

# IA Clarington Inhance Bond SRI Fund

## Series B, E, F, I and V Units

### Annual Management Report of Fund Performance

March 31, 2025

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 26 Wellington Street East, Suite 600, Toronto, ON M5E 1S2, or by visiting our website at [www.iaclarington.com](http://www.iaclarington.com) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

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 Inhance Bond SRI 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, 2025. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

## Investment Objective and Strategies

The Fund's investment objective is to preserve capital and generate income.

The Fund's strategy is to invest primarily in fixed income securities of government and corporate issuers which meet the sub-advisor's socially responsible investment principles.

The Fund's Portfolio Manager is iA Global Asset Management Inc. ("iAGAM" or the "Portfolio Manager") and its Sub-Advisor is Vancity Investment Management Limited ("VCIM" or the "Portfolio Sub-Advisor" 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 regular income, with a low risk tolerance and planning to invest over the medium to long term.

## Results of Operations

The Fund's Net Assets decreased by 8.4% or \$58.4 million during the period, from \$692 million on March 31, 2024 to \$633.6 million on March 31, 2025. This change in Net Assets resulted from a decrease of \$86.2 million due to net redemptions, a decrease of \$25.1 million due to distributions and an increase of \$52.9 million due to investment operations, including market volatility, income and expense.

The average Net Asset Value of the Fund decreased by 5.5% or \$38.9 million in comparison to the prior period, from \$705 million to \$666.1 million. Average Net Asset Value influence revenue earned and expenses incurred by the Fund during the period.

Series B units of the Fund returned 6.8% for the 12-month period ending March 31, 2025. 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 benchmark, the FTSE Canada Universe Bond Index, returned 7.7% for the same 12-month period. The Fund's return calculation for all series includes fees and expenses, which are not applicable in generating a return for the benchmark.

Global bond markets were volatile during the period as developed market central banks transitioned from implementing synchronized interest-rate increases as a means of taming inflation to cutting interest rates as inflation retrenched closer to targets.

The Bank of Canada (BoC) lowered its policy interest rate by 25 basis points (bps) at its June meeting. This was the first of seven consecutive interest-rate cuts during the period, which lowered the policy interest rate from 5% to 2.75%, the mid-point of the BoC's estimated neutral interest-rate (the ideal interest rate that neither too low nor too high) range.

The U.S. Federal Reserve (the Fed) commenced its monetary policy (the steps taken by a country's central bank to influence the direction of the economy) easing with a 50 bps interest-rate cut in September, followed by 25 bps cuts in

each of November and December. The Fed kept rates steady at its January and March 2025 meetings, leaving the upper end of its target policy range at 4.50%.

Global bond yields (the interest earned on a fixed-income security) were mixed during the period, with developed market bond yields generally higher, particularly in the intermediate and long maturity area of the yield curve). Bond yields in Canada were broadly lower as an escalating trade conflict with the U.S. created economic uncertainty, and the markets began pricing-in more aggressive interest-rate cuts by the BoC. Government of Canada yields were lower across the yield curve (graphically illustrates the yields and maturities of bonds of similar credit quality), with short tenor (short maturity) yields dropping most sharply. The benchmark Government of Canada 10-year bond yield ended the period at 2.97%, about 50 bps lower from where it started.

Reflecting the sharp drop in underlying bond yields, all sectors of the investment-grade Canadian fixed-income market generated positive total returns (an investment return that includes any interest, capital gains, dividends and distributions over the period). Corporates were the strongest-performing sector, outperforming on the back of higher yield carry (return portion on an asset's income component) and modest credit-spread tightening (the yield difference between two types of fixed-income or credit instrument, typically expressed in percentage points or basis points. A tight spread means the yield difference is small, while a wide spread means the difference is comparatively large) over the period. Meanwhile, federal bonds were the weakest-performing sector.

The Fund's allocation to preferred shares, which are not held in the benchmark, contributed strongly to performance, as preferred shares significantly outperformed bonds. The Fund's overweight allocation to corporate bonds and underweight allocation to federal bonds also contributed to performance, as corporate bonds outperformed federal bonds. The Fund's management of duration (interest-rate sensitivity) also contributed. Individual contributors included bonds in which the Fund held overweight positions, including Province of Ontario (2.9%, 02/12/2046), Canada Mortgage and Housing Corporation (1.75%, 15/06/2030) and Government of Canada (1.5%, 01/12/2031).

