

# IA Clarington Inhance Balanced SRI Portfolio

## Series A, E, E6, F, F6, I, L, L6 and T6 Units

### Annual Management Report of Fund Performance

March 31, 2020

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](http://www.iaclarington.com) or SEDAR at [www.sedar.com](http://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.

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Management Discussion of Fund Performance

The management discussion of fund performance for IA Clarington Inhance Balanced SRI Portfolio (the "Fund") represents management's view of the significant factors and developments affecting the Fund's performance and outlook for the twelve month period ended March 31, 2020. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

## Investment Objective and Strategies

The Fund's investment objective is to generate interest and dividend income as well as capital appreciation.

The Fund's strategy is to invest primarily in a diversified portfolio of other mutual funds that meet the sub-advisor's socially responsible investment principles, with a balanced holding of income, bond and equity mutual funds.

The Fund's Portfolio Manager is Industrial Alliance Investment Management Inc. ("IAIM" or the "Portfolio Manager") and its Sub-Advisor is Vancity Investment Management Limited ("VIML" 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 the stability and income of Canadian fixed-income investments combined with similar exposure to the growth potential of equity securities, with a low to medium risk tolerance and have a medium to long-term investment time horizon.

## Results of Operations

The Fund's Net Assets increased by 17.7% or \$42.6 million during the period, from \$240.9 million on March 31, 2019 to \$283.5 million on March 31, 2020. This change in Net Assets resulted from an increase of \$58.4 million due to net sales, a decrease of \$3.3 million due to distributions and a decrease of \$12.5 million due to investment operations, including market volatility, income and expense.

The average Net Asset Value of the Fund increased by 27.7% or \$58.8 million in comparison to the prior period, from \$212.1 million to \$270.9 million. Average Net Asset Value influence revenue earned and expenses incurred by the Fund during the period.

Series A units of the Fund returned -3.7% for the 12-month period ending March 31, 2020. 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 S&P/TSX Composite Index, returned -14.2% 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 equity market. The Fund's benchmark, which is composed of the FTSE Canada Universe Bond Index (45%), the S&P/TSX Composite Index (28%) and the MSCI World Index (27%), returned -2.4% 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.

During 2019, escalating trade tensions and a slowdown in global manufacturing activity gripped financial markets. In early 2020, the focus shifted as the World Health Organization declared COVID-19 a global pandemic. Economies around the world shut down in an effort to contain the virus, resulting in significant job losses and a contraction in economic activity.

In an attempt to support economies and financial markets from the impact of COVID-19 shutdowns, global central banks, including the U.S. Federal Reserve, introduced significant monetary policy measures. The Bank of Canada (BoC) cut its policy rate by 150 basis points in March and launched a series of programs aimed at easing financial conditions. Canadian federal and provincial governments announced a series of fiscal stimulus measures to aid businesses and individuals directly affected by COVID-19. Canadian bond yields ended the period sharply lower. Government of Canada two-year bond yields declined, pulled lower by central bank monetary easing measures.

Canadian equities declined over 25% from February 20 to March 23, 2020, amid uncertainty surrounding the COVID-19 health crisis. Global equities also sold off in March as businesses across the world shut down. Global equities, as measured by the MSCI World Index, recorded a -7.9% decline (in Canadian dollars) in March.

From an asset allocation perspective, the Fund's allocation to global equities was the main driver of its performance. The Fund's position in Canadian equities also outperformed the benchmark, contributing to relative performance. The Fund's bond component had positive absolute returns, but modestly underperformed its benchmark.

Within the Fund's global equity component, security selection in the health care, information technology and utilities sectors contributed to outperformance, as did selection within U.S. equities. The Fund's fossil-fuel-free strategy contributed to performance, as the Fund did not hold energy sector positions. Top individual contributors included holdings in Teladoc Inc., MSCI Inc. and Equinix Inc. Teladoc benefited from growth of its virtual health care services, while MSCI reported strong recurring revenue. Equinix benefited from growth in cloud computing.

Within Canadian equity holdings, stock selection within the consumer staples sector contributed to performance. Top individual contributors to performance included holdings in Boralex Inc., Kinaxis Inc. and Cargojet Inc. Boralex stock rose as a result of above-average growth. Kinaxis benefited from growth in its supply chain management software, adding marquee clients and increasing its earnings growth. Cargojet's partnership with Amazon.com Inc. continued to drive strong financial performance.

## Results of Operations (continued)

Within the Fund's fixed-income component, holdings in rate reset preferred shares detracted from performance as the broad decline in bond yields negatively affected preferred shares whose dividends are linked to bond yields. The Fund's underweight position to longer-maturity federal bonds detracted from performance as long-maturity bonds outperformed. The largest individual detractors from the Fund's performance were preferred shares issued by Manulife Financial Corp. and Intact Financial Corp.

