

IA Clarington Real Return Bond Fund

Series A, F, FX and L Units

Interim Management Report of Fund Performance

September 30, 2020

This interim management report of fund performance contains financial highlights but does not contain either the interim financial report or annual financial statements of the investment fund. You can get a copy of the interim financial report or 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 proxy policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

IA Clarington Real Return Bond Fund

September 30, 2020

Management Discussion of Fund Performance

The management discussion of fund performance for IA Clarington Real Return Bond Fund (the "Fund") represents management's view of the significant factors and developments affecting the Fund's performance and outlook for the six month period ended September 30, 2020. IA Clarington Investments Inc. is the manager (the "Manager") of the Fund.

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

Series FX of the Fund is closed to new investors. Investors who currently hold this series may purchase additional units.

Results of Operations

The Fund's Net Assets increased by 19% or \$1.1 million during the period, from \$5.8 million on March 31, 2020 to \$6.9 million on September 30, 2020. This change in Net Assets resulted from an increase of \$0.4 million due to net sales and an increase of \$0.7 million due to investment operations, including market volatility, income and expense.

The average Net Asset Value of the Fund decreased by 55.6% or \$7.9 million in comparison to the prior period, from \$14.2 million to \$6.3 million. Average Net Asset Value influence revenue earned and expenses incurred by the Fund during the period.

Series A units of the Fund returned 10.0% for the six-month period ending September 30, 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 FTSE Canada Universe Bond Index, returned 6.3% for the same six-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 the FTSE Canada Real Return Bond Index, returned 10.9% 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 second and third quarters of 2020 saw the global economy rebound from the pandemic's severe effects during the first quarter. Major stock exchanges added to their accumulated gains since March, supported by a massive injection of liquidity from central banks and a brighter economic outlook for 2021. August and September were volatile, however, and the S&P 500 Index and Nasdaq Index experienced surges in August before retreating in September.

The European economy was hardest hit by the pandemic in the first half of 2020, declining by 12% (annualized) in the first quarter and 40% in the second quarter. Public discipline and fiscal measures paid off in the third quarter, however, as the eurozone economy headed for a quarterly rebound of approximately 35% (annualized).

The U.S. economy also struggled with the pandemic's economic effects, but massive fiscal efforts helped cushion the blow. U.S. gross domestic product contracted by approximately 31% (annualized) in the second quarter, which compared favourably to the performance of other developed countries.

In August, the U.S. Federal Reserve (the Fed) was the first central bank to officially change its framework and announced it would aim to keep inflation on average around its 2% target. The forecast released in September showed the Fed's key interest rate would remain low until at least 2023, making stocks attractive compared to bonds.

The Canadian economy was particularly affected by the turmoil at the start of the year as natural resource prices fell, global trade halted and its domestic economy shut down. Canada produced one of the worst economic performances among developed countries in the second quarter, with an annualized contraction of 38.7%.

In the third quarter, the Canadian bond market, as measured by the FTSE Canada Universe Bond Index, returned 0.4%, while the FTSE Canada Short Term Bond Index returned 0.7% and the FTSE Canada Long Term Bond Index fell 0.3%.

The U.S. stock market, as measured by the S&P 500 Index, offered a total return of 8.9% (6.8% in Canadian dollars), while the Canadian stock market, as measured by the S&P/TSX Composite Index, rose by 4.4%.

The European market, represented by the MSCI Europe Index, posted a return of 0.3% in the third quarter (2.6% in Canadian dollars). The MSCI EAFE Index, representing international equities, rose 1.2% (2.8% in Canadian dollars), while the MSCI World Index returned 6.7% (5.9% in Canadian dollars). Emerging markets, as measured by the MSCI Emerging Markets Index, returned 8.8% for the quarter (7.6% in Canadian dollars).

No factors contributed to IA Clarington Real Return Bond Fund's performance over the last six months.

The main detractors from the Fund's performance were an overweight position in federal real return bonds and an underweight position in provincial real return bonds, as provincial real return bonds outperformed federal real return bonds over the period. The Fund did not hold any real returns bonds in Manitoba, Ontario and Quebec, which also detracted from performance as these generated attractive returns compared to the benchmark.

The Fund is actively managed with numerous purchases, deletions, adds and trims throughout the year. Some of these trades relate to portfolio duration (interest-rate sensitivity) and repositioning between inflation-protected bonds and nominal bonds, while others are a means of taking profits.

