

IA Clarington Target Click 2025 Fund

Series A and F Units

Annual Management Report of Fund Performance

March 31, 2023

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the Fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-530-0204, by writing to us at 522 University Avenue, Suite 700, Toronto, ON M5G 1Y7, or by visiting our website at www.iaclarington.com or SEDAR at www.sedar.com.

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

Management Discussion of Fund Performance

The management discussion of fund performance for IA Clarington Target Click 2025 Fund (the "Fund") represents management's view of the significant factors and developments affecting the Fund's performance and outlook for the 12-month period ended March 31, 2023. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

The Fund is closed to new investors. Investors who currently hold these series may purchase additional units.

Investment Objective and Strategies

The Fund's investment objective is to provide the opportunity for capital appreciation during the term of the Fund and to pay, on June 30, 2025 (the "Maturity Date"), an amount per unit equal to the greatest of the following three values (the "Guaranteed Value"): \$10.00 (the NAV per unit of each series on the start date of the Fund), the highest month-end series net asset value per unit achieved over the life of the Fund or the series net asset value per unit on the Fund's Maturity Date.

The Fund's strategy is to invest in (1) units of another investment fund, IA Clarington Global Equity Exposure Fund, which provides exposure to global equity markets through the use of derivatives, (2) fixed income securities issued by the Canadian federal or provincial governments, and (3) cash equivalents. The portfolio manager allocates the assets based on a number of factors, including the remaining time to the Maturity Date, interest rates and equity market values. As the Maturity Date approaches, the Fund will increase its investments in fixed income securities.

The Fund's Portfolio Manager is Industrial Alliance Investment Management Inc. ("IAIM" or the "Portfolio Manager" or the "fund manager").

Risk

The overall risk of investing in the Fund remains as described in the prospectus.

The Fund is suitable for investors seeking preservation of capital and the possibility for capital appreciation over a set period of time until the Maturity Date, with a low risk tolerance and are able to accept some fluctuations in the fund's value in advance of the fund's Maturity Date and planning to invest for a period of time consistent with the fund's Maturity Date.

Results of Operations

The Fund's Net Assets decreased by 10.5% or \$3.8 million during the period, from \$36.3 million on March 31, 2022 to \$32.5 million on March 31, 2023. This change in Net Assets resulted from a decrease of \$2.8 million due to net redemptions, a decrease of \$0.8 million due to distributions and a decrease of \$0.2 million due to investment operations, including market volatility, income and expense.

The average Net Asset Value of the Fund decreased by 20.7% or \$8.8 million in comparison to the prior period, from \$42.5 million to \$33.7 million. Average Net Asset Value influence revenue earned and expenses incurred by the Fund during the period.

Series A units of the Fund returned -0.5% for the 12-month period ending March 31, 2023. The performance of the other series of the Fund is substantially similar, save for differences in fees and expense structure. Refer to the "Past Performance" section for performance information of each series.

The Fund's broad-based benchmark, the FTSE Canada All Government Bond Index, returned -2.4% for the same 12-month period. The comparison to this

broad-based index has been provided to help you understand the Fund's performance relative to the general performance of the Canadian bond market. The Fund's benchmark, which is composed of the 90% FTSE Canada All Government Bond Index, 10% MSCI World Index[^] (CAD), returned -2% for the same period. This comparison to Fund performance is more useful, because it more closely reflects the asset classes in which the Fund invests. The Fund's return calculation for all series includes fees and expenses, which are not applicable in generating a return for the benchmark.

The global economy showed signs of weakness after inflationary pressures reached generational highs in 2022, triggering significant interest-rate increases by many central banks (tight monetary policy). Although inflation remained a focus, attention shifted to the effects of tighter monetary policy on growth, employment and the stability of the financial system.

In February 2023, the annual inflation rate was 6% in the U.S. and 5.2% in Canada. While these numbers have come down from their 2022 highs, they remain significantly above central banks' 2% inflation targets.

In Canada, the combination of lower energy prices, weak global demand and tight monetary policy caused real gross domestic product or real GDP (which is the total dollar value of all goods and services a country produces over a specific time period, adjusted for inflation) to stagnate in the fourth quarter. At the same time, growth was more robust in the U.S., settling at 2.6%. Recent data points suggested a rebound in economic activity in the first quarter of 2023.