In terms of environmental, social and governance (ESG) issues, the fund manager became a signatory to the Investor Statement on Coronavirus Response. The statement urges the business community to take steps to protect employees, suppliers, customers and communities during the pandemic by providing paid leave, prioritizing health and safety, maintaining employment and supplier and customer relationships, and demonstrating financial prudence. The fund manager engaged with Restaurant Brands International Inc. to understand how the company was supporting restaurant employees with paid sick leave benefits. The fund manager participated in a meeting with Loblaw Cos. Ltd. to discuss the company's approach to supply chain management and employee benefits.

A shareholder resolution was filed with Canadian Imperial Bank of Commerce (CIBC), Royal Bank of Canada (RBC), Manulife Financial Corp. and Sun Life Financial Inc. calling on each company to provide quantitative gender pay gap disclosure. CIBC, RBC and Manulife committed to quantitative gender pay gap disclosure in forthcoming public reporting and the shareholder resolutions were withdrawn. Sun Life committed to a management recommendation to the board of directors to provide quantitative disclosure and the shareholder resolution was subsequently withdrawn.

The fund manager filed shareholder resolutions with The Toronto-Dominion Bank (TD Bank) and Bank of Nova Scotia requesting these boards consider adopting a moratorium on financing oil and gas projects in the Arctic. TD Bank and Bank of Nova Scotia committed to board level reviews on the requested moratorium and committed to continued dialogue with the fund manager.

Shareholder resolutions were filed with Canadian National Railway Co. and Canadian Pacific Railway Ltd. (CP) calling on both rail companies to provide quantitative disclosure on pesticide use along rail corridors. Both companies demonstrated increased diligence and CP increased public reporting on the issue over the previous year. Both have committed to including the fund manager in a materiality assessment of the issue for upcoming sustainability reporting.

The fund manager supported the Farm Animals Investment Risk and Return's (FAIRR) Global Collaborative Investor Engagement on Sustainable Proteins calling on global food companies to increase disclosure on policies, practices and targets related to the production of animal protein. The fund manager led the discussion with Saputo Inc. to understand the company's intention to transition its protein portfolio in line with climate science.

The fund manager engaged with Nutrien Ltd. on the risks associated with neonicotinoid regulation, and with Agnico Eagle Mines Ltd. and Lundin Mining Corp. regarding mine tailings management. The fund manager joined the Carbon Disclosure Project (CDP), an investor-led engagement to encourage environmental disclosure by companies who had declined to respond to the CDP in 2019. New Flyer Industries Inc., Onex Corp., Boralex, Colliers International Group Inc., Nutrien and Waste Connections Inc. were encouraged to participate in the CDP. An engagement was begun with Canadian Tire Corp. Ltd. to encourage greater restriction on retail pesticide sales. The fund manager joined a collaborative investor engagement with CVS Health Corp. aimed at ensuring removal of toxic pesticides from the supply chain.

The fund manager supported the Global Investor Statement to Governments on Climate Change, and became a member of the World Benchmarking Alliance, a global network comprised of public, private and civil society sectors supporting the measurement of corporate performance on achieving the sustainable development goals. The fund manager met with Genworth MI Canada Inc. to encourage the company to utilize the Task Force on Climate-related Financial Disclosures guidelines.

The fund manager joined a collaborative investor engagement to encourage CVS Health, Costco Wholesale Corp., Amazon and The Home Depot Inc. to ensure removal of toxic pesticides from the supply chain. A shareholder resolution was filed requesting Starbucks Corp. reduce its environmental impact by stepping up its efforts to increase the pace of sustainable packaging initiatives. The fund manager also held a teleconference with Novo Nordisk A/S on the company's animal testing practices and encouraged it to implement re-homing strategies for animals post-testing.

A shareholder resolution was filed with Gilead Sciences Inc. requesting the company report on the provision of equitable access to pre-exposure prophylaxis for HIV/AIDS prevention. The resolution was withdrawn after satisfactory dialogue with the company detailing initiatives to increase access to the drugs and to reduce barriers to their use.

A shareholder resolution was filed requesting that Alphabet Inc. assess how it manages the current and potential impacts of its technological products and services on human rights. The fund manager met with A&W Revenue Royalties and discussed antibiotic use in the beef supply chain and the value of increased ESG reporting for investors. Dream Industrial REIT was also engaged with on the need to increase sustainability disclosures.

The fund manager also participated in the Bangladesh Investor Initiative calling for the extension of the Accord on Fire and Building Safety.

## Recent Developments

As a result of the spread of COVID-19, the global economic outlook remains uncertain, with market sentiment likely to be driven by progress in containing the virus. The fund manager expects significant negative revisions to analysts' earnings estimates for companies, reflecting a recession.