The Fund's bias toward higher-quality in its corporate holdings detracted slightly from performance, as BBB-rated corporate bonds outperformed higher-rated corporate bonds. The Fund's credit curve (graphically illustrates the yields and maturities of corporate bonds of similar credit quality) positioning, namely its overweight positioning in short- and mid-maturity corporate bonds and underweight positioning in long-maturity corporate bonds also detracted. While short- and mid-maturity corporate bonds outperformed similar-dated government bonds, long-maturity corporate bonds outperformed similar-dated government bonds by an even larger margin. On a return basis, short-maturity bonds underperformed mid- and long-maturity bonds, given their lower sensitivity to interest-rate changes and the decline in interest rates during the period. As a result, the Fund's largest individual detractors were all short-maturity corporate bonds that the Fund held but that had rolled out of the index for being under one-year maturity. These included Bank of Montreal (2.37%, 03/02/2025), Bank of Nova Scotia (1.95%, 10/01/2025), Canadian Imperial Bank of Commerce (2.75%, 07/03/2025) and Rogers Communications Inc. (3.1%, 15/04/2025).

New positions included green bonds (securities whose proceeds are used exclusively to fund projects that contribute to environmental sustainability) in the new issue market (where securities are initially issued), including Government of Canada (3%, 01/03/2032) and Province of Ontario (3.65%, 03/02/2034).

Increased positions included non-bank corporate holdings, particularly telecommunications companies, such as Quebecor Inc. (4.65%, 15/07/2029) and

BCE Inc. (5.15%, 14/11/2028). This reversed the Fund's 2023 trend of reducing its non-bank corporate exposures in favour of banks.

Decreased positions included the Fund's overweight exposure to bonds in the middle of the yield curve. With mid-maturity bonds outperforming bonds with short- and long-maturities and the yield curve steepening (long-term interest rates rise more quickly than short-term rates) significantly throughout the period, the fund manager took the opportunity to decrease the Fund's exposure to the middle part of the yield curve, increasing its short- and long-maturity exposures in the process. The fund manager also trimmed a position in IFC.P.R.E., a perpetual preferred share (a preferred share that pays a fixed dividend) issued by Intact Financial Corp., near the end of the period following a year of strong performance.

Eliminated positions included Sun Life Financial Inc. perpetual preferred share SLF.PR.D. Preferred shares had rallied significantly since late 2023, and this issue in particular was looking expensive versus comparable issues from Sun Life's peers.

## Recent Developments

Growing uncertainty over tariffs and the ongoing trade conflict with the U.S. are clouding the economic picture in Canada. With inflation now in the BoC's targeted range and the BoC's policy interest rate in the middle of its estimated neutral rate range estimate, the future path for Canadian interest-rate policy will largely depend on the evolution of the trade conflict. However, the pickup in core inflation (inflation that excludes volatile items like food and energy prices) measures in recent months could put the BoC in a tough position should the economy deteriorate while inflation rises.

The Fund ended the period with a slightly long duration versus the index. The fund manager will tactically adjust duration accordingly as the economic picture in Canada becomes clearer.

As yield curves steepened, the Fund continued to shift exposure out of mid-maturity bonds and into short- and long-maturity bonds, ending the period with its yield curve positioning being similar to that of the index.

The Fund maintains an overweight exposure to corporate bonds, but with a bias towards higher credit quality (refers to the degree to which a borrower can be expected to meet its debt repayment obligations) and shorter maturities, which continue to offer attractive yield carry relative to underlying Government of Canada bonds. Generic credit spreads touched their tightest levels in three years near the end of December, but widened amid tariff developments. This spread widening has been modest, and credit spreads remain tighter than average, warranting some caution given the challenges facing the Canadian economy.

The Fund continues to hold preferred shares as a yield enhancer. The Fund also remains biased towards perpetual and higher back-end rate-reset-style preferred shares (a preferred share whose dividend rate resets at regular intervals, typically every five years), which are not as sensitive to changes in interest rates but still provide significant yield pickup over bonds.