The regional banking crisis in the U.S. and the subsequent downfall of Credit Suisse Group AG sent shockwaves through the global financial system. As a result of the massive global injection of money by government authorities in response to the pandemic, banks around the world found themselves flush with deposits, which they invested in long-term investment products, such as loans and long-term Treasury bonds. Treasury bonds are debt instruments issued by the U.S. government with fixed interest rates. However, with one of the most aggressive monetary-tightening cycles in history over the past 12 months, interest rates across the yield curve were pushed higher (particularly short-term rates), and some U.S. banks developed liquidity issues as a result. The yield curve graphically illustrates the yields and maturities of bonds of similar credit quality.

On the geopolitical front, the Chinese economic reopening was a recent highlight. As the country came out of massive lockdowns and restrictions, economic activity picked up in the first two months of 2023, but momentum seemed to fade toward the end of the period.

Europe remains in turmoil despite its better-than-expected economic performance. The ongoing war in Ukraine has affected the flow of agricultural goods, and the sanctions against Russia weighed on global energy markets.

The Fund's fixed-income sleeve contributed to performance overall, mainly due to security selection. The Fund was nearly fully invested in Ontario zero-coupon bonds maturing in 2025, which performed better on a relative basis, as interest rates increased significantly during the period. This is due to their relatively lower duration (sensitivity to interest rates) and the inverse relationship between bond prices and interest rates. A Zero-coupon bond is a debt security that does not pay interest but instead trades at a deep discount, rendering a profit at maturity, when the bond is redeemed for its full face value.

The Fund's equity sleeve detracted from its performance as its only underlying equity fund, IA Clarington Global Equity Exposure Fund, underperformed on a relative basis during the period. Further, the Fund's underweight position in global equities detracted from relative performance.

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To honour its guarantees, the Fund is nearly fully invested in zero-coupon bonds maturing in 2025. The remaining portion of the Fund is invested in a global equity fund and Treasury bills.

New positions in the Fund included Canadian Treasury bill zero-coupon bonds, which replaced other short-term instruments that had reached maturity during the period.

Decreased positions included IA Clarington Global Equity Exposure Fund, in order to shift the Fund's allocation toward more provincial zero-coupon bonds maturing in 2025.

Eliminated positions included Canadian Treasury bills that reached maturity in June 2022.

Recent Developments

Recent turmoil in U.S. regional banks spurred concerns about a credit crunch scenario, which would slow the economy quicker than anticipated. Such a scenario could also force central banks to begin cutting interest rates sooner rather than later, in an effort to prop up the economy and avoid a potential recession.

With this in mind, the Fund continues to shift its allocation to more fixed income in order to honour its 2025 guaranteed value.

Effective June 1, 2022, IA Clarington no longer offers purchases under the deferred sales charge option, including the low load option ("DSC") in accordance with the decision of the Canadian Securities Administrators to ban DSC sales. Existing DSC redemption schedules for sales made prior to June 1, 2022 will be permitted to run their course.

Related Party Transactions

The Portfolio Manager is affiliated with the Manager as they are both under common control of Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance").

For the provision of management services, the Manager received management fees from the Fund, based on the average Net Asset Values of the respective series. The management fees paid are disclosed in the financial statements.

The Manager paid the operating expenses of the Fund (the "Operating Expenses") in exchange for the payment by the Fund of a fixed rate administration fee (the "Administration Fee") to the Manager with respect to each series of the Fund, except for Series I and Series V, if applicable.

The Manager pays the operating expenses of the Fund, other than Fund Costs, in exchange for the payment by the Fund of a fixed rate administration fee (the "Administration Fee") to the Manager with respect to each series of the Fund, except for Series I and Series V, if applicable. The expenses charged to the Fund in respect of the Administration Fee are disclosed in the Fund's financial statements. The Administration Fee is equal to a specified percentage of the net asset value of a series, calculated and paid in the same manner as the management fees for the Fund. The Fund's most recent simplified prospectus contains further details about the Administration Fee.

In addition to the Administration Fee, each series of the Fund is responsible for its proportionate share of certain other operating expenses ("Fund Costs"). Further details about Fund Costs can be found in the Fund's most recent simplified prospectus. The Manager, at its sole discretion, may waive or absorb a portion of

a series' expenses. These waivers or absorptions may be terminated at any time without notice.

During the 12-month period ended March 31, 2023, the Fund did not pay brokerage commissions to iA Private Wealth Inc.