A key positive catalyst in the coming weeks and months will be health news that reflects a peak in infection rates and medical research advances to tackle the virus. With substantial monetary and fiscal support from global central banks, investors are searching for clues to put a timeline around the eventual recovery of the global economy from currently depressed levels.

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Recent Developments (continued)

The Fund holds an overweight position in mid-term bonds, but the fund manager is monitoring the recent yield curve steepening (when long-term bonds offer higher yields than short-term bonds) for opportunities to shift into short-term and long-term bonds. The Fund also holds preferred shares in order to enhance yield in this environment of low interest rates.

The Fund's equity holdings are focused on companies with sustainable and growing dividends. The broad-based equity sell-off has created attractive opportunities to add higher-yielding equities once there are clear indications that the COVID-19 health crisis has peaked and the economy has an opportunity to return to normalcy.

Certain series of the Fund, as applicable, may make distributions which the Manager may change from time to time. If the aggregate amount of distributions in such series exceeds the portion of net income and net realized capital gains allocated to such series, the excess will constitute a return of capital. The Manager does not believe that the return of capital distributions made by such series of the Fund have a meaningful impact on the Fund's ability to implement its investment strategy or to fulfill its investment objective.

## 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, 2020, the Fund did not pay brokerage commissions to Industrial Alliance Securities Inc., a subsidiary of Industrial Alliance.

## 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 (\$) <sup>1</sup>					
Series A	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	15.44	14.83	14.39	13.42	14.02
<b>Increase (decrease) from operations:</b>					
Total revenue	0.38	0.39	0.34	0.34	0.34
Total expenses (excluding distributions)	(0.35)	(0.34)	(0.35)	(0.34)	(0.33)
Realized gains (losses) for the period	0.04	0.07	0.01	-	0.01
Unrealized gains (losses) for the period	(0.74)	0.52	0.44	0.99	(0.54)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.67)</b>	<b>0.64</b>	<b>0.44</b>	<b>0.99</b>	<b>(0.52)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.02)	(0.02)	-	(0.01)	(0.01)
From capital gains	-	-	-	-	(0.01)
Return of capital	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>-</b>	<b>(0.01)</b>	<b>(0.02)</b>
<b>Net Assets, end of period</b>	<b>14.85</b>	<b>15.44</b>	<b>14.83</b>	<b>14.39</b>	<b>13.42</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series E	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.65	11.20	10.85	10.00	-
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.30	0.32	0.23	-
Total expenses (excluding distributions)	(0.26)	(0.24)	(0.24)	(0.18)	-
Realized gains (losses) for the period	0.04	0.06	0.01	(0.01)	-
Unrealized gains (losses) for the period	(0.70)	0.37	0.16	0.62	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.63)</b>	<b>0.49</b>	<b>0.25</b>	<b>0.66</b>	<b>-</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.02)	(0.03)	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>11.21</b>	<b>11.65</b>	<b>11.20</b>	<b>10.85</b>	<b>-</b>

