DD/YY
Series A	04/30/21
Series E6	11/03/14
Series EF	06/23/15
Series F	04/30/21
Series F6	11/30/09
Series I	11/30/09
Series L6	06/20/16
Series P6	11/03/14
Series T6	11/30/09
Series V	11/30/09

### New Series

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

Series	Date
Series A	04/30/21
Series F	04/30/21

## 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.

### Offsetting Financial Assets and Liabilities

The following table presents offsetting of financial assets and liabilities and collateral amounts that would occur if future events, such as bankruptcy or termination of contracts were to arise. No amounts were offset in the financial statements, therefore the Gross Amount represents the amounts shown in the Statements of Financial Position.

As at March 31, 2021, the Fund did not invest in derivative financial instruments, therefore no table is shown.

As at September 30, 2021

	Gross Amount (\$)	Amounts Eligible for Offset		Net amount (\$)
		Financial Instruments (\$)	Collateral Received/Pledged (\$)	
<b>Financial assets - by type</b>				
Open Currency Contracts	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Financial liabilities - by type</b>				
Open Currency Contracts	-	-	-	-
<b>Total</b>	-	-	-	-

# IA Clarington Inhance Monthly Income SRI Fund

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

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

### Open Currency Contracts\*

The Fund entered into currency contracts to reduce its foreign currency exposure. No cash collateral was pledged for the below currency contracts, therefore no cash collateral information will be shown. The details of these currency contracts as at September 30, 2021 are shown in the table below. As at March 31, 2021, the Fund did not hold any currency contracts, therefore no table is shown for that period.

As at September 30, 2021

Settlement Date	Number of Contracts		To Purchase (\$)		To Sell (\$)	Unrealized Gain (Loss) - CAD (\$)	Counterparty	Credit Rating
October 1, 2021	1	CAD	73	USD	58	-	The Bank of New York Mellon	A
	1					-		

\*See Generic Note 6 for counterparty information

# IA Clarington Inhance Monthly Income SRI 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	1.85	
Series E6	1.70	1.70
Series EF	0.80	0.80
Series F	0.80	
Series F6	0.80	0.80
Series I	-	-
Series L6	1.90	1.90
Series P6	-	-
Series T6	1.85	1.85
Series V	-	-

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	0.28	
Series E6	0.19	0.19
Series EF	0.19	0.19
Series F	0.19	
Series F6	0.19	0.19
Series I	-	-
Series L6	0.28	0.28
Series P6	0.19	0.19
Series T6	0.28	0.28
Series V	-	-

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

### 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
2	-

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:

	Period ended	Beginning of Period	Issued/Reinvested during Period	Redeemed during Period	End of Period	Weighted Average Units
Series A	2021	-	109	1	108	37
Series E6	2021	4,976	954	382	5,548	5,317
	2020	5,508	236	729	5,015	5,311
Series EF	2021	236	-	1	235	235
	2020	330	1	63	268	303
Series F	2021	-	231	2	229	120
Series F6	2021	5,022	805	197	5,630	5,291
	2020	5,236	405	636	5,005	5,224
Series I	2021	12,721	2,199	37	14,883	13,674
	2020	8,291	1,756	345	9,702	9,156
Series L6	2021	118	25	88	55	79
	2020	115	7	5	117	115
Series P6	2021	31	1	-	32	31
	2020	29	1	-	30	29
Series T6	2021	13,151	1,054	1,684	12,521	12,702
	2020	14,713	708	1,188	14,233	14,527
Series V	2021	31	-	1	30	30
	2020	35	-	5	30	33

### 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	29	10
Securities lending charges	(5)	(3)
<b>Net securities lending income received by the Fund</b>	<b>24</b>	<b>7</b>

# IA Clarington Inhance Monthly Income SRI Fund

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

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

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 and March 31, 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 (\$)
73,874	77,603

### As at March 31, 2021

Aggregate Value of Securities on Loan (\$)	Aggregate Value of Collateral for Loan (\$)
16,585	17,418

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



# 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

September 30, 2021

(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

September 30, 2021

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

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.

# Generic Notes to the Financial Statements

September 30, 2021

(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.

# Generic Notes to the Financial Statements

September 30, 2021

(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.

# Generic Notes to the Financial Statements

September 30, 2021

(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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