## 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, 2025, 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.

# IA Clarington Inhance Bond SRI Fund

March 31, 2025

## 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.

The Fund's Net Assets per Unit (\$)¹					
Series B	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Net Assets, beginning of period	8.95	9.01	9.48	10.16	10.16
<b>Increase (decrease) from operations:</b>					
Total revenue	0.35	0.32	0.27	0.25	0.28
Total expenses (excluding distributions)	(0.13)	(0.13)	(0.13)	(0.14)	(0.15)
Realized gains (losses) for the period	(0.17)	(0.28)	(0.24)	(0.10)	0.22
Unrealized gains (losses) for the period	0.56	0.21	(0.28)	(0.52)	(0.36)
<b>Total increase (decrease) from operations²</b>	<b>0.61</b>	<b>0.12</b>	<b>(0.38)</b>	<b>(0.51)</b>	<b>(0.01)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.15)	(0.13)	(0.10)	(0.09)	(0.12)
From dividends⁴	(0.07)	(0.06)	(0.05)	-	-
From capital gains	-	-	-	(0.01)	(0.14)
Return of capital	-	-	-	(0.03)	-
<b>Total distributions³</b>	<b>(0.22)</b>	<b>(0.19)</b>	<b>(0.15)</b>	<b>(0.13)</b>	<b>(0.26)</b>
<b>Net Assets, end of period</b>	<b>9.34</b>	<b>8.95</b>	<b>9.01</b>	<b>9.48</b>	<b>10.16</b>

The Fund's Net Assets per Unit (\$)¹					
Series E	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Net Assets, beginning of period	8.96	9.00	9.45	10.12	10.17
<b>Increase (decrease) from operations:</b>					
Total revenue	0.35	0.32	0.28	0.25	0.27
Total expenses (excluding distributions)	(0.13)	(0.13)	(0.13)	(0.14)	(0.15)
Realized gains (losses) for the period	(0.17)	(0.28)	(0.23)	(0.11)	0.24
Unrealized gains (losses) for the period	0.57	0.20	(0.19)	(0.56)	(0.18)
<b>Total increase (decrease) from operations²</b>	<b>0.62</b>	<b>0.11</b>	<b>(0.27)</b>	<b>(0.56)</b>	<b>0.18</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.14)	(0.12)	(0.10)	(0.09)	(0.12)
From dividends⁴	(0.07)	(0.06)	(0.04)	-	-
From capital gains	-	-	-	(0.01)	(0.18)
Return of capital	-	-	-	(0.02)	-
<b>Total distributions³</b>	<b>(0.21)</b>	<b>(0.18)</b>	<b>(0.14)</b>	<b>(0.12)</b>	<b>(0.30)</b>
<b>Net Assets, end of period</b>	<b>9.35</b>	<b>8.96</b>	<b>9.00</b>	<b>9.45</b>	<b>10.12</b>

The Fund's Net Assets per Unit (\$)¹					
Series F	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Net Assets, beginning of period	9.00	9.05	9.52	10.19	10.21
<b>Increase (decrease) from operations:</b>					
Total revenue	0.35	0.32	0.28	0.26	0.28
Total expenses (excluding distributions)	(0.08)	(0.08)	(0.08)	(0.09)	(0.09)
Realized gains (losses) for the period	(0.18)	(0.29)	(0.24)	(0.13)	0.23
Unrealized gains (losses) for the period	0.55	0.14	(0.21)	(0.66)	(0.23)
<b>Total increase (decrease) from operations²</b>	<b>0.64</b>	<b>0.09</b>	<b>(0.25)</b>	<b>(0.62)</b>	<b>0.19</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.18)	(0.17)	(0.13)	(0.17)	(0.13)
From dividends⁴	(0.09)	(0.08)	(0.07)	-	-
From capital gains	-	-	-	(0.01)	(0.17)
Return of capital	-	-	-	-	-
<b>Total distributions³</b>	<b>(0.27)</b>	<b>(0.25)</b>	<b>(0.20)</b>	<b>(0.18)</b>	<b>(0.30)</b>
<b>Net Assets, end of period</b>	<b>9.39</b>	<b>9.00</b>	<b>9.05</b>	<b>9.52</b>	<b>10.19</b>