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series E6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	9.93	10.12	10.39	10.00	-
<b>Increase (decrease) from operations:</b>					
Total revenue	0.24	0.26	0.29	0.25	-
Total expenses (excluding distributions)	(0.21)	(0.22)	(0.23)	(0.18)	-
Realized gains (losses) for the period	0.03	0.05	0.01	-	-
Unrealized gains (losses) for the period	(0.45)	0.28	0.09	0.36	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.39)</b>	<b>0.37</b>	<b>0.16</b>	<b>0.43</b>	<b>-</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.02)	(0.03)	-	-	-
From capital gains	-	-	-	-	-
Return of capital	(0.58)	(0.57)	(0.60)	(0.45)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.45)</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>9.02</b>	<b>9.93</b>	<b>10.12</b>	<b>10.39</b>	<b>-</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series F	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.44	10.97	10.58	9.86	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.30	0.26	0.22	0.23
Total expenses (excluding distributions)	(0.13)	(0.13)	(0.14)	(0.13)	(0.09)
Realized gains (losses) for the period	0.03	0.05	-	-	-
Unrealized gains (losses) for the period	(0.72)	0.47	0.30	0.86	(0.11)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.53)</b>	<b>0.69</b>	<b>0.42</b>	<b>0.95</b>	<b>0.03</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.11)	(0.11)	(0.04)	(0.13)	(0.02)
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.11)</b>	<b>(0.11)</b>	<b>(0.04)</b>	<b>(0.13)</b>	<b>(0.02)</b>
<b>Net Assets, end of period</b>	<b>11.04</b>	<b>11.44</b>	<b>10.97</b>	<b>10.58</b>	<b>9.86</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series F6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	9.30	9.41	9.62	9.43	10.00
<b>Increase (decrease) from operations:</b>					
Total revenue	0.22	0.24	0.22	0.23	0.24
Total expenses (excluding distributions)	(0.10)	(0.11)	(0.12)	(0.12)	(0.09)
Realized gains (losses) for the period	0.02	0.05	-	-	-
Unrealized gains (losses) for the period	(0.51)	0.33	0.29	0.72	(0.23)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.37)</b>	<b>0.51</b>	<b>0.39</b>	<b>0.83</b>	<b>(0.08)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.07)	(0.10)	(0.04)	(0.05)	(0.01)
From capital gains	-	-	-	-	-
Return of capital	(0.53)	(0.50)	(0.56)	(0.55)	(0.44)
<b>Total distributions<sup>3</sup></b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.45)</b>
<b>Net Assets, end of period</b>	<b>8.49</b>	<b>9.30</b>	<b>9.41</b>	<b>9.62</b>	<b>9.43</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series I	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	17.36	16.67	15.99	14.89	15.56
<b>Increase (decrease) from operations:</b>					
Total revenue	0.44	0.44	0.43	0.19	0.37
Total expenses (excluding distributions)	-	-	-	-	-
Realized gains (losses) for the period	0.06	0.09	0.01	-	0.01
Unrealized gains (losses) for the period	(1.41)	0.61	0.40	1.71	(0.66)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(0.91)</b>	<b>1.14</b>	<b>0.84</b>	<b>1.90</b>	<b>(0.28)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	(0.33)	(0.38)	(0.20)	(0.38)	(0.38)
From capital gains	-	-	-	-	(0.01)
Return of capital	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>(0.33)</b>	<b>(0.38)</b>	<b>(0.20)</b>	<b>(0.38)</b>	<b>(0.39)</b>
<b>Net Assets, end of period</b>	<b>16.79</b>	<b>17.36</b>	<b>16.67</b>	<b>15.99</b>	<b>14.89</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series L	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.59	11.15	10.83	10.00	-
<b>Increase (decrease) from operations:</b>					
Total revenue	0.31	0.31	0.26	0.26	-
Total expenses (excluding distributions)	(0.31)	(0.29)	(0.28)	(0.20)	-
Realized gains (losses) for the period	0.04	0.07	-	-	-
Unrealized gains (losses) for the period	(1.10)	0.42	0.22	0.35	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.06)</b>	<b>0.51</b>	<b>0.20</b>	<b>0.41</b>	<b>-</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions<sup>3</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>11.12</b>	<b>11.59</b>	<b>11.15</b>	<b>10.83</b>	<b>-</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>					
Series L6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	9.84	10.06	10.36	10.00	-
<b>Increase (decrease) from operations:</b>					
Total revenue	0.29	0.27	0.24	0.22	-
Total expenses (excluding distributions)	(0.25)	(0.25)	(0.26)	(0.21)	-
Realized gains (losses) for the period	0.05	0.05	-	-	-
Unrealized gains (losses) for the period	(1.64)	0.30	0.31	0.53	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>(1.55)</b>	<b>0.37</b>	<b>0.29</b>	<b>0.54</b>	<b>-</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends <sup>4</sup>	-	(0.01)	-	-	-
From capital gains	-	-	-	-	-
Return of capital	(0.60)	(0.59)	(0.60)	(0.45)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.45)</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>8.88</b>	<b>9.84</b>	<b>10.06</b>	<b>10.36</b>	<b>-</b>

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Financial Highlights (continued)

The Fund's Net Assets per Unit (\$)¹					
Series T6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	8.72	8.93	9.25	9.19	10.22
<b>Increase (decrease) from operations:</b>					
Total revenue	0.21	0.23	0.21	0.22	0.24
Total expenses (excluding distributions)	(0.19)	(0.20)	(0.21)	(0.22)	(0.23)
Realized gains (losses) for the period	0.02	0.03	-	-	0.01
Unrealized gains (losses) for the period	(0.46)	0.30	0.28	0.67	(0.42)
<b>Total increase (decrease) from operations²</b>	<b>(0.42)</b>	<b>0.36</b>	<b>0.28</b>	<b>0.67</b>	<b>(0.40)</b>
<b>Distributions:</b>					
From net investment income (excluding dividends)	-	-	-	-	-
From dividends⁴	(0.01)	(0.01)	-	(0.01)	(0.01)
From capital gains	-	-	-	-	-
Return of capital	(0.47)	(0.56)	(0.60)	(0.59)	(0.59)
<b>Total distributions³</b>	<b>(0.48)</b>	<b>(0.57)</b>	<b>(0.60)</b>	<b>(0.60)</b>	<b>(0.60)</b>
<b>Net Assets, end of period</b>	<b>7.94</b>	<b>8.72</b>	<b>8.93</b>	<b>9.25</b>	<b>9.19</b>

1 The per unit data is derived from the Fund's audited annual financial statements for prior periods, and from the interim unaudited semi-annual financial statements for the current period ended March 31, 2020. The Fund's financial statements were 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.

