

## **Annual Management Report of Fund Performance**

*For the Year Ended March 31, 2024*

*This Annual Management Report of Fund Performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You may obtain a copy of the annual financial statements, at no cost, by calling 1-888-746-6344 (1-800-661-4578 if you live in Quebec) or by writing to us at 447 Portage Avenue, Winnipeg, Manitoba, R3B 3H5 (2001, boulevard Robert-Bourassa, bureau 2000, Montreal (Quebec), H3A 2A6 if you live in Quebec), or by visiting the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).*

*Securityholders may also contact us using one of these methods to request a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure. For more information, please refer to the Fund's Annual Information Form, which may also be obtained, at no cost, using any of the methods outlined above.*

*For the Fund's current net asset values per security and for more recent information on general market events, please visit our website at [www.ig.ca](http://www.ig.ca).*

*References to "Consultant" or "Consultants" mean "Representative" or "Representatives" in Quebec.*

### **A NOTE ON FORWARD-LOOKING STATEMENTS**

*This report may contain forward-looking statements that reflect our current expectations or forecasts of future events. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "preliminary", "typical" and other similar expressions. In addition, these statements may relate to future corporate actions, future financial performance of a fund or a security and their future investment strategies and prospects. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions that could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. These risks, uncertainties and assumptions include, without limitation, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, the volatility of global equity and capital markets, business competition, technological change, changes in government regulations, changes in securities laws and regulations, changes in tax laws, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of manager to attract or retain key employees. The foregoing list of important risks, uncertainties and assumptions is not exhaustive. Please consider these and other factors carefully and do not place undue reliance on forward-looking statements.*

*The forward-looking information contained in this report is current only as of the date of this report. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.*

# BLACKROCK — IG ACTIVE ALLOCATION POOL III

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2024

## Management Discussion of Fund Performance

June 6, 2024

This Management Discussion of Fund Performance presents the portfolio management team's view on the significant factors and developments that have affected the Fund's performance and outlook in the year ended March 31, 2024 (the "period"). If the Fund was established during the period, "period" represents the period since inception.

In this report, "IGIM" and "the Manager" refer to I.G. Investment Management, Ltd., the manager of the Fund. In addition, net asset value ("NAV") refers to the value of the Fund as calculated for transaction purposes, on which the discussion of Fund performance is based.

Please read *A Note on Forward-Looking Statements* on the first page of this document.

### Investment Objective and Strategies

The Fund aims to provide long-term capital appreciation by primarily investing in, or gaining exposure to a portfolio of fixed income and/or equity securities with no geographic restrictions by investing primarily in exchange-traded funds. The Fund will target a neutral mix of 20% fixed income and 80% equity, but has full flexibility to invest up to 100% in any asset class. The Fund may invest up to 100% of its assets in exchange-traded funds managed by the sub-advisor or its affiliates.

### Risk

The risks of the Fund remain as discussed in the Fund's Simplified Prospectus.

The Fund is suitable for investors who intend to hold the Fund as a small component of a diversified investment portfolio and who have a low to medium tolerance for risk.

The Fund is currently available for investment only by other IG Wealth Management Funds.

### Results of Operations

#### Investment Performance

The performance in the current and previous periods is shown in the *Past Performance* section of the report. The following comparison to market indices is intended to help investors understand the Fund's performance relative to the general performance of the markets. However, the Fund's mandate may be different from that of the indices shown.

For the year ended March 31, 2024, the Series P securities returned 14.9% (after deducting fees and expenses paid by the Fund). In comparison, the MSCI World (Net) Index returned 25.2% and the FTSE World Broad Investment-Grade Bond Index returned 1.2%.

Global equities rose over the period as central banks slowed the pace of interest rate increases. Gains in the U.S. equity market came largely from a small number of mega-capitalization stocks. The global economy was resilient, and employment remained strong. Inflation slowed but remained slightly above central bank targets. After July 2023, the U.S. Federal Reserve kept the federal funds rate at a target range of 5.25%–5.50%. Treasury yields reached peak levels and then fell in response to the policy shift. The Bank of Japan raised its policy rate for the first time in 17 years, but many central banks signalled potential rate cuts in 2024.

Within the MSCI World (Net) Index, Italy, Denmark and the United States were the strongest-performing markets in Canadian dollar terms, while Hong Kong, Portugal and Finland were the weakest. The information technology, communication services and financials sectors were the strongest performers, while utilities, consumer staples and real estate were the weakest.

