

# IA Clarington Inhance Balanced SRI Portfolio

## Series A, E, E6, F, F6, I, L, L6 and T6 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](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 proxy policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

# IA Clarington Inhance Balanced SRI Portfolio

September 30, 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 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") and its Sub-Advisor is Vancity Investment Management Limited ("VIML" or the "Portfolio Sub-Advisor" or the "fund manager").

## Results of Operations

The Fund's Net Assets increased by 23.8% or \$67.6 million during the period, from \$283.5 million on March 31, 2020 to \$351.1 million on September 30, 2020. This change in Net Assets resulted from an increase of \$17.4 million due to net sales, a decrease of \$1 million due to distributions and an increase of \$51.2 million due to investment operations, including market volatility, income and expense.

The average Net Asset Value of the Fund increased by 19.8% or \$53.6 million in comparison to the prior period, from \$270.9 million to \$324.5 million. Average Net Asset Value influence revenue earned and expenses incurred by the Fund during the period.

Series A units of the Fund returned 17.3% 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 S&P/TSX Composite Index, returned 22.5% 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 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<sup>^</sup> (27%), returned 14.9% 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.

Financial markets continued dealing with the fallout from the COVID-19 pandemic and the subsequent shutdown of large segments of the economy. In response to the mandatory shutdowns, governments and central banks released unprecedented amounts of fiscal and monetary stimulus, sending bond yields broadly lower during the period.

After lowering policy interest rates aggressively to start the year, both the Bank of Canada (BoC) and the U.S. Federal Reserve held their policy rates near zero. However, neither central bank has shown any desire to follow Europe into a negative-interest-rate regime, choosing instead to focus on quantitative-easing (QE) programs.

Canadian bond yields ended the period 14 to 23 basis points lower across the curve, with the five-year maturity region of the curve outperforming as it became clear the BoC's policy interest rate would remain low for an extended period of time. Canadian credit spreads initially widened in response to the pandemic but tightened steadily throughout the period, supported by the BoC's Large Scale Asset Purchases program and a quick, although incomplete, recovery in economic activity.

Fitch Ratings Inc. downgraded Canada's rating to AA+, citing a deterioration of public finances resulting from the pandemic. The downgrade marked Canada's first sub-AAA rating by any major rating agency since 2004.

IA Clarington Inhance Balanced SRI Portfolio's underlying funds all had positive absolute returns, with the global and Canadian funds providing the best returns, followed by the monthly income and bond funds. The Fund's significant allocations to the global and Canadian funds contributed to its strong overall performance.

The underlying IA Clarington Inhance Bond SRI Fund's non-benchmark allocation to preferred shares contributed to performance as preferred shares rebounded significantly. An underweight allocation to federal bonds, the weakest-performing sector in the bond market, contributed strongly to the Fund's performance. The Fund's overweight allocation to corporate bonds contributed as credit spreads narrowed to nearly pre-pandemic ranges. Individual contributors included overweight positions in Ottawa long municipal green bonds (3.25%, 10/11/47) and Alberta long bonds (3.1%, 01/06/50), which benefited from the rally in long rates and credit-spread compression. A non-benchmark holding in Intact Financial Corp. perpetual preferred shares benefited from strong credit-spread compression and improved risk tone.

The underlying IA Clarington Inhance Canadian Equity SRI Class contributed significantly to performance by avoiding energy sector stocks that have performed poorly. Stock selection contributed to performance by integrating environmental, social and governmental (ESG) analysis with fundamental financial analysis. An overweight exposure to the top-performing information technology sector also contributed. Individual contributors included Anlauer Healthcare Group, a leading provider of secure and temperature-controlled storage and distribution services to the Canadian medical pharmaceuticals industry, as investors recognized the company's highly profitable business model and attractive growth opportunities. Lightspeed POS Inc., a Canadian financial technology company, enabled businesses to operate online during the pandemic. West Fraser Timber Co. Ltd. benefited from rising lumber prices and growing U.S. house-building demand.