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 or reinvested in additional units of the Fund, or both.

4 Dividends qualified for Canadian dividend tax credit, when applicable.

Ratios and Supplemental Data					
Series A	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	124,496	119,960	105,169	97,725	82,023
Number of units outstanding (000's)¹	8,386	7,771	7,091	6,789	6,114
Management expense ratio (%)²,³	2.20	2.28	2.35	2.42	2.45
Management expense ratio before waivers or absorptions (%)²,³,⁴	2.20	2.28	2.35	2.42	2.45
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	14.85	15.44	14.83	14.39	13.42

Ratios and Supplemental Data					
Series E	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	36,990	31,827	26,655	8,671	-
Number of units outstanding (000's)¹	3,300	2,732	2,380	799	-
Management expense ratio (%)²,³	2.12	2.14	2.18	2.21	-
Management expense ratio before waivers or absorptions (%)²,³,⁴	2.12	2.14	2.18	2.21	-
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	11.21	11.65	11.20	10.85	-

Ratios and Supplemental Data					
Series E6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	6,929	6,367	5,799	709	-
Number of units outstanding (000's)¹	769	641	573	68	-
Management expense ratio (%)²,³	2.14	2.17	2.20	2.27	-
Management expense ratio before waivers or absorptions (%)²,³,⁴	2.14	2.17	2.20	2.27	-
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	9.02	9.93	10.12	10.39	-

Ratios and Supplemental Data					
Series F	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	23,401	18,241	8,005	4,327	3,479
Number of units outstanding (000's)¹	2,120	1,595	729	409	353
Management expense ratio (%)²,³	1.13	1.20	1.27	1.26	1.26
Management expense ratio before waivers or absorptions (%)²,³,⁴	1.13	1.20	1.27	1.26	1.26
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	11.04	11.44	10.97	10.58	9.86

Ratios and Supplemental Data					
Series F6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	8,217	7,276	3,524	2,050	1,294
Number of units outstanding (000's)¹	968	783	374	213	137
Management expense ratio (%)²,³	1.10	1.19	1.26	1.25	1.26
Management expense ratio before waivers or absorptions (%)²,³,⁴	1.10	1.19	1.26	1.25	1.26
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	8.49	9.30	9.41	9.62	9.43

Ratios and Supplemental Data					
Series I	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's)¹	63,351	41,328	34,272	18,035	2
Number of units outstanding (000's)¹	3,772	2,380	2,056	1,128	0.1
Management expense ratio (%)²,³	-	-	-	-	-
Management expense ratio before waivers or absorptions (%)²,³,⁴	-	-	-	-	-
Trading expense ratio (%)⁵	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%)⁶	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	16.79	17.36	16.67	15.99	14.89

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Financial Highlights (continued)

Ratios and Supplemental Data					
Series L	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	5,249	2,414	1,066	192	-
Number of units outstanding (000's) <sup>1</sup>	472	208	96	18	-
Management expense ratio (%) <sup>2,3</sup>	2.54	2.55	2.55	2.55	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.54	2.55	2.55	2.55	-
Trading expense ratio (%) <sup>5</sup>	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	11.12	11.59	11.15	10.83	-

Ratios and Supplemental Data					
Series L6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	341	121	1	1	-
Number of units outstanding (000's) <sup>1</sup>	38	12	0.1	0.1	-
Management expense ratio (%) <sup>2,3</sup>	2.57	2.51	2.51	2.56	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.57	2.51	2.51	2.56	-
Trading expense ratio (%) <sup>5</sup>	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	8.88	9.84	10.06	10.36	-

Ratios and Supplemental Data					
Series T6	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	14,494	13,374	12,258	11,042	9,164
Number of units outstanding (000's) <sup>1</sup>	1,826	1,534	1,372	1,193	997
Management expense ratio (%) <sup>2,3</sup>	2.20	2.28	2.34	2.42	2.45
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.20	2.28	2.34	2.42	2.45
Trading expense ratio (%) <sup>5</sup>	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	7.94	8.72	8.93	9.25	9.19

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 net of waivers, if any, excluding HST, for the Fund were 2.07% for Series A, 2.00% for Series E, 2.00% for Series E6, 1.04% for Series F, 1.04% for Series F6, 0.00% for Series I, 2.22% for Series L, 2.22% for Series L6 and 2.07% for Series T6.

4 At its sole discretion, the Manager may have waived management fees or absorbed expenses of the Fund.

5 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.