In order to avoid duplication of management fees, if a Fund invests directly in a Reference Fund managed by IA Clarington or an affiliate it may purchase Series I Securities (or the equivalent) of the Reference Fund and will not be charged a management fee or a fixed expense charge in respect of those securities. Alternatively, if Series I Securities (or the equivalent) are not purchased in these circumstances, we make sure that there is no duplication of management fees. In addition, if a Fund invests in another mutual fund, it will not pay duplicate sales charges or redemption fees with respect to the purchase or redemption by it of securities in the Reference Fund.

Certain of the Funds have established or may establish standard broker-dealer agreements with iA Private Wealth Inc., a subsidiary of Industrial Alliance and related company. Pursuant to applicable securities legislation, the Funds may rely on the standing instructions from the IRC with respect to one or more of the following transactions:

- (a) trades in securities of iA Financial Corporation Inc.;
- (b) investments in securities of issuers during, or for 60 days after, the period in which a related party dealer acts as an underwriter in the distribution of such securities;
- (c) purchases or sales of securities of an issuer from or to another investment fund managed by IA Clarington.

The applicable standing instructions require that the above activities be conducted in accordance with IA Clarington policy and that IA Clarington advise the IRC of a material breach of any standing instruction. IA Clarington policy requires that an investment decision represents the business judgment of the portfolio manager, uninfluenced by considerations other than the best interests of the Funds.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated. The information in the following tables is based on prescribed regulations and as a result, is not expected to add down due to the increase (decrease) in net assets from operations being based on average units outstanding during the period and all other numbers being based on actual units outstanding at the relevant point in time. Footnotes for the tables are found at the end of the Financial Highlights section.

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The Fund's Net Assets per Unit (\$)¹					
Series A	03/31 2023	03/31 2022	03/31 2021	03/31 2020	03/31 2019
Net Assets, beginning of period	16.08	16.91	16.50	16.04	15.57
Increase (decrease) from operations:					
Total revenue	0.55	0.59	0.57	0.65	0.46
Total expenses (excluding distributions)	(0.11)	(0.33)	(0.36)	(0.41)	(0.39)
Realized gains (losses) for the period	(0.01)	0.23	0.18	0.29	0.15
Unrealized gains (losses) for the period	(0.55)	(1.27)	0.08	(0.06)	0.17
Total increase (decrease) from operations²	(0.12)	(0.78)	0.47	0.47	0.39
Distributions:					
From net investment income (excluding dividends)	(0.35)	(0.23)	(0.21)	(0.21)	(0.12)
From dividends ⁴	-	-	-	-	-
From capital gains	-	-	-	-	(0.37)
Return of capital	(0.04)	-	-	-	-
Total distributions³	(0.39)	(0.23)	(0.21)	(0.21)	(0.49)
Net Assets, end of period	15.99	16.08	16.91	16.50	16.04

The Fund's Net Assets per Unit (\$)¹					
Series F	03/31 2023	03/31 2022	03/31 2021	03/31 2020	03/31 2019
Net Assets, beginning of period	19.64	20.47	19.79	19.02	18.24
Increase (decrease) from operations:					
Total revenue	0.68	0.72	0.70	0.76	0.54
Total expenses (excluding distributions)	(0.08)	(0.22)	(0.24)	(0.26)	(0.24)
Realized gains (losses) for the period	(0.01)	0.28	0.23	0.34	0.17
Unrealized gains (losses) for the period	(0.49)	(1.59)	(0.01)	(0.06)	0.08
Total increase (decrease) from operations²	0.10	(0.81)	0.68	0.78	0.55
Distributions:					
From net investment income (excluding dividends)	(0.42)	(0.50)	(0.44)	(0.54)	(0.53)
From dividends ⁴	-	-	-	-	-
From capital gains	-	-	-	-	(0.56)
Return of capital	(0.03)	-	-	-	-
Total distributions³	(0.45)	(0.50)	(0.44)	(0.54)	(1.09)
Net Assets, end of period	19.58	19.64	20.47	19.79	19.02

- The per unit data is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). Under IFRS, the Net Assets per unit presented in the financial statements is the same as the Net Asset Value calculated for fund pricing purposes.
- Net Assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- Distributions were paid in cash/reinvested in additional units of the Fund, or both.
- Dividends qualified for Canadian dividend tax credit, when applicable.