The underlying IA Clarington Inhance Global Equity SRI Class contributed to performance by avoiding the energy sector. Overall stock selection contributed significantly to performance as the stock selection process added value by integrating ESG analysis with fundamental financial analysis. Industrials sector stocks contributed significantly, including within renewable energy infrastructure, fuel cell development and water treatment, which are areas of secular growth. Individual contributors included Bloom Energy Corporation, a high-growth company expanding into the marine power and hydrogen power segments. SolarEdge Technologies Inc. manufactures solar power inverter technology. Adyen NV, a Dutch financial technology firm, had a marquee client base with partners like Uber Technologies Inc., eBay Inc., Spotify Technology S.A. and Etsy Inc.

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## Results of Operations (continued)

The underlying IA Clarington Inhance Monthly Income SRI Fund's overweight allocation to equities and underweight allocation to bonds contributed to performance. Preferred shares were its strongest performers, so its allocation to preferred shares instead of bonds also contributed. Overall sector allocation contributed, particularly an underweight allocation to the energy sector, which was one of the weaker-performing sectors in Canada. Individual contributors included Summit Industrial Income Real Estate Investment Trust (REIT), Ventas Inc., WPT Industrial REIT, Hannon Armstrong Sustainable Infrastructure Capital Inc., Fiera Capital Corp., Northland Power Inc. and Brookfield Renewable Partners L.P.

IA Clarington Inhance Monthly Income SRI Fund's fixed-income component outperformed the fixed-income benchmark. A fixed-income non-benchmark allocation to preferred shares was the biggest contributor to performance, as preferred shares rebounded significantly. Not owning federal debt, which was the weakest-performing sub-sector in the fixed-income index, also contributed.

Credit selection within corporate bonds was the largest detractor from IA Clarington Inhance Bond SRI Fund's performance. The strong rebound in risk tone benefited all risk assets, but lower-rated credits, particularly in the energy sector (which the Fund does not own), were the strongest performers. The Fund's lower duration (interest-rate sensitivity) and underweight exposure to the long end of the yield curve also detracted as bond yields moved broadly lower. Long provincial bond issues held by the benchmark but not owned by the Fund, particularly Ontario (2.9%, 02/06/49) and (2.65%, 02/12/50), detracted significantly given the strong performance of long-duration provincial bonds and tighter provincial credit spreads.

In terms of environmental, social and governance (ESG) issues, the fund manager engaged Disney on the impacts of tobacco content as part of commercial entertainment to eliminate youth exposure to on-screen smoking and vaping.

The fund manager engaged Gilead in support of the Interfaith Center on Corporate Responsibility initiative (ICCR) Investor statement to Pharma: Pandemic-preparedness, transparency of public investment and commitment to public good.

In terms of shareholder engagement, the fund manager believes that transparent disclosure is crucial to positive shareholder and stakeholder communication and effective risk management. That is why the fund manager has been a member of the Carbon Disclosure Project (CDP) since 2004. The CDP is a good opportunity for companies to provide investors with detailed information on their approach to managing risk associated with climate change. The fund manager encourages companies annually to provide a response to the CDP's annual questionnaire. In the third quarter, the fund manager engaged the following companies to discuss CDP disclosure: Aritzia Inc., Boralex Inc., Chartwell Retirement Residence, Colliers International Group Inc., Constellation Software Inc., Dollarama Inc., Element Fleet Management Corp., RioCan REIT, TMX Group Ltd., Waste Connections Inc., and West Fraser Timber Co. Ltd.

The fund manager became a signatory to: Investor Expectations on Nutrition, Diet & Health addressing the societal and economic costs of poor diets and nutrition impacts; The Investor Statement on Responsible Water Management as part of a responsible mining policy; The Finance for Biodiversity Pledge committing to contributing to the protection and restoration of biodiversity and ecosystems through our investments; The Investor Statement in Support of Ending the Subminimum Wage; and The Canadian Investor Statement on Diversity & Inclusion.

## Recent Developments

The global economy continues to rebound, although a recovery to pre-pandemic activity levels will take time. Certain pockets of the economy, such as real estate and retail sales, have recovered owing to government support programs and payment deferral plans, although such assistance cannot continue indefinitely. Other sectors, such as transportation, accommodation and food services, could take years to recover and may face a structurally different operating environment.