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	Trailer commissions	Other
Series A		
FE	54	46
LL First 3 years	27	73
LL After 3 years	54	46
DSC First 7 years	27	73
DSC After 7 years	54	46
Series E and E6		
FE	56	44
Series F and F6	-	100
Series I	-	-
Series L and L6		
ASC First year	-	100
ASC Year 2 and 3	25	75
ASC After 3 years	50	50
Series T6		
FE	54	46
LL First 3 years	27	73
LL After 3 years	54	46
DSC First 7 years	27	73
DSC After 7 years	54	46

The trailer fee for the Series DA units purchased under the Dollar-Cost Averaging Service will reflect the trailer fee rate applicable to the Securities of the Transfer Funds pre-selected by the investor. 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 performed in the past does not necessarily indicate how it will perform in the future.

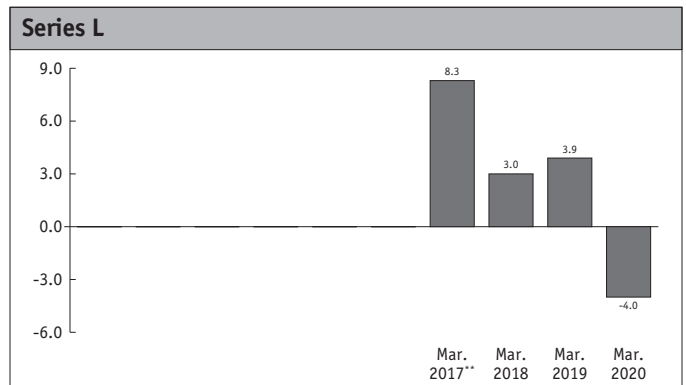
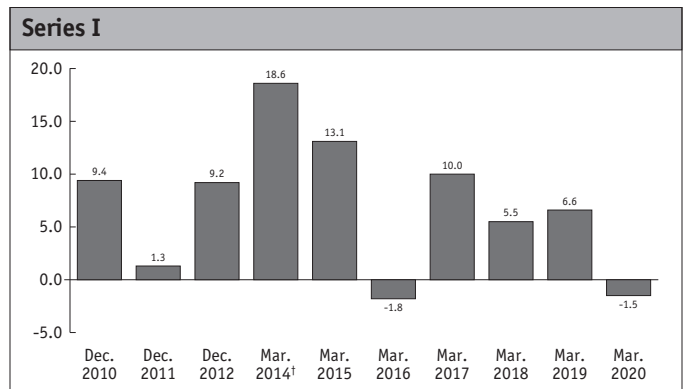
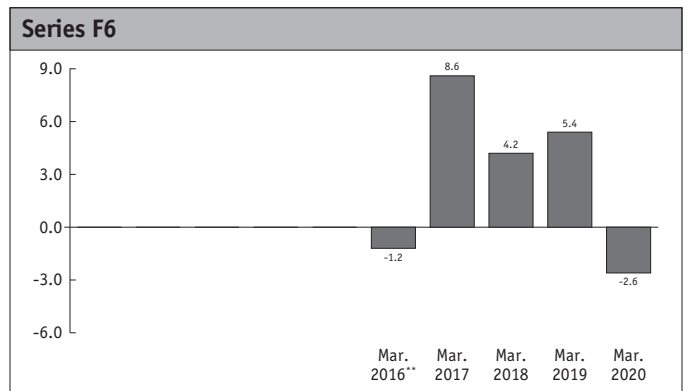
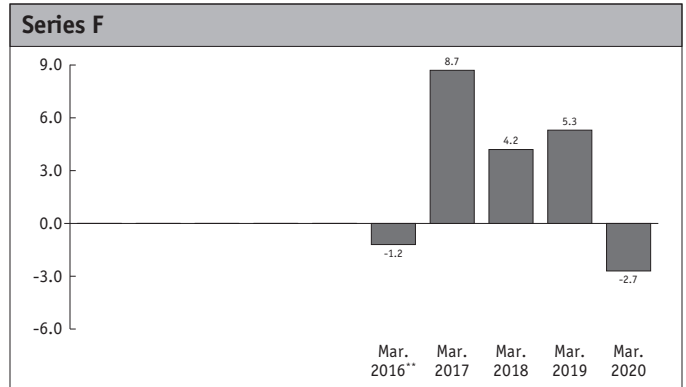
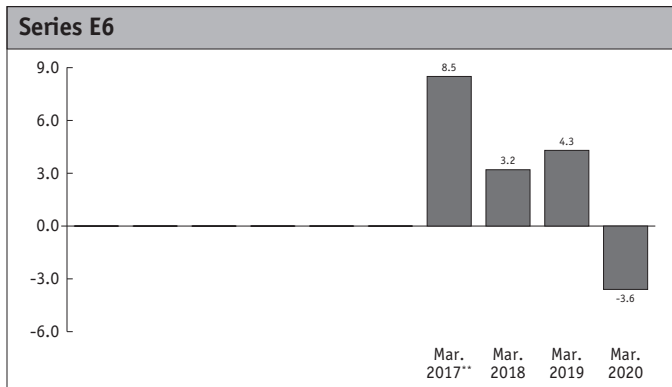
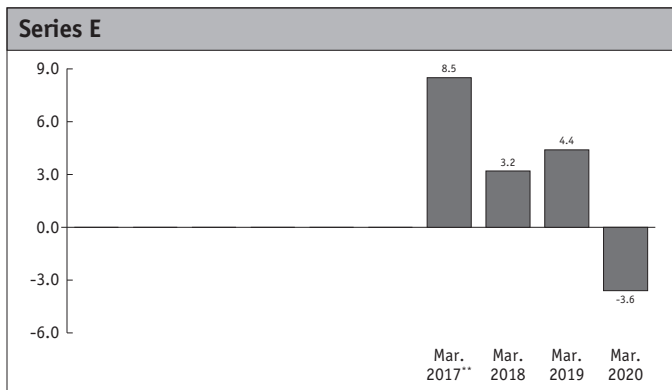
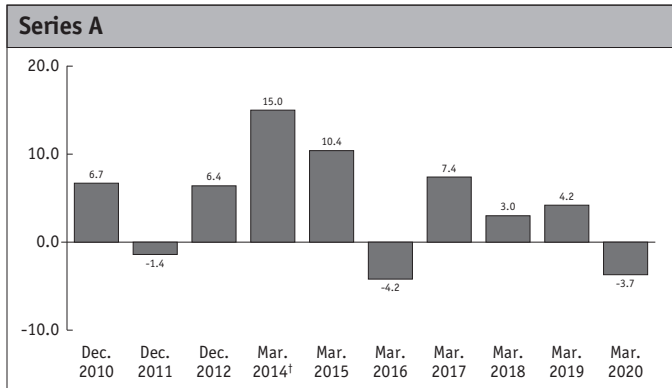
# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Past Performance (continued)