The Fund's Net Assets per Unit (\$)¹					
Series I	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Net Assets, beginning of period	8.99	9.03	9.50	10.17	10.17
<b>Increase (decrease) from operations:</b>					
Total revenue	0.35	0.32	0.28	0.26	0.28
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.17)	(0.28)	(0.23)	(0.13)	0.21
Unrealized gains (losses) for the period	0.56	0.22	(0.19)	(0.63)	(0.33)
<b>Total increase (decrease) from operations²</b>	<b>0.74</b>	<b>0.26</b>	<b>(0.14)</b>	<b>(0.50)</b>	<b>0.16</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.24)	(0.22)	(0.18)	(0.25)	(0.24)
From dividends⁴	(0.11)	(0.10)	(0.09)	-	-
From capital gains	-	-	-	(0.01)	(0.15)
Return of capital	-	-	-	-	-
<b>Total distributions³</b>	<b>(0.35)</b>	<b>(0.32)</b>	<b>(0.27)</b>	<b>(0.26)</b>	<b>(0.39)</b>
<b>Net Assets, end of period</b>	<b>9.37</b>	<b>8.99</b>	<b>9.03</b>	<b>9.50</b>	<b>10.17</b>

The Fund's Net Assets per Unit (\$)¹					
Series V	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Net Assets, beginning of period	8.73	8.77	9.21	10.00	-
<b>Increase (decrease) from operations:</b>					
Total revenue	0.34	0.31	0.27	0.23	-
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	(0.17)	(0.26)	(0.22)	(0.16)	-
Unrealized gains (losses) for the period	0.52	0.24	(0.03)	(0.82)	-
<b>Total increase (decrease) from operations²</b>	<b>0.69</b>	<b>0.29</b>	<b>0.02</b>	<b>(0.75)</b>	<b>-</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	(0.22)	(0.21)	(0.17)	(0.36)	-
From dividends⁴	(0.11)	(0.10)	(0.09)	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions³</b>	<b>(0.33)</b>	<b>(0.31)</b>	<b>(0.26)</b>	<b>(0.36)</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>9.12</b>	<b>8.73</b>	<b>8.77</b>	<b>9.21</b>	<b>-</b>

# IA Clarington Inhance Bond SRI Fund

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- 1 The per unit data is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards, as issued with the International Accounting Standards Board, (IFRS Accounting Standards). 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.
- 2 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.
- 3 Distributions were paid in cash/reinvested in additional units of the Fund, or both.
- 4 Dividends qualified for Canadian dividend tax credit, when applicable.

Ratios and Supplemental Data					
Series B	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Total NAV (\$) (000's) <sup>1</sup>	4,018	5,269	8,039	12,076	15,906
Number of units outstanding (000's) <sup>1</sup>	430	588	892	1,273	1,565
Management expense ratio (%) <sup>2,3</sup>	1.44	1.44	1.44	1.43	1.42
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.44	1.44	1.44	1.43	1.42
Trading expense ratio (%) <sup>5</sup>	-	-	-	-	0.01
Portfolio turnover rate (%) <sup>6</sup>	30.42	36.32	57.96	57.36	54.40
NAV per unit (\$)¹	9.34	8.95	9.01	9.48	10.16

Ratios and Supplemental Data					
Series E	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Total NAV (\$) (000's) <sup>1</sup>	6,888	6,689	5,085	2,594	3,064
Number of units outstanding (000's) <sup>1</sup>	737	747	565	274	303
Management expense ratio (%) <sup>2,3</sup>	1.43	1.42	1.42	1.42	1.43
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.43	1.42	1.42	1.42	1.43
Trading expense ratio (%) <sup>5</sup>	-	-	-	-	0.01
Portfolio turnover rate (%) <sup>6</sup>	30.42	36.32	57.96	57.36	54.40
NAV per unit (\$)¹	9.35	8.96	9.00	9.45	10.12