Following the sharp pandemic-induced recession, economists suggest this is an early stage of a new business cycle, where cyclical companies tend to lead. Market corrections also provide opportunities for more companies to participate in the recovery. Recycling capital into cyclical growth stocks while maintaining exposure in secular growth companies positions the Fund for continued participation in this economic recovery.

Bond yields have traded in a tight range since April as QE programs have dampened market volatility. Shorter-maturity bond yields are expected to remain range-bound at low levels, as they will be limited by QE programs and central bank guidance indicating that policy rates will remain low for some time.

Long-maturity bond yields may be pressured upwards as government deficits are funded with significant amounts of debt issuance. Canada's credit ratings may be further downgraded given the ongoing budgetary deficits.

With the BoC expected to keep interest rates near zero until 2024 and ample federal stimulus initiatives in place, Canadian economic growth appears set to continue. However, positioning for a post-pandemic economy remains important as certain industries may not return to pre-pandemic performance levels.

In this environment, the fund manager's investment process continues to identify companies that meet the Fund's responsible investment criteria and that are positioned to successfully grow their businesses.

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.

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## Related Party Transactions (continued)

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 (\$) <sup>1</sup>						
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	14.85	15.44	14.83	14.39	13.42	14.02
<b>Increase (decrease) from operations:</b>						
Total revenue	0.09	0.38	0.39	0.34	0.34	0.34
Total expenses (excluding distributions)	(0.18)	(0.35)	(0.34)	(0.35)	(0.34)	(0.33)
Realized gains (losses) for the period	0.22	0.04	0.07	0.01	-	0.01
Unrealized gains (losses) for the period	2.44	(0.74)	0.52	0.44	0.99	(0.54)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>2.57</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>-</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>17.42</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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.21	11.65	11.20	10.85	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.07	0.29	0.30	0.32	0.23	-
Total expenses (excluding distributions)	(0.13)	(0.26)	(0.24)	(0.24)	(0.18)	-
Realized gains (losses) for the period	0.17	0.04	0.06	0.01	(0.01)	-
Unrealized gains (losses) for the period	1.81	(0.70)	0.37	0.16	0.62	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.92</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>-</b>	<b>(0.02)</b>	<b>(0.03)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, end of period</b>	<b>13.16</b>	<b>11.21</b>	<b>11.65</b>	<b>11.20</b>	<b>10.85</b>	<b>-</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series E6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	9.02	9.93	10.12	10.39	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.05	0.24	0.26	0.29	0.25	-
Total expenses (excluding distributions)	(0.11)	(0.21)	(0.22)	(0.23)	(0.18)	-
Realized gains (losses) for the period	0.14	0.03	0.05	0.01	-	-
Unrealized gains (losses) for the period	1.45	(0.45)	0.28	0.09	0.36	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.53</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	(0.30)	(0.58)	(0.57)	(0.60)	(0.45)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.30)</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>10.27</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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.04	11.44	10.97	10.58	9.86	10.00
<b>Increase (decrease) from operations:</b>						
Total revenue	0.07	0.29	0.30	0.26	0.22	0.23
Total expenses (excluding distributions)	(0.07)	(0.13)	(0.13)	(0.14)	(0.13)	(0.09)
Realized gains (losses) for the period	0.18	0.03	0.05	-	-	-
Unrealized gains (losses) for the period	1.77	(0.72)	0.47	0.30	0.86	(0.11)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.95</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>-</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>13.02</b>	<b>11.04</b>	<b>11.44</b>	<b>10.97</b>	<b>10.58</b>	<b>9.86</b>

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## Financial Highlights (continued)