The Fund underperformed the MSCI World (Net) Index, in part because of its exposure to fixed income securities. The Fund outperformed the FTSE World Broad Investment-Grade Bond Index, in part because of its exposure to equities.

iShares Core S&P/TSX Capped Composite Index ETF, representing about 16% of net assets at the end of the period, was the largest contributor to Fund performance. iShares MSCI Hong Kong ETF, which was eliminated during the period, was the largest detractor from performance.

The Fund reduced exposure to iShares Core S&P/TSX Capped Composite ETF over the period as a result of weakening Canadian economic data.

### Net Assets

The Fund's net assets increased by 7.9% during the period to \$741.2 million. This change was composed primarily of \$98.1 million in net income (including any interest and/or dividend income) from investment performance, after deducting fees and expenses, and a decrease of \$43.6 million due to net securityholder activity (including sales, redemptions and cash distributions).

### Fees and Expenses

The management expense ratio ("MER") for each series during the year ended March 31, 2024, was generally similar to the MER for the year ended March 31, 2023. Total expenses paid vary from period to period mainly as a result of changes in average assets in each series. No management fee or administration fee, other than certain specific fund costs, is charged to the Fund. The MERs are presented in the *Financial Highlights* section of this report.

### Recent Developments

The portfolio management team believes cyclical, structural and geopolitical crosswinds are combining to create a cycle that bears resemblance to the years following the global financial crisis of 2007-2009. Early 2024 saw cyclical and structural forces align in a manner that has caused deflation, with a short-term upswing in the global manufacturing cycle unfolding alongside continued stimulative fiscal policies. These factors supported equity prices and bond yields. After the second half of 2023 was dominated by expectations of easing inflation, the team believes investors are now focused on the notion that inflation is an increasingly attractive policy choice for political leaders trying to optimize geopolitical, fiscal and election scenarios.

At the end of the period, the Fund maintained an overweight position in equities and an underweight position in fixed income investments in the expectation that policymakers will allow economies to run "hot."

# BLACKROCK – IG ACTIVE ALLOCATION POOL III

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2024

## Related Party Transactions

I.G. Investment Management, Ltd. is the Manager, Trustee and Portfolio Advisor of the Fund. The Fund is only available for purchase by other IG Wealth Management Funds and is not available for purchase by retail investors. The Manager, Portfolio Advisor and Trustee are, indirectly, wholly owned subsidiaries of IGM Financial Inc.

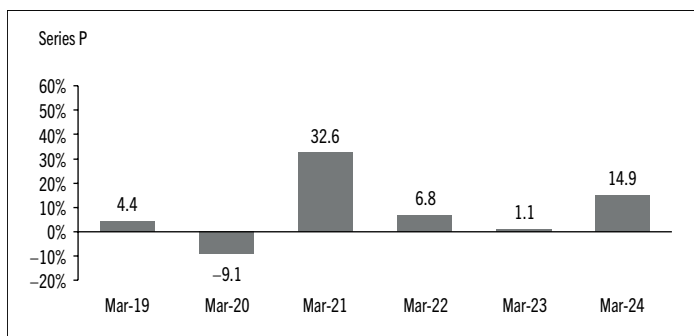
Certain other investment funds, distributed by IG Wealth Management, and other qualified investors may invest in Series P of this Fund. As at March 31, 2024, this series comprised 100.0% of the Fund's net assets. The Manager relied on standing instructions approved by the IG Wealth Management Funds Independent Review Committee for the execution of all such transactions, which are based on the net asset value per security determined in accordance with the stated policies of the Fund on each transaction day. Investments by other investment funds in the Fund increase the risk of large redemption or purchase orders, which could result in larger than normal cash positions in the Fund for short periods of time. This could have an impact on the Fund's operations. However, the Manager uses various strategies to minimize the potential dilutive impact associated with large cash positions. These strategies may include transferring securities in-kind where possible, utilizing ETFs to maintain market exposure in lieu of cash and spreading transactions in smaller increments over a period of time.

## Past Performance

The Fund's performance information assumes all distributions made by the Fund in the periods presented are reinvested in additional securities of the relevant series 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. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

## Year-by-Year Returns

The following bar chart presents the performance of Series P of the Fund for each of the fiscal periods shown. The chart shows, in percentage terms, how much an investment made on the first day of each fiscal period, or on the series inception or reinstatement date, as applicable, would have increased or decreased by the last day of the fiscal period presented. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.