Ratios and Supplemental Data					
Series A	03/31 2023	03/31 2022	03/31 2021	03/31 2020	03/31 2019
Total NAV (\$) (000's)¹	30,644	35,424	45,840	52,739	64,478
Number of units outstanding (000's)¹	1,916	2,203	2,711	3,196	4,020
Management expense ratio (%)²,³	0.72	1.99	2.13	2.50	2.52
Management expense ratio before waivers or absorptions (%)²,³,⁴	1.87	1.99	2.13	2.50	2.52
Trading expense ratio (%)⁵	-	-	-	-	0.01
Portfolio turnover rate (%)⁶	-	0.35	1.99	-	0.43
NAV per unit (\$)¹	15.99	16.08	16.91	16.50	16.04

Ratios and Supplemental Data					
Series F	03/31 2023	03/31 2022	03/31 2021	03/31 2020	03/31 2019
Total NAV (\$) (000's)¹	1,814	891	1,058	1,027	1,348
Number of units outstanding (000's)¹	93	45	52	52	71
Management expense ratio (%)²,³	0.44	1.10	1.17	1.34	1.33
Management expense ratio before waivers or absorptions (%)²,³,⁴	1.04	1.10	1.17	1.34	1.33
Trading expense ratio (%)⁵	-	-	-	-	0.01
Portfolio turnover rate (%)⁶	-	0.35	1.99	-	0.43
NAV per unit (\$)¹	19.58	19.64	20.47	19.79	19.02

- This information is provided as at each period shown.
- Management expense ratios are based on total expenses (excluding distributions, commissions, withholding taxes and other portfolio transaction costs) and a proportion of underlying fund expenses (mutual funds & ETFs), where applicable, of each series for the stated period and are expressed as an annualized percentage of each series' daily average NAV during the period.
- The annual Management Fees and Fixed Administration Fees, excluding HST, for the Fund were 1.81% for Series A and 1.00% for Series F.
- At its sole discretion, the Manager may have waived management fees or absorbed expenses of the Fund.
- The trading expense ratio represents total commissions incurred directly or indirectly by way of an underlying fund, as applicable, and other portfolio transaction costs expressed as an annualized percentage of the Fund's daily average NAV during the period.
- The Fund's portfolio turnover rate indicates how actively the fund manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher a Fund's portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship or correlation between a high turnover rate and the performance of a Fund. The value of any trades to realign the Fund's portfolio after a fund merger, if any, is excluded from the portfolio turnover rate.

Management Fees

Management fees paid by the Fund per series are based on applying the annual management fee rate per series to the daily average NAV of each series and are recorded on an accrual basis.

The following is a breakdown of major services received by the Fund in consideration of the management fees for the period, as a percentage of the management fee:

Management Fees (%)		
Series	Trailer commissions	Other
Series A		
FE	-	100
LL First 3 years	-	100
LL After 3 years	-	100
DSC First 7 years	-	100
DSC After 7 years	-	100
Series F	-	100

FE - front end; LL - low load; DSC - deferred sales charge; ASC - advisor service charge
Other - includes general administration, investment advice and profit.

Past Performance

The performance information shown (based on NAV) assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund. The performance information does not take into account sales, redemption, distribution or other optional charges, or income taxes payable by any investor that would have reduced returns or performance. How the Fund has

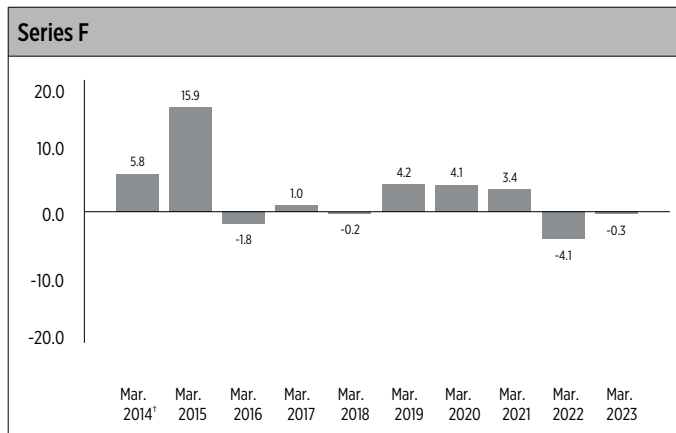
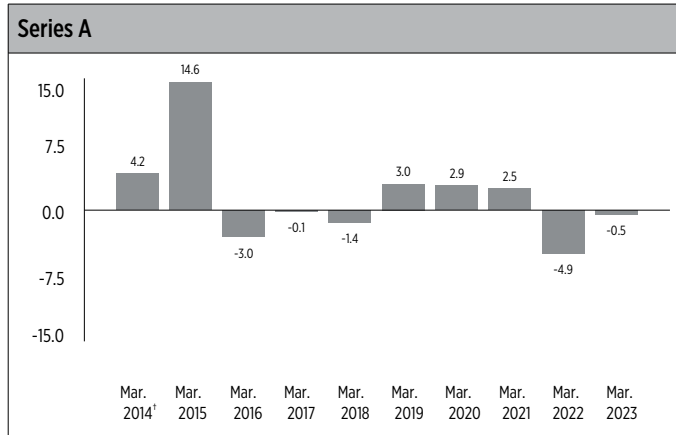
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performed in the past does not necessarily indicate how it will perform in the future.