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series F6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	8.49	9.30	9.41	9.62	9.43	10.00
<b>Increase (decrease) from operations:</b>						
Total revenue	0.05	0.22	0.24	0.22	0.23	0.24
Total expenses (excluding distributions)	(0.05)	(0.10)	(0.11)	(0.12)	(0.12)	(0.09)
Realized gains (losses) for the period	0.12	0.02	0.05	-	-	-
Unrealized gains (losses) for the period	1.38	(0.51)	0.33	0.29	0.72	(0.23)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.50</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)	(0.01)	-	-	-	-	-
From dividends <sup>4</sup>	-	(0.07)	(0.10)	(0.04)	(0.05)	(0.01)
From capital gains	-	-	-	-	-	-
Return of capital	(0.29)	(0.53)	(0.50)	(0.56)	(0.55)	(0.44)
<b>Total distributions<sup>3</sup></b>	<b>(0.30)</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>9.70</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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	16.79	17.36	16.67	15.99	14.89	15.56
<b>Increase (decrease) from operations:</b>						
Total revenue	0.10	0.44	0.44	0.43	0.19	0.37
Total expenses (excluding distributions)	-	-	-	-	-	-
Realized gains (losses) for the period	0.22	0.06	0.09	0.01	-	0.01
Unrealized gains (losses) for the period	2.79	(1.41)	0.61	0.40	1.71	(0.66)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>3.11</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>-</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>19.92</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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	11.12	11.59	11.15	10.83	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.07	0.31	0.31	0.26	0.26	-
Total expenses (excluding distributions)	(0.16)	(0.31)	(0.29)	(0.28)	(0.20)	-
Realized gains (losses) for the period	0.20	0.04	0.07	-	-	-
Unrealized gains (losses) for the period	1.66	(1.10)	0.42	0.22	0.35	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.77</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>-</b>
<b>Net Assets, end of period</b>	<b>13.03</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	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	8.88	9.84	10.06	10.36	10.00	-
<b>Increase (decrease) from operations:</b>						
Total revenue	0.05	0.29	0.27	0.24	0.22	-
Total expenses (excluding distributions)	(0.12)	(0.25)	(0.25)	(0.26)	(0.21)	-
Realized gains (losses) for the period	0.13	0.05	0.05	-	-	-
Unrealized gains (losses) for the period	1.45	(1.64)	0.30	0.31	0.53	-
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.51</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	(0.30)	(0.60)	(0.59)	(0.60)	(0.45)	-
<b>Total distributions<sup>3</sup></b>	<b>(0.30)</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>10.09</b>	<b>8.88</b>	<b>9.84</b>	<b>10.06</b>	<b>10.36</b>	<b>-</b>

The Fund's Net Assets per Unit (\$) <sup>1</sup>						
Series T6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Net Assets, beginning of period	7.94	8.72	8.93	9.25	9.19	10.22
<b>Increase (decrease) from operations:</b>						
Total revenue	0.05	0.21	0.23	0.21	0.22	0.24
Total expenses (excluding distributions)	(0.10)	(0.19)	(0.20)	(0.21)	(0.22)	(0.23)
Realized gains (losses) for the period	0.11	0.02	0.03	-	-	0.01
Unrealized gains (losses) for the period	1.31	(0.46)	0.30	0.28	0.67	(0.42)
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>1.37</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 dividends <sup>4</sup>	-	(0.01)	(0.01)	-	(0.01)	(0.01)
From capital gains	-	-	-	-	-	-
Return of capital	(0.24)	(0.47)	(0.56)	(0.60)	(0.59)	(0.59)
<b>Total distributions<sup>3</sup></b>	<b>(0.24)</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>9.06</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 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.

# IA Clarington Inhance Balanced SRI Portfolio

September 30, 2020

## Financial Highlights (continued)

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) <sup>1</sup>	154,854	124,496	119,960	105,169	97,725	82,023
Number of units outstanding (000's) <sup>1</sup>	8,883	8,386	7,771	7,091	6,789	6,114
Management expense ratio (%) <sup>2,3</sup>	2.20	2.20	2.28	2.35	2.42	2.45
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.20	2.20	2.28	2.35	2.42	2.45
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	17.42	14.85	15.44	14.83	14.39	13.42

Ratios and Supplemental Data						
Series E	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	48,059	36,990	31,827	26,655	8,671	-
Number of units outstanding (000's) <sup>1</sup>	3,650	3,300	2,732	2,380	799	-
Management expense ratio (%) <sup>2,3</sup>	2.12	2.12	2.14	2.18	2.21	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.12	2.12	2.14	2.18	2.21	-
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	13.16	11.21	11.65	11.20	10.85	-

Ratios and Supplemental Data						
Series E6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	8,645	6,929	6,367	5,799	709	-
Number of units outstanding (000's) <sup>1</sup>	841	769	641	573	68	-
Management expense ratio (%) <sup>2,3</sup>	2.15	2.14	2.17	2.20	2.27	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.15	2.14	2.17	2.20	2.27	-
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	10.27	9.02	9.93	10.12	10.39	-

