

IPC Multi-Factor International Equity

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended September 30, 2020

Fund Manager

Counsel Portfolio Services Inc.

This Interim Management Report of Fund Performance contains financial highlights but does not contain either the annual or interim financial statements of the investment fund. If you have not received a copy of the financial statements with this report, you may obtain a copy at no cost, by calling toll-free at 1-877-216-4979, by writing to us at Counsel Portfolio Services Inc, 5015 Spectrum Way, Suite 300, Mississauga, Ontario, L4W 0E4, by visiting our website at www.ipcessentials.ca or by visiting the SEDAR website at www.sedar.com.

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

Every effort has been made to ensure that the information contained in this report is accurate as of September 30, 2020; however, the Fund cannot guarantee the accuracy or the completeness of this material. Please refer to the Fund's Simplified Prospectus and audited annual financial statements for more information.

CAUTION ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements which 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 which 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 securities legislation, changes in government regulations, changes in tax law, unexpected judicial or regulatory proceedings, catastrophic events, outbreaks of disease or pandemics (such as COVID-19), and the ability of Counsel Portfolio Services Inc. 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.

Management Discussion of Fund Performance

November 10, 2020

This Management Discussion of Fund Performance presents the views of Counsel Portfolio Services Inc. ("Counsel") on the significant factors and developments during the period ended September 30, 2020 that have affected the Fund's performance and outlook. For information on the Fund's longer-term performance, please refer to the *Past Performance* section of the report.

In addition, net asset value (NAV) refers to the value of the Fund or a series, as calculated for transaction purposes, on which the discussion of Fund performance is based.

Results of Operations

Investment Performance

The performance of the Fund's Series Private Wealth securities is discussed below. The performance of all other series offered by the Fund is shown in the *Past Performance* section of this report. Where series returns differ, it is primarily because different levels of fees and expenses were charged to each series, or because securities of a series were not issued and outstanding for the entire reporting period. Please refer to the *Series Information* section of this report for the varying management and administration fees payable by each series.

During the 6-month period, the Fund's Series Private Wealth securities returned 13.48%. This compares with a 12.98% return of the broad-based MSCI EAFE Index (the "Index"). All index and series returns are calculated on a total return basis in Canadian dollar terms.

Stocks in Europe, Australasia and the Far East ("EAFE") advanced over the period as improved economic activity and slowing COVID-19 infection rates in some regions prompted global expectations of a recovery. Equity valuations were supported by low bond yields as most central banks kept interest rates low or reduced rates. Asian markets generally underperformed. Although many European countries outperformed, U.K. equities underperformed as the United Kingdom and the European Union continued trade negotiations.

Within the MSCI EAFE Index, Sweden, Ireland and Germany were the strongest-performing countries, while Spain, the United Kingdom and Portugal were the weakest. From a sector perspective, Materials, Information Technology and Industrials were the strongest performers, while Energy, Real Estate and Financials were the weakest.

The Fund outperformed the Index primarily due to the underweighted exposure to the Energy sector as well as security selection within the Health Care sector.

During the period, the British Pound ("GBP") and Japanese Yen ("JPY") depreciated 2.30% and 3.65% respectively against the Canadian Dollar ("CAD") detracting from the Fund's performance. The Euro ("EUR") appreciated by 0.49% against the CAD contributing to the Fund's performance. Selected hedging activities against the EUR and GBP also contributed to performance relative to the unhedged Index with the Fund ending the period with a 50% target hedge against both.

Net Assets

The Fund's NAV increased by \$17.5 million, or 14.3%, to \$140.3 million as at September 30, 2020, from \$122.8 million at March 31, 2020. Of this increase, \$16.7 million was attributable to investment performance (after deducting fees and expenses) and \$0.8 million to net sales.

Fees and Expenses

The Management Expense Ratio ("MER") for Series Private Wealth of 0.16%, during the period ended September 30, 2020, was slightly lower than the MER of 0.19% for the period ended March 31, 2020. Please note that no management fees are charged to Series Private Wealth; see the Series Information section of this report for further details. The MERs for all series (before and after waivers or absorptions, if any) are presented in the *Financial Highlights* section of this report.

Recent Developments

Despite the unprecedented fiscal support already implemented in response to COVID-19, Counsel believes the economic recovery still faces challenges. Uncertainty about the continued spread of the virus could delay business investment and hiring decisions.

For the near future, Counsel believes governments need to maintain fiscal support in conjunction with ongoing accommodative central bank policies. Without these supports, there is a risk of a low-growth cycle that could depress equities. While near-term inflation pressures are likely to be low, the prospect of continued high deficit spending and low interest rates suggests that longer-term inflation risks are a real possibility.