Year-by-Year Returns

The bar charts show the Fund's performance for each of the periods indicated. The charts show, in percentage terms, how an investment made on the first day of each period would have increased or decreased by the last day of the period presented.



† Return shown is for the 15-month period ended March 31, 2014.

Annual Compound Returns

The tables show the annual compound returns for the Fund compared to the FTSE Canada All Government Bond Index (the "Broad-based Index") and the benchmark index (the "Benchmark Index") which consists of the FTSE Canada All Government Bond Index (90%) and the MSCI World Index[^] (CAD) (10%) for the periods ended March 31, 2023.

Annual Compound Returns, Series A				
Percentage (%)	Past 10 Years	Past 5 Years	Past 3 Years	Past 1 Year
Series A	1.4	0.5	(1.0)	(0.5)
Broad-based Index	1.7	0.6	(2.5)	(2.4)
Benchmark Index	2.7	1.5	(0.9)	(2.0)

Annual Compound Returns, Series F				
Percentage (%)	Past 10 Years	Past 5 Years	Past 3 Years	Past 1 Year
Series F	2.4	1.4	(0.4)	(0.3)
Broad-based Index	1.7	0.6	(2.5)	(2.4)
Benchmark Index	2.7	1.5	(0.9)	(2.0)

The FTSE Canada All Government Bond Index is the broadest and most widely used measure of performance of marketable government bonds outstanding in the Canadian market.

The MSCI World Index[^] (CAD) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index[^] (CAD) consists of 23 developed market country indices.

A discussion of the performance of the Fund as compared to the Benchmark Index is found in the "Results of Operations" section of this report.

Summary of Investment Portfolio

As at March 31, 2023

The summary of investment portfolio shown, as a percentage of total NAV, may change due to ongoing portfolio transactions of the Fund and a quarterly update is available on the Manager's website. If the Fund invested in one or more mutual funds, the sector allocation chart shows the Fund's proportionate allocation of the reference funds' investments and where applicable, the Fund's direct investments.

Sector Allocation	%
Provincial Bonds and Guarantees	98.59
Federal Government Bonds	0.41
Short-Term Investments	0.31
Futures	0.06
Cash and Other Net Assets	0.63
	100.00

The top positions held by the Fund (up to 25) as shown as a percentage of the total NAV:

Top Holdings	%
Province of Ontario, Zero Coupon, 0.000%, 2025-06-02	98.59
IA Clarington Global Equity Exposure Fund	0.87
Government of Canada, Treasury Bill, 4.175%, 2023-04-13	0.31
Cash and Other Net Assets	0.23

You can obtain the prospectus and other information on the investment funds in which the Fund invests, if any, at www.sedar.com (for Canadian investment funds) and www.sec.gov/edgar (for U.S. investment funds).

[^] Source: MSCI Inc. MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed, or produced by MSCI.

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Forward-Looking Statements

This management report of fund performance may contain forward-looking statements which reflect the current expectations of the Manager (or, where indicated, the Portfolio Manager or Portfolio Sub-Advisor or fund manager) regarding the Fund's future growth, results of operations, performance and business prospects and opportunities. These statements reflect the current beliefs of the person to which the statements are attributed with respect to future events and are based on information currently available to that person. Forward looking statements involve significant risks, uncertainties and assumptions. Many factors could cause the Fund's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors could include, among other things, general economic, political and market factors, including interest and foreign exchange rates, business competition, changes in government regulations or in tax laws. Please refer to the prospectus for a discussion of some specific risks that are associated with mutual funds. Although the forward-looking statements contained in this report are based upon what management currently believes to be reasonable assumptions, the Manager cannot assure current or prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements.

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