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) <sup>1</sup>	32,284	23,401	18,241	8,005	4,327	3,479
Number of units outstanding (000's) <sup>1</sup>	2,478	2,120	1,595	729	409	353
Management expense ratio (%) <sup>2,3</sup>	1.12	1.13	1.20	1.27	1.26	1.26
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.12	1.13	1.20	1.27	1.26	1.26
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	13.02	11.04	11.44	10.97	10.58	9.86

Ratios and Supplemental Data						
Series F6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	10,575	8,217	7,276	3,524	2,050	1,294
Number of units outstanding (000's) <sup>1</sup>	1,089	968	783	374	213	137
Management expense ratio (%) <sup>2,3</sup>	1.10	1.10	1.19	1.26	1.25	1.26
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	1.10	1.10	1.19	1.26	1.25	1.26
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	9.70	8.49	9.30	9.41	9.62	9.43

Ratios and Supplemental Data						
Series I	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	69,795	63,351	41,328	34,272	18,035	2
Number of units outstanding (000's) <sup>1</sup>	3,501	3,772	2,380	2,056	1,128	0.1
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>	0.03	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	19.92	16.79	17.36	16.67	15.99	14.89

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) <sup>1</sup>	9,918	5,249	2,414	1,066	192	-
Number of units outstanding (000's) <sup>1</sup>	761	472	208	96	18	-
Management expense ratio (%) <sup>2,3</sup>	2.55	2.54	2.55	2.55	2.55	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.55	2.54	2.55	2.55	2.55	-
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	13.03	11.12	11.59	11.15	10.83	-

Ratios and Supplemental Data						
Series L6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	399	341	121	1	1	-
Number of units outstanding (000's) <sup>1</sup>	40	38	12	0.1	0.1	-
Management expense ratio (%) <sup>2,3</sup>	2.55	2.57	2.51	2.51	2.56	-
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.55	2.57	2.51	2.51	2.56	-
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	-
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	-
NAV per unit (\$)¹	10.09	8.88	9.84	10.06	10.36	-



# IA Clarington Inhance Balanced SRI Portfolio

September 30, 2020

## Financial Highlights (continued)

Ratios and Supplemental Data						
Series T6	09/30 2020	03/31 2020	03/31 2019	03/31 2018	03/31 2017	03/31 2016
Total NAV (\$) (000's) <sup>1</sup>	16,546	14,494	13,374	12,258	11,042	9,164
Number of units outstanding (000's) <sup>1</sup>	1,825	1,826	1,534	1,372	1,193	997
Management expense ratio (%) <sup>2,3</sup>	2.20	2.20	2.28	2.34	2.42	2.45
Management expense ratio before waivers or absorptions (%) <sup>2,3,4</sup>	2.20	2.20	2.28	2.34	2.42	2.45
Trading expense ratio (%) <sup>5</sup>	0.03	0.05	0.04	0.04	0.04	0.03
Portfolio turnover rate (%) <sup>6</sup>	8.25	0.40	0.83	-	42.14	3.43
NAV per unit (\$)¹	9.06	7.94	8.72	8.93	9.25	9.19

- 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 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.
- 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	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

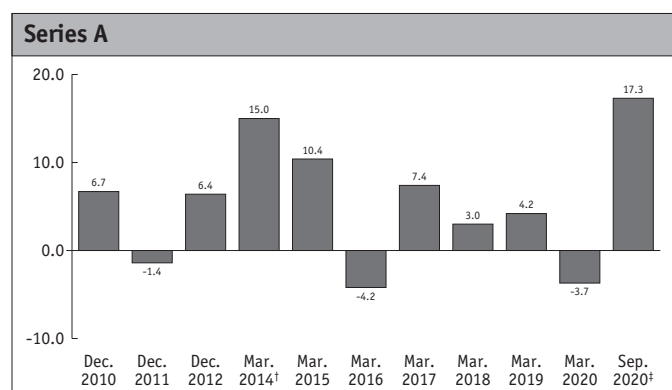
FE - front end; LL - low load; DSC - deferred sales charge; ASC - advisor service charge  
Other - includes general administration, investment advice and profit.