### 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.

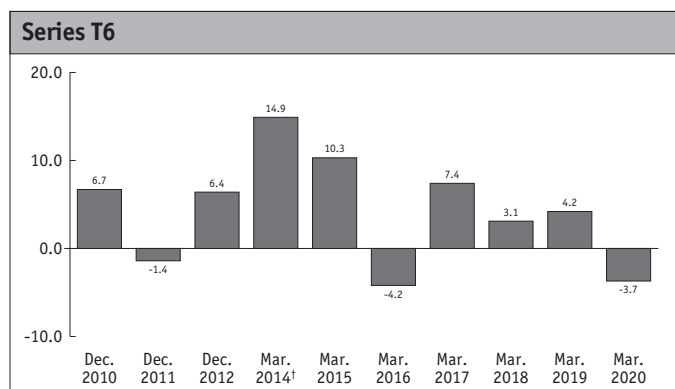
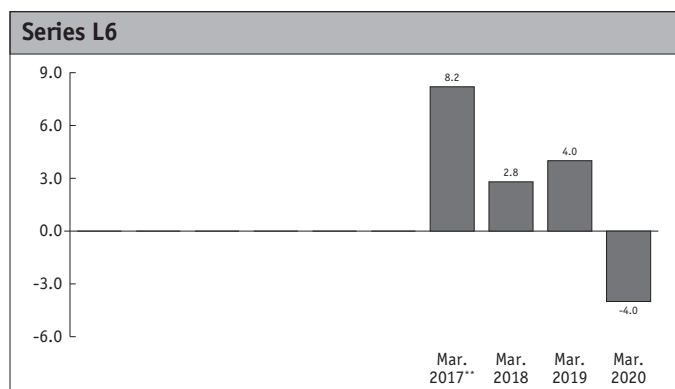




# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Past Performance (continued)



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

† 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 S&P/TSX Composite Index (the "Broad-based Index") and the benchmark index (the "Benchmark Index") which consists of the FTSE Canada Universe Bond Index (45%), the S&P/TSX Composite Index (28%) and the MSCI World Index<sup>^</sup> (27%) for the periods ended March 31, 2020.