## Annual Compound Returns

The following table compares the historical annual compound total returns for each series of the Fund with the relevant index or indices shown below for each of the periods ended March 31, 2024. Investors cannot invest in an index without incurring fees, expenses and commissions, which are not reflected in these performance figures.

All index returns are calculated in Canadian dollars on a total return basis, meaning that all dividend payments, interest income accruals and interest payments are reinvested.

Percentage Return:	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Series P	14.9	7.5	8.4	n/a	8.7
MSCI World (Net) Index	25.2	11.3	12.4	n/a	12.5
FTSE World Broad Investment-Grade Bond Index (WorldBIG)	1.2	-2.5	-1.0	n/a	-0.1

*The MSCI World (Net) Index represents large- and mid-cap equity performance across 23 developed markets. Net total returns are calculated after the deduction of withholding tax from the foreign income and dividends of its constituents.*

*The FTSE World Broad Investment-Grade Index (WorldBIG) includes treasuries and investment grade agency debt, corporates, non-corporate credit, mortgage-backed securities and asset-backed securities from short- to long-dated maturities.*

# BLACKROCK – IG ACTIVE ALLOCATION POOL III

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## Summary of Investment Portfolio at March 31, 2024

EFFECTIVE PORTFOLIO ALLOCATION	% OF NAV
Equities	83.4
Bonds	11.0
Cash and cash equivalents	5.7
Other assets (liabilities)	(0.1)

EFFECTIVE REGIONAL ALLOCATION	% OF NAV
United States	31.4
Canada	17.0
Japan	15.2
Cash and cash equivalents	5.7
France	5.4
Switzerland	3.7
United Kingdom	3.2
Germany	3.1
Spain	2.9
Other	2.8
Taiwan	2.7
Italy	2.2
Netherlands	1.4
Brazil	1.2
China	1.2
Australia	1.0
Other assets (liabilities)	(0.1)

EFFECTIVE SECTOR ALLOCATION	% OF NAV
Financials	15.8
Information technology	15.0
Industrials	11.2
Consumer discretionary	9.4
Foreign government bonds	8.2
Health care	6.9
Energy	5.9
Cash and cash equivalents	5.7
Communication services	5.1
Materials	4.7
Consumer staples	4.6
Utilities	3.5
Corporate bonds	2.1
Real estate	1.1
Other	0.6
Federal bonds	0.3
Other assets (liabilities)	(0.1)

The effective allocation shows the portfolio, regional or sector exposure of the Fund calculated by combining its direct and indirect investments.

## TOP 25 POSITIONS

Issuer/Underlying Fund	% OF NAV
iShares Core S&P/TSX Capped Composite Index ETF	16.1
iShares MSCI Japan ETF	7.7
iShares MSCI Eurozone ETF	7.5
iShares MSCI Japan ESG Screened UCITS ETF	6.8
Technology Select Sector SPDR Fund ETF	6.5
iShares Core International Aggregate Bond ETF	6.4
Cash and cash equivalents	5.3
iShares ESG Aware MSCI USA ETF	5.0
iShares Core U.S. Aggregate Bond ETF	4.7
iShares MSCI Switzerland ETF	3.6
Consumer Discretionary Select Sector SPDR Fund	2.8
iShares MSCI Taiwan ETF	2.7
Health Care Select Sector SPDR Fund	2.7
Financial Select Sector SPDR Fund	2.3
Communication Services Select Sector SPDR Fund	2.3
iShares MSCI France ETF	2.2
iShares MSCI Spain ETF	2.1
iShares Core FTSE 100 UCITS ETF	1.9
Industrial Select Sector SPDR Fund	1.8
iShares FTSE MIB UCITS ETF EUR Acc	1.4
iShares MSCI Brazil ETF	1.2
Utilities Select Sector SPDR Fund	1.2
Energy Select Sector SPDR Fund	1.2
iShares MSCI Poland ETF	0.9
iShares MSCI United Kingdom ETF	0.8

Top long positions as a percentage of total net asset value

97.1

The Fund held no direct short positions at the end of the period.

For the prospectus and other information about the underlying fund(s) held in the portfolio, visit [www.ig.ca](http://www.ig.ca) or [www.sedarplus.ca](http://www.sedarplus.ca).

The investments and percentages may have changed since March 31, 2024, due to the ongoing portfolio transactions of the Fund. Quarterly updates of holdings are available within 60 days of the end of each quarter except for March 31, the Fund's fiscal year-end, when they are available within 90 days.