## 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

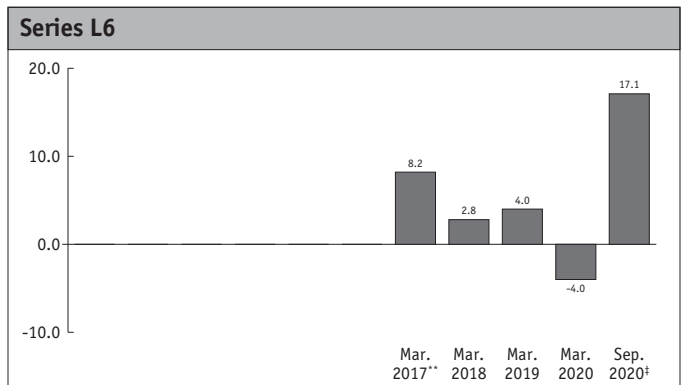
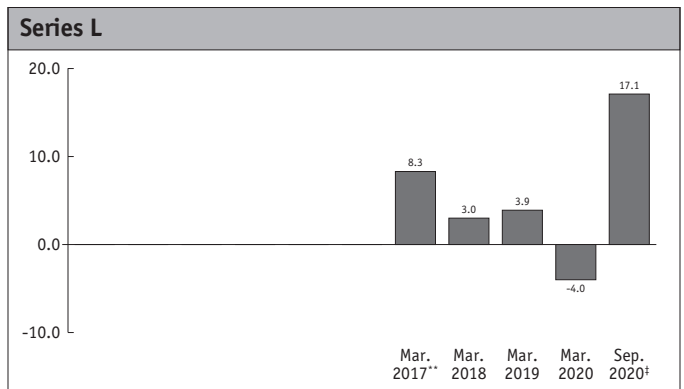
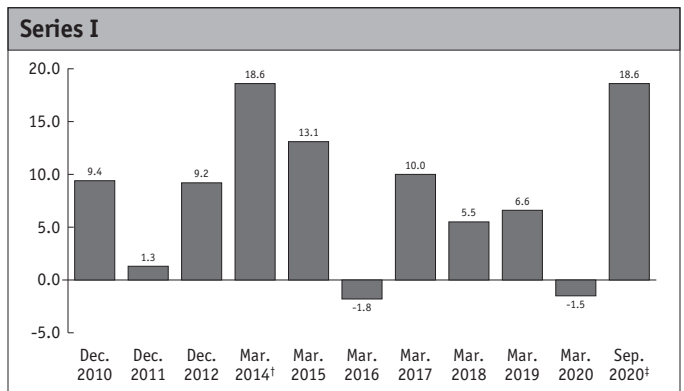
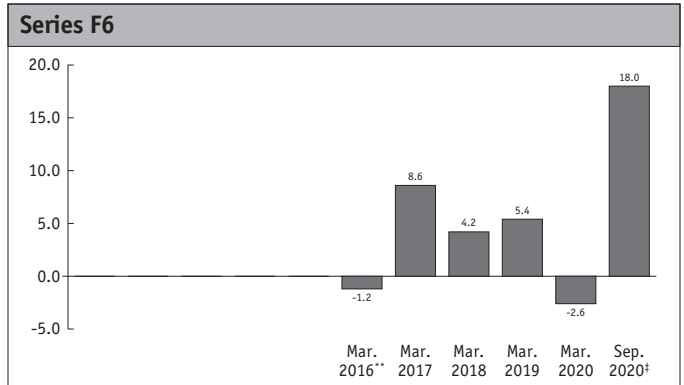
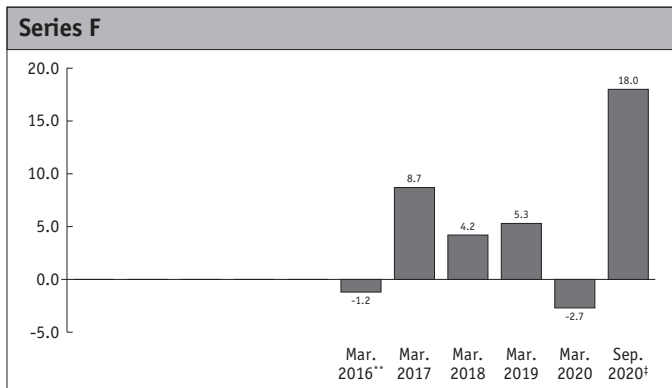
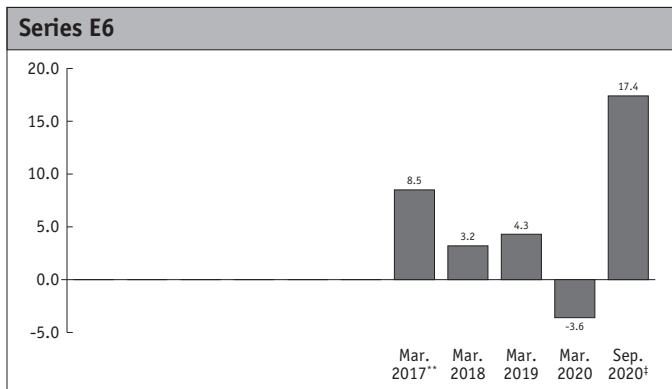
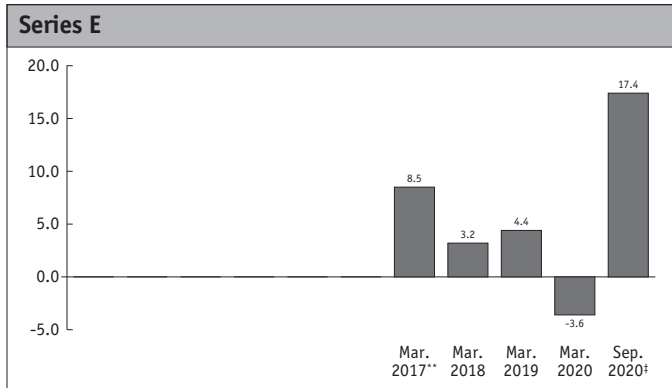
The bar charts show the Fund's performance for each of the periods indicated. The charts show, in percentage terms, how an investment made on the first day of each period would have increased or decreased by the last day of the period presented.