The fund manager added new positions to the Fund in Canada real return bonds fixed coupon (3.00%, 01/12/2036) and U.S. Treasury inflation-indexed bonds coupon (0.125%, 15/04/2025).

The fund manager increased the Fund's positions in Canada real return bonds fixed coupon (4.00%, 01/12/2031) and Canada real return bonds fixed coupon (0.50%, 01/12/2050).

The fund manager decreased the Fund's positions in Canada real return bonds fixed coupon (4.25%, 01/12/2021), Canada real return bonds fixed coupon (1.50%, 01/12/2044) and Canada real return bonds fixed coupon (4.25%, 01/12/2026).

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Recent Developments

Heading into the fourth quarter, the anticipated second wave of COVID-19 infections is emerging, particularly in Europe and in Canada.

The fund manager believes that investors must prepare for a return of volatility, and that a strategy based on healthy diversification will always be in order. History shows that it pays to stay invested in the long term rather than trying to anticipate the perfect times to enter and exit the market.

Series I units of the Fund were terminated effective June 18, 2020.

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 6-month period ended September 30, 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 (\$) ¹						
Series A	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	10.74	10.98	11.04	11.12	11.51	12.14
Increase (decrease) from operations:						
Total revenue	0.14	0.58	0.36	0.38	0.42	0.43
Total expenses (excluding distributions)	(0.08)	(0.16)	(0.15)	(0.16)	(0.16)	(0.16)
Realized gains (losses) for the period	0.05	(0.11)	(0.12)	(0.32)	(0.02)	0.05
Unrealized gains (losses) for the period	0.96	0.64	0.07	0.27	(0.39)	(0.79)
Total increase (decrease) from operations²	1.07	0.95	0.16	0.17	(0.15)	(0.47)
Distributions:						
From net investment income (excluding dividends)	(0.03)	(0.33)	(0.22)	(0.25)	(0.21)	(0.20)
From dividends ⁴	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions³	(0.03)	(0.33)	(0.22)	(0.25)	(0.21)	(0.20)
Net Assets, end of period	11.79	10.74	10.98	11.04	11.12	11.51

The Fund's Net Assets per Unit (\$) ¹						
Series F	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	10.18	10.35	10.37	10.00	-	-
Increase (decrease) from operations:						
Total revenue	0.16	0.44	0.27	0.19	-	-
Total expenses (excluding distributions)	(0.05)	(0.09)	(0.09)	(0.05)	-	-
Realized gains (losses) for the period	0.05	(0.15)	(0.14)	(0.01)	-	-
Unrealized gains (losses) for the period	0.83	(0.53)	0.19	0.01	-	-
Total increase (decrease) from operations²	0.99	(0.33)	0.23	0.14	-	-
Distributions:						
From net investment income (excluding dividends)	(0.02)	(0.31)	(0.26)	(0.24)	-	-
From dividends ⁴	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions³	(0.02)	(0.31)	(0.26)	(0.24)	-	-
Net Assets, end of period	11.20	10.18	10.35	10.37	-	-

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Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) ¹						
Series FX	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	10.47	10.74	10.78	10.86	11.25	11.84
Increase (decrease) from operations:						
Total revenue	0.13	0.50	0.38	0.37	0.42	0.39
Total expenses (excluding distributions)	(0.04)	(0.08)	(0.08)	(0.08)	(0.09)	(0.08)
Realized gains (losses) for the period	0.05	(0.14)	(0.13)	(0.33)	(0.03)	0.03
Unrealized gains (losses) for the period	0.95	0.12	0.01	0.18	(0.37)	(0.62)
Total increase (decrease) from operations²	1.09	0.40	0.18	0.14	(0.07)	(0.28)
Distributions:						
From net investment income (excluding dividends)	(0.03)	(0.42)	(0.31)	(0.14)	(0.28)	(0.26)
From dividends ⁴	-	(0.01)	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions³	(0.03)	(0.43)	(0.31)	(0.14)	(0.28)	(0.26)
Net Assets, end of period	11.52	10.47	10.74	10.78	10.86	11.25