# BLACKROCK – IG ACTIVE ALLOCATION POOL III

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE | For the Year Ended March 31, 2024

## 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 each of the fiscal periods presented below. If during the period a series was established or reinstated, "period" represents the period from inception or reinstatement to the end of that fiscal period. Series inception or reinstatement dates can be found under *Fund Formation and Series Information*.

### THE FUND'S NET ASSETS PER SECURITY (\$)¹

Series P	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020
<b>Net assets, beginning of period</b>	<b>10.48</b>	10.66	11.42	8.89	10.38
<b>Increase (decrease) from operations:</b>					
Total revenue	0.23	0.34	0.20	0.17	0.22
Total expenses	–	–	(0.01)	(0.01)	(0.01)
Realized gains (losses) for the period	0.45	(0.61)	1.16	0.74	0.18
Unrealized gains (losses) for the period	0.84	0.06	(0.58)	1.96	(1.23)
<b>Total increase (decrease) from operations²</b>	<b>1.52</b>	(0.21)	0.77	2.86	(0.84)
<b>Distributions:</b>					
From net investment income (excluding Canadian dividends)	(0.23)	(0.21)	(0.15)	(0.14)	(0.17)
From Canadian dividends	(0.08)	(0.07)	(0.04)	(0.03)	(0.03)
From capital gains	–	–	(1.40)	(0.17)	(0.45)
Return of capital	–	–	–	–	–
<b>Total annual distributions³</b>	<b>(0.31)</b>	(0.28)	(1.59)	(0.34)	(0.65)
<b>Net assets, end of period</b>	<b>11.71</b>	10.48	10.66	11.42	8.89

(1) These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. This information is derived from the Fund's audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value per security calculated for fund pricing purposes. An explanation of these differences, if any, can be found in the *Notes to Financial Statements*.

(2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of securities outstanding over the fiscal period.

(3) Distributions were paid in cash, reinvested in additional securities of the Fund, or both.

## RATIOS AND SUPPLEMENTAL DATA

Series P	Mar. 31 2024	Mar. 31 2023	Mar. 31 2022	Mar. 31 2021	Mar. 31 2020
Total net asset value (\$000)¹	741,197	686,732	875,053	839,201	639,565
Securities outstanding (000)¹	63,321	65,533	82,071	73,465	71,921
Management expense ratio (%)²	0.22	0.20	0.21	0.31	0.33
Management expense ratio before waivers or absorptions (%)²	0.22	0.20	0.21	0.31	0.33
Trading expense ratio (%)³	0.03	0.02	0.04	0.08	0.14
Portfolio turnover rate (%)⁴	92.90	91.40	123.91	191.91	359.07
Net asset value per security (\$)	11.71	10.48	10.66	11.42	8.89

(1) This information is provided as at the end of the fiscal period shown.

(2) Management expense ratio ("MER") is based on total expenses, excluding commissions and other portfolio transaction costs, income taxes and withholding taxes, for the stated period and is expressed as an annualized percentage of daily average net assets during the period, except as noted. In the period a series is established, the MER is annualized from the date of inception to the end of the period. Where the Fund directly invests in securities of another fund (including exchange-traded funds or "ETFs"), the MERs presented for the Fund include the portion of MERs of the other fund(s) attributable to this investment. Any income distributions received from ETFs managed by affiliates of the Manager, with the intention of offsetting fees paid within those ETFs but which are not considered to be duplicative fees under regulatory requirements, are treated as waived expenses for MER purposes. The Manager may waive or absorb operating expenses at its discretion and stop waiving or absorbing such expenses at any time without notice.

(3) The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs incurred as an annualized percentage of daily average net assets during the period. Where the Fund invests in securities of another fund (including ETFs), the TERs presented for the Fund include the portion of TERs of the other fund(s) attributable to this investment.

(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor 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 the 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 year. There is not necessarily a relationship between a high turnover rate and the performance of a fund. The portfolio turnover rate is not provided when the Fund is less than one year old. 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

The Fund is only available for purchase by other IG Wealth Management Funds and is not available for purchase by retail investors. In order to avoid duplication of fees in the other IG Wealth Management Funds, the Fund does not pay a management fee.

# BLACKROCK – IG ACTIVE ALLOCATION POOL III

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## Fund Formation and Series Information

Date of Formation: November 19, 2018

Series	Inception/ Reinstatement Date	Management fee (%)	Service fee (%)	Administration fee (%)	Trustee fee (%)
Series P	November 30, 2018	–	–	–	–

The fee rates in the table above are rounded to two decimals.