# IA Clarington Inhance Balanced SRI Portfolio

September 30, 2020

## Past Performance (continued)

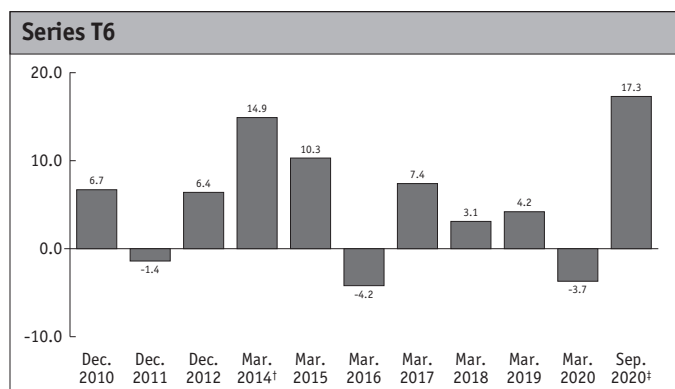




# IA Clarington Inhance Balanced SRI Portfolio

September 30, 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.

‡ 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. 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	15.51
Financials	13.36
Provincial Bonds and Guarantees	9.07
Information Technology	7.44
Industrials	6.92
Federal Government Bonds	6.82
Federal Guarantees	5.34
Cash and Other Net Assets	5.13
Real Estate	4.65
Health Care	4.39
Consumer Discretionary	4.36
Materials	3.83
Utilities	3.49
Telecommunication Services	3.41
Consumer Staples	3.07
Municipal Bonds and Guarantees	1.95
Supranational Guarantees	0.88
Energy	0.21
Asset-Backed Securities	0.17
	<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	%
IA Clarington Inhance Bond SRI Fund, Series I	39.13
IA Clarington Inhance Global Equity SRI Class, Series I	24.17
IA Clarington Inhance Canadian Equity SRI Class, Series I	17.90
IA Clarington Inhance Monthly Income SRI Fund, Series I	17.72
Cash and Other Net Assets	1.08

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.

# IA Clarington Inhance Balanced SRI Portfolio

September 30, 2020

## 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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