Ratios and Supplemental Data					
Series F	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Total NAV (\$) (000's) <sup>1</sup>	24,835	28,994	44,431	45,232	33,372
Number of units outstanding (000's) <sup>1</sup>	2,645	3,222	4,909	4,752	3,275
Management expense ratio (%) <sup>2,3</sup>	0.90	0.90	0.90	0.87	0.86
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	0.90	0.90	0.90	0.87	0.86
Trading expense ratio (%) <sup>5</sup>	-	-	-	-	0.01
Portfolio turnover rate (%) <sup>6</sup>	30.42	36.32	57.96	57.36	54.40
NAV per unit (\$)¹	9.39	9.00	9.05	9.52	10.19

Ratios and Supplemental Data					
Series I	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Total NAV (\$) (000's) <sup>1</sup>	595,565	649,393	673,314	627,313	480,583
Number of units outstanding (000's) <sup>1</sup>	63,566	72,271	74,529	66,037	47,251
Management expense ratio (%) <sup>2,3</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	-	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	-	-	-	-	0.01
Portfolio turnover rate (%) <sup>6</sup>	30.42	36.32	57.96	57.36	54.40
NAV per unit (\$)¹	9.37	8.99	9.03	9.50	10.17

Ratios and Supplemental Data					
Series V	03/31 2025	03/31 2024	03/31 2023	03/31 2022	03/31 2021
Total NAV (\$) (000's) <sup>1</sup>	2,312	1,638	1,405	830	-
Number of units outstanding (000's) <sup>1</sup>	254	188	160	90	-
Management expense ratio (%) <sup>2,3</sup>	-	-	-	-	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	-	-	-	-	-
Trading expense ratio (%) <sup>5</sup>	-	-	-	-	-
Portfolio turnover rate (%) <sup>6</sup>	30.42	36.32	57.96	57.36	-
NAV per unit (\$)¹	9.12	8.73	8.77	9.21	-

- 1 This information is provided as at each period shown.
- 2 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.
- 3 The annual Management Fees and Fixed Administration Fees, excluding HST, for the Fund were 1.31% for Series B, 1.31% for Series E, 0.81% for Series F, 0.00% for Series I and 0.00% for Series V.
- 4 At its sole discretion, the Manager may have waived management fees or absorbed expenses of the Fund.
- 5 The trading expense ratio ("TER") 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 TER includes short dividend expense from equities and interest expense from fixed income securities, where applicable.
- 6 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	Management Fees	Breakdown of Services	
		Trailer commissions	Other
Series B			
FE	1.15	43	57

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Management Fees (%)			
Series	Management Fees	Breakdown of Services	
		Trailer commissions	Other
Series E			
FE	1.10	45	55
Series F	0.65	-	100
Series I	-	-	-
Series V	-	-	-