The Fund's Net Assets per Unit (\$) ¹						
Series L	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	10.92	11.13	11.18	11.27	11.67	12.28
Increase (decrease) from operations:						
Total revenue	0.15	0.43	0.40	0.38	0.40	0.49
Total expenses (excluding distributions)	(0.08)	(0.16)	(0.16)	(0.16)	(0.17)	(0.16)
Realized gains (losses) for the period	0.06	(0.55)	(0.17)	(0.33)	(0.10)	0.12
Unrealized gains (losses) for the period	0.94	(0.18)	(0.16)	0.32	(0.55)	(1.01)
Total increase (decrease) from operations²	1.07	(0.46)	(0.09)	0.21	(0.42)	(0.56)
Distributions:						
From net investment income (excluding dividends)	(0.03)	(0.27)	(0.24)	(0.26)	(0.21)	(0.19)
From dividends ⁴	-	-	-	-	-	-
From capital gains	-	-	-	-	-	-
Return of capital	-	-	-	-	-	-
Total distributions³	(0.03)	(0.27)	(0.24)	(0.26)	(0.21)	(0.19)
Net Assets, end of period	11.99	10.92	11.13	11.18	11.27	11.67

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 September 30, 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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) ¹	5,865	5,114	15,671	17,676	22,118	27,760
Number of units outstanding (000's) ¹	497	476	1,427	1,602	1,989	2,411
Management expense ratio (%) ^{2,3}	1.40	1.41	1.41	1.42	1.42	1.42
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	1.40	1.41	1.41	1.42	1.42	1.42
Trading expense ratio (%) ⁵	-	-	-	-	-	-
Portfolio turnover rate (%) ⁶	22.15	83.62	71.04	112.66	71.75	66.72
NAV per unit (\$) ¹	11.79	10.74	10.98	11.03	11.12	11.51

Ratios and Supplemental Data						
Series F	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) ¹	479	229	69	17	-	-
Number of units outstanding (000's) ¹	43	22	7	2	-	-
Management expense ratio (%) ^{2,3}	0.88	0.85	0.90	0.91	-	-
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	0.88	0.85	0.90	0.91	-	-
Trading expense ratio (%) ⁵	-	-	-	-	-	-
Portfolio turnover rate (%) ⁶	22.15	83.62	71.04	112.66	-	-
NAV per unit (\$) ¹	11.20	10.18	10.35	10.37	-	-

Ratios and Supplemental Data						
Series FX	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) ¹	473	458	836	1,278	1,911	1,733
Number of units outstanding (000's) ¹	41	44	78	119	176	154
Management expense ratio (%) ^{2,3}	0.76	0.76	0.76	0.77	0.76	0.76
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	0.76	0.76	0.76	0.77	0.76	0.76
Trading expense ratio (%) ⁵	-	-	-	-	-	-
Portfolio turnover rate (%) ⁶	22.15	83.62	71.04	112.66	71.75	66.72
NAV per unit (\$) ¹	11.52	10.47	10.74	10.77	10.86	11.25

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Financial Highlights (continued)

Ratios and Supplemental Data						
Series L	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) ¹	55	43	31	73	109	137
Number of units outstanding (000's) ¹	5	4	3	7	10	12
Management expense ratio (%) ^{2,3}	1.43	1.44	1.45	1.41	1.42	1.41
Management expense ratio before waivers or absorptions (%) ^{2,3,4}	1.43	1.44	1.45	1.41	1.42	1.41
Trading expense ratio (%) ⁵	-	-	-	-	-	-
Portfolio turnover rate (%) ⁶	22.15	83.62	71.04	112.66	71.75	66.72
NAV per unit (\$)¹	11.99	10.92	11.13	11.18	11.27	11.67

- 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 net of waivers, if any, excluding HST, for the Fund were 1.26% for Series A, 0.80% for Series F, 0.67% for Series FX and 1.27% for Series L.
- 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	48	52
DSC First 7 years	24	76
DSC After 7 years	48	52
Series F and FX	-	100
Series L		
ASC First year	-	100
ASC Year 2 and 3	24	76
ASC After 3 years	48	52