Annual Compound Returns, Series A				
Percentage (%)	Past 10 years	Past 5 years	Past 3 years	Past 1 Year
Series A	4.1	1.2	1.1	(3.7)
Broad-based Index	4.1	0.9	(1.9)	(14.2)
Benchmark Index	6.2	3.4	2.7	(2.4)
Previous Benchmark Index	6.0	3.2	2.3	(3.6)

Annual Compound Returns, Series E			
Percentage (%)	Since Jun.27/16	Past 3 years	Past 1 Year
Series E	3.2	1.3	(3.6)
Broad-based Index	2.5	(1.9)	(14.2)
Benchmark Index	4.7	2.7	(2.4)
Previous Benchmark Index	4.6	2.3	(3.6)

Annual Compound Returns, Series E6			
Percentage (%)	Since Jun.27/16	Past 3 years	Past 1 Year
Series E6	3.2	1.2	(3.6)
Broad-based Index	2.5	(1.9)	(14.2)
Benchmark Index	4.7	2.7	(2.4)
Previous Benchmark Index	4.6	2.3	(3.6)

Annual Compound Returns, Series F			
Percentage (%)	Since Jun.29/15	Past 3 years	Past 1 Year
Series F	2.9	2.2	(2.7)
Broad-based Index	1.4	(1.9)	(14.2)
Benchmark Index	4.0	2.7	(2.4)
Previous Benchmark Index	3.8	2.3	(3.6)

Annual Compound Returns, Series F6			
Percentage (%)	Since Jun.29/15	Past 3 years	Past 1 Year
Series F6	2.9	2.2	(2.6)
Broad-based Index	1.4	(1.9)	(14.2)
Benchmark Index	4.0	2.7	(2.4)
Previous Benchmark Index	3.8	2.3	(3.6)

Annual Compound Returns, Series I				
Percentage (%)	Past 10 years	Past 5 years	Past 3 years	Past 1 Year
Series I	6.7	3.6	3.5	(1.5)
Broad-based Index	4.1	0.9	(1.9)	(14.2)
Benchmark Index	6.2	3.4	2.7	(2.4)
Previous Benchmark Index	6.0	3.2	2.3	(3.6)

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Past Performance (continued)

Annual Compound Returns, Series L			
Percentage (%)	Since Jun.27/16	Past 3 years	Past 1 Year
Series L	2.9	0.9	(4.0)
Broad-based Index	2.5	(1.9)	(14.2)
Benchmark Index	4.7	2.7	(2.4)
Previous Benchmark Index	4.6	2.3	(3.6)

Annual Compound Returns, Series L6			
Percentage (%)	Since Jun.27/16	Past 3 years	Past 1 Year
Series L6	2.8	0.9	(4.0)
Broad-based Index	2.5	(1.9)	(14.2)
Benchmark Index	4.7	2.7	(2.4)
Previous Benchmark Index	4.6	2.3	(3.6)

Annual Compound Returns, Series T6				
Percentage (%)	Past 10 years	Past 5 years	Past 3 years	Past 1 Year
Series T6	4.1	1.2	1.1	(3.7)
Broad-based Index	4.1	0.9	(1.9)	(14.2)
Benchmark Index	6.2	3.4	2.7	(2.4)
Previous Benchmark Index	6.0	3.2	2.3	(3.6)

The S&P/TSX Composite Index is the premier indicator of market activity for Canadian equity markets, with 95% coverage of Canadian-based, TSX-listed companies. The index includes common stock and income trust units and is designed to offer the representation of a broad benchmark index while maintaining the liquidity characteristics of narrower indices.

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.

The MSCI World Index<sup>^</sup> 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<sup>^</sup> consists of 24 developed market country indices.

Effective March 31, 2020, the narrow benchmark for the Fund was changed from the FTSE Canada Universe Bond Index (40%), the S&P/TSX Composite Index (35%) and the MSCI World Index<sup>^</sup> (25%) to the FTSE Canada Universe Bond Index (45%), the S&P/TSX Composite Index (28%) and the MSCI World Index<sup>^</sup> (27%). The benchmark change was made to be more representative of the investment mandate of the Fund.

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, 2020

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	%
Corporate Bonds	17.39
Financials	11.21
Provincial Bonds and Guarantees	11.14
Information Technology	8.31
Federal Guarantees	7.67
Industrials	5.88
Real Estate	4.49
Health Care	4.42
Consumer Discretionary	4.34
Cash and Other Net Assets	4.25
Telecommunication Services	4.19
Federal Government Bonds	3.82
Consumer Staples	3.08
Municipal Bonds and Guarantees	3.00
Materials	2.86
Utilities	2.72
Supranational Guarantees	0.62
Energy	0.24
Asset-Backed Securities	0.23
Short-Term Investments	0.14
	<b>100.00</b>

# IA Clarington Inhance Balanced SRI Portfolio

March 31, 2020

## Summary of Investment Portfolio (continued)

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

Top Holdings	%
IA Clarington Inhance Bond SRI Fund, Series I	43.13
IA Clarington Inhance Global Equity SRI Class, Series I	24.12
IA Clarington Inhance Canadian Equity SRI Class, Series I	16.61
IA Clarington Inhance Monthly Income SRI Fund, Series I	15.93
Cash and Other Net Assets	0.21

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

## 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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