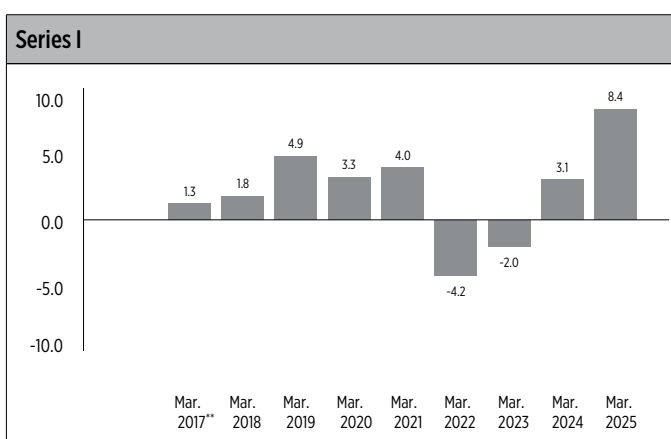
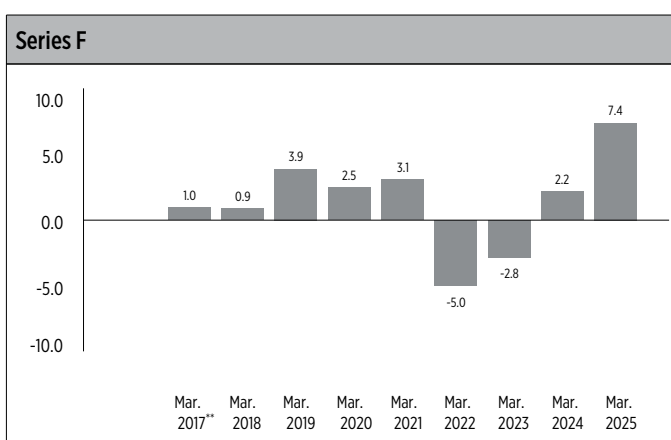
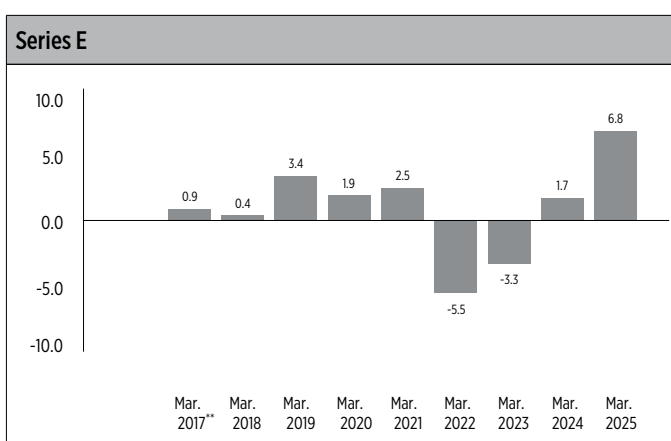
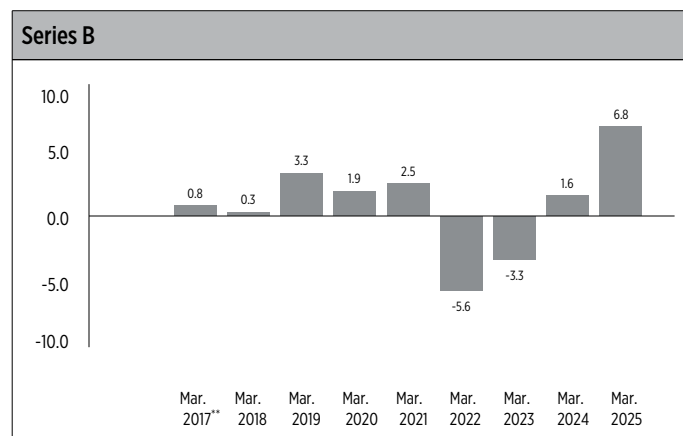
FE - front end

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

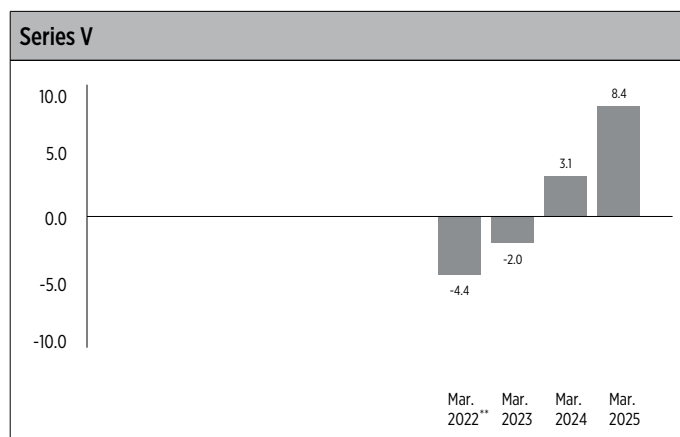
### Year-by-Year Returns

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.



# IA Clarington Inhance Bond SRI Fund

March 31, 2025



\*\* Return shown is for the partial period ended March 31.

## Annual Compound Returns

The tables show the annual compound returns for the Fund compared to the FTSE Canada Universe Bond Index (the "Benchmark Index") for the periods ended March 31, 2025.

