IA Wealth Enhanced Bond Pool

Manager Commentary – Q2 2026

For the three-month period ended June 30, 2026, financial markets navigated a backdrop of elevated geopolitical and trade uncertainty. Concerns surrounding the conflict in the Middle East and its impact on global energy supplies contributed to higher oil prices and renewed inflationary pressures, while ongoing trade tensions and CUSMA trade renegotiations added to market volatility.

Despite these challenges, the global economy remained resilient. Economic growth continued to be supported by the delayed effects of prior interest-rate cuts, supportive fiscal policies and robust investment in artificial intelligence (AI) and related infrastructure. Equity markets generally benefited from these favourable fundamentals, while fixed-income markets faced headwinds as investors reassessed inflation and interest-rate expectations.

Overall, risk assets demonstrated resilience during the quarter, supported by a still-constructive macroeconomic environment, although investors remained attentive to evolving inflation and to geopolitical and trade-related risks.

Durning the quarter, allocation effects were slightly negative, with an underweight position in Canadian sovereign duration being the main detractor from the Fund's performance, while a structural overweight credit bias acted as a positive contributor.

Underlying fund managers underperformed market indices overall, with the largest detractors being IA Clarington Agile Global Total Return Income Fund and PIMCO Monthly Income Fund.

The Fund is structurally positioned with a lower duration (mainly in Canada), overweight U.S. fixed-income exposure and overweight exposure in corporate bonds versus its peer category (product design). However, our tactical asset allocation slightly reduces the size of these tilts by holding small, long positions in long-term federal bonds in Canada (ZFL ETF) and slightly underweight positions in underlying funds with more credit exposure.

For government bonds, yields are more attractive than in prior years, but the broader macroeconomic regime remains challenging. Inflation has proven persistent, while elevated fiscal deficits and rising sovereign issuance continue to put upward pressure on term premia.

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Fund and benchmark performance, as at June 30, 2026	Q2	1 year	3 year	5 year	Since inception (Jul. 2020)
IA Wealth Enhanced Bond Pool – Series F	1.9%	3.7%	4.6%	1.1%	1.1%
25% Bloomberg U.S. Aggregate Bond Index (CAD Hedged)[1], 75% FTSE Canada Universe Bond Index	1.6%	3.1%	4.0%	0.4%	-0.1%

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For definitions of technical terms in this piece, please visit iaclarington.com/glossary and speak with your investment advisor.

Non-traditional fixed income asset classes may carry higher risk, but generally provide higher yield than traditional fixed income asset classes.

[1]Source: Bloomberg L.P.

Series F securities are available only to investors participating in fee based advisory programs through their dealer. No sales charges apply when investing in Series F. iA Clarington does not pay ongoing trailing commissions to dealers for Series F and therefore are not embedded in the Management Expense Ratio (MER). Instead, investors pay an explicit dealer advisor fee for investment advice and related services. Any differences in performance between fund series are primarily due to differences in fees and expenses, as described in the fund's prospectus.

The performance data comparison presented is intended to illustrate the Fund's historical performance as compared with historical performance of widely quoted market indices. There are various important differences that may exist between the Fund and the stated indices that may affect the performance of each. The benchmark is a blend of 25% Bloomberg U.S. Aggregate Bond Index (CAD Hedged) and 75% FTSE Canada Universe Bond Index. The blended benchmark presented is intended to provide a more realistic representation of the general asset classes in which the Fund invests. The Bloomberg U.S. Aggregate Bond Index (CAD Hedged) is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. This includes Treasuries, government-related and corporate securities, mortgage backed securities, asset-backed securities and collateralized mortgage-backed securities. 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 Fund's fixed income holdings may have different sector exposure, credit quality and interest rate sensitivity than the benchmark. The Fund may have currency risk exposure while the benchmark has none. The Fund may hold cash while the benchmark does not. It is not possible to invest directly in market indices. The performance comparison is for illustrative purposes only and does not imply future performance.

Indicated mutual fund rates of return include changes in share or unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Returns for more than one year are historical annual compounded total returns while returns for one year or less are cumulative figures and are not annualized.

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