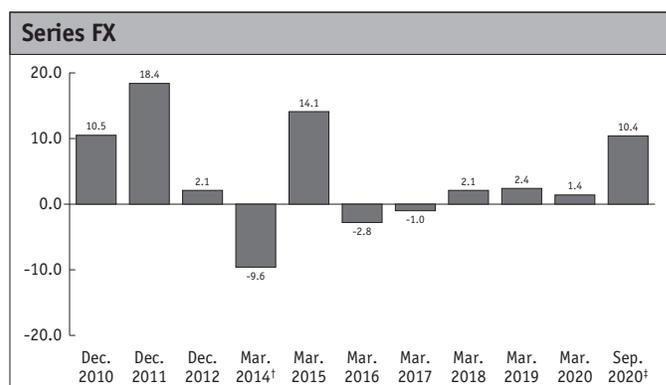
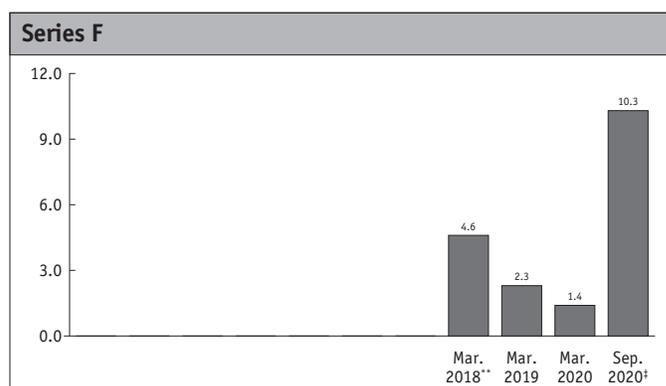
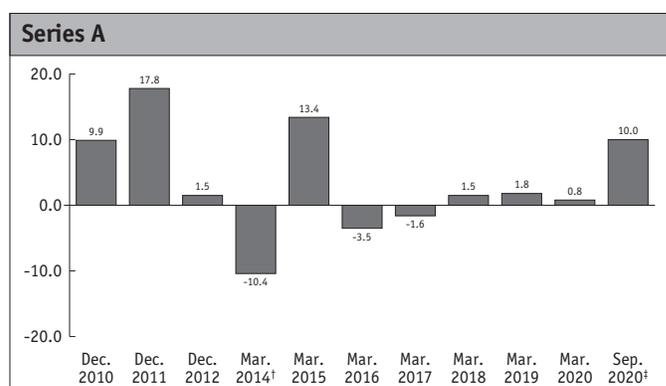
FE - front end; LL - low load; DSC - deferred sales charge; ASC - advisor service charge
Other - includes general administration, investment advice and profit.

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.

Year-by-Year Returns

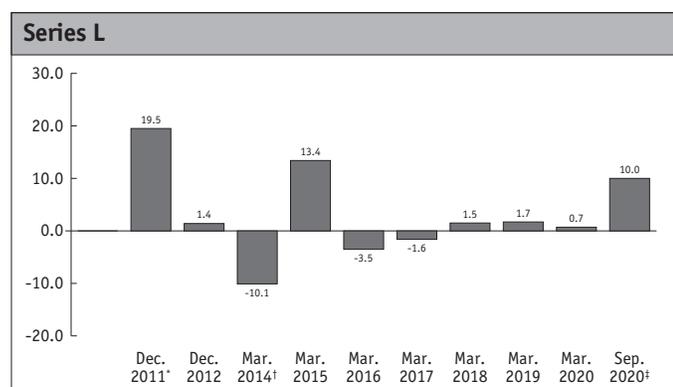
The bar charts show the Fund's performance for each of the periods indicated. The charts show, in percentage terms, how an investment made on the first day of each period would have increased or decreased by the last day of the period presented.



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Past Performance (continued)



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

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

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

‡ Return shown is for the 6-month period ended September 30, 2020.

Summary of Investment Portfolio

As at September 30, 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.

Sector Allocation	%
Federal Government Bonds	96.75
Cash and Other Net Assets	3.25
	100.00

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

Top Holdings	%
Government of Canada, Real Return Bond, 2.000%, 2041-12-01	17.11
Government of Canada, Real Return Bond, 4.250%, 2026-12-01	16.95
Government of Canada, Real Return Bond, 1.500%, 2044-12-01	15.99
Government of Canada, Real Return Bond, 1.250%, 2047-12-01	12.38
Government of Canada, Real Return Bond, 4.250%, 2021-12-01	11.87
Government of Canada, Real Return Bond, 3.000%, 2036-12-01	9.25
Government of Canada, Real Return Bond, 0.500%, 2050-12-01	7.79
Government of Canada, Real Return Bond, 4.000%, 2031-12-01	3.68
Cash and Other Net Assets	3.25
Government of United States, Real Return Bond, 0.125%, 2025-04-15	1.03
Government of United States, Real Return Bond, 0.250%, 2050-02-15	0.70

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).

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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