Annual Compound Returns, Series B				
Percentage (%)	Since Dec.29/16	Past 5 Years	Past 3 Years	Past 1 Year
Series B	1.0	0.3	1.6	6.8
Benchmark Index	2.0	0.9	2.5	7.7

Annual Compound Returns, Series E				
Percentage (%)	Since Dec.29/16	Past 5 Years	Past 3 Years	Past 1 Year
Series E	1.0	0.3	1.6	6.8
Benchmark Index	2.0	0.9	2.5	7.7

Annual Compound Returns, Series F				
Percentage (%)	Since Dec.29/16	Past 5 Years	Past 3 Years	Past 1 Year
Series F	1.5	0.9	2.2	7.4
Benchmark Index	2.0	0.9	2.5	7.7

Annual Compound Returns, Series I				
Percentage (%)	Since Dec.30/16	Past 5 Years	Past 3 Years	Past 1 Year
Series I	2.4	1.8	3.1	8.4
Benchmark Index	2.0	0.9	2.5	7.7

Annual Compound Returns, Series V				
Percentage (%)	Since Apr.30/21	Past 3 Years	Past 1 Year	
Series V	1.2	3.1	8.4	
Benchmark Index	0.7	2.5	7.7	

The FTSE Canada Universe Bond Index is comprised of Canadian investment grade bonds and has significantly different portfolio duration characteristics. The FTSE Canada Universe Bond Index consists of a broadly diversified selection of

investment-grade Government of Canada, provincial, corporate and municipal bonds issued domestically in Canada.

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, 2025

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.

Sector Allocation	%
Canadian Investment Grade Corporate Bonds	37.22
Provincial Bonds and Guarantees	30.60
Federal Government Bonds	13.97
Federal Guarantees	7.54
Financials	2.85
Municipal Bonds and Guarantees	2.13
Asset-Backed Securities	1.95
Supranational Guarantees	1.58
Other	0.85
Cash and Other Net Assets	1.31
	<b>100.00</b>

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

Top Holdings	%
Province of Ontario, 3.500%, 2043-06-02	4.05
Province of Ontario, 2.900%, 2046-12-02	3.86
Canada Housing Trust No 1, 1.750%, 2030-06-15	3.76
Province of British Columbia, 3.200%, 2044-06-18	3.07
Province of Ontario, 4.050%, 2032-02-02	2.90
Government of Canada, 1.500%, 2031-12-01	2.87
Government of United States, Treasury Notes, 2.500%, 2046-02-15	2.84
Government of Canada, 3.000%, 2032-03-01	2.55
Province of Ontario, 3.450%, 2045-06-02	2.43
Province of Quebec, 3.500%, 2048-12-01	2.30
Province of British Columbia, 4.950%, 2040-06-18	2.29
Fédération des caisses Desjardins du Québec, Variable, Callable, 5.035%, 2032-08-23	2.00
National Bank of Canada, 4.968%, 2026-12-07	1.93
Bell Canada, Callable, 2.200%, 2028-05-29	1.58
Government of Canada, 2.000%, 2051-12-01	1.57
Province of British Columbia, 2.800%, 2048-06-18	1.57
City of Ottawa, 4.100%, 2052-12-06	1.53
Province of Ontario, 3.650%, 2034-02-03	1.52
Canadian Imperial Bank of Commerce, Variable, Callable, 5.300%, 2034-01-16	1.48
PSP Capital Inc., 2.600%, 2032-03-01	1.39
The Bank of Nova Scotia, 4.680%, 2029-02-01	1.38
Province of Quebec, 3.650%, 2032-05-20	1.37
Bell Canada, Callable, 5.150%, 2028-11-14	1.31
Cash and Other Net Assets	1.31
Province of Quebec, 3.900%, 2032-11-22	1.30

# IA Clarington Inhance Bond SRI Fund

March 31, 2025

The Funds exposure to Credit Risk is as follows:

Credit Risk	%
AAA	26.76
AA	45.88
A	9.33
BBB	13.02
BB	0.76
Pfd-2	2.85
Pfd-3	0.09

You can obtain the prospectus and other information on the investment funds in which the Fund invests, if any, at [www.sedarplus.ca](http://www.sedarplus.ca) (for Canadian investment funds) and [www.sec.gov/edgar](http://www.sec.gov/edgar) (for U.S. investment funds).



**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.

IA CLARINGTON INVESTMENTS INC.

Administrative Office: 26 Wellington Street East, Suite 600 • Toronto, Ontario • M5E 1S2 • 1 800 530-0204  
Head Office: 1080 Grande Allée West • PO Box 1907, Station Terminus • Québec City, Québec • G1K 7M3

email: [iacfunds@ia.ca](mailto:iacfunds@ia.ca) • [www.iaclarington.com](http://www.iaclarington.com)