Counsel expects that future government budget deficits, debt and post-pandemic fiscal adjustments will be key factors influencing financial markets. After the pandemic is finally behind us, governments will need to design credible multi-year adjustment plans to reassure investors of their long-term ability to repay bonds.

The duration and long-term impact of the COVID-19 pandemic on businesses and markets, and the extent of additional economic relief measures which may be offered by some governments and central banks, are unknown at the reporting date. This uncertainty means it is impossible to reliably estimate the impact on the financial results and position of the Fund in future periods.

The Fund is maintaining its target hedge of 50% against the EUR and GBP and continues to be unhedged against the JPY. Currency hedging is dynamic and may vary between 0-100% at our discretion based on our assessment of currency market conditions.

Related Party Transactions

Management and Administration Services

For each applicable series, the Fund paid management fees and administration fees to Counsel at the annual rates specified under *Series Information* in this report and as more fully described in the Simplified Prospectus. In return for the administration fees, Counsel pays all costs and expenses (other than certain specified fund costs) required to operate the Fund. See also *Management Fees*.

Other Related Party Transactions

Other investment funds managed by Counsel ("Top Funds") invest in Series O securities offered by the Fund on a prospectus-exempt basis in accordance with the investment objectives of those funds. Series Private Wealth securities are issued on a prospectus-exempt basis to investors in the IPC Private Wealth program offered by IPC Securities Corporation, an affiliate of Counsel. As a result of these investments, the Fund is subject to large redemption risk. Counsel manages this risk to reduce the possibility of any adverse effect on the Fund or on its investors, through such processes as requiring advance notice of large redemptions. At September 30, 2020, Top Funds owned 77.7% of the Fund's NAV and Series Private Wealth investors owned 22.3% of the Fund's NAV. As of September 30, 2020, Counsel had not received notice of any large redemptions. All related party transactions are based on the NAV per security on each transaction day.

Counsel is a subsidiary of IGM Financial Inc. ("IGM"). IGM is a subsidiary of Power Financial Corporation, which in turn is a subsidiary of Power Corporation of Canada. Companies related to Power Corporation of Canada are therefore considered affiliates of Counsel. As at September 30, 2020, the Fund held investments

in several overseas investments indirectly affiliated with IGM Financial Inc. through Power Corporation of Canada. The value of these investments was in aggregate \$0.6 million representing 0.4% of the Fund's net assets. The IRC approved these policies on the basis that these investments would:

- (i) is made free from any influence by an entity related to Counsel and without taking into account any considerations relevant to an entity related to Counsel;
- (ii) represents the business judgment of the index provider, uninfluenced by considerations other than the best interests of the Fund;
- (iii) made as part of a strategy where the value of such an investment is determined based on its relative weighting in an index; and
- (iv) achieves a fair and reasonable result for the Fund.

Series Information

The Fund may issue an unlimited number of securities for each series. The number of issued and outstanding securities of each series is disclosed in *Financial Highlights*. A 10-year history of the major changes affecting the Fund can be found in the Fund's Annual Information Form, available at www.ipcessentials.ca.

	Date of Inception	Minimum Investment (\$)	Management Fee (%)	Administration Fee ³ (%)
Series O ¹	October 29, 2019	-	-	-
Series Private Wealth ²	October 29, 2019	-	-	0.15

¹ There are no management or administration fees for this series since these securities are designed to facilitate fund-of-fund investing where duplication of management fees is prohibited.

² There are no management fees for Series Private Wealth. An investor must enter into an agreement to participate in a discretionary managed program offered by IPC Securities Corporation and agree to pay certain asset-based fees.

³ Counsel may, at its discretion, waive or lower the administration fee payable by investors.

Past Performance

The indicated rates of return are the historical annual compound total returns, including changes in NAV per security and assuming reinvestment of all distributions. They do not take into account sales, redemption, distribution or optional sales charges, management fees directly payable by investors or income taxes payable by any investor that would have reduced returns. Returns for each series primarily differ because fees and expenses vary for each series. Please refer to *Series Information* for further information. The past performance of the Fund is not necessarily an indication of how it will perform in the future.

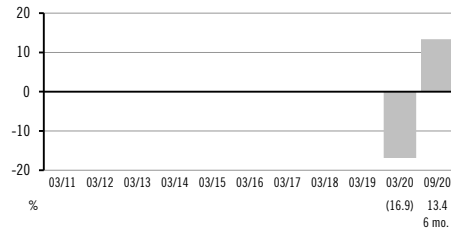
If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes, whether paid in cash or reinvested in additional securities. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities that you own. This would decrease your capital gain or increase your capital loss when you later redeem from the Fund, thereby ensuring that you are not taxed on this amount again. Please consult your tax advisor regarding your personal tax situation.

Year-by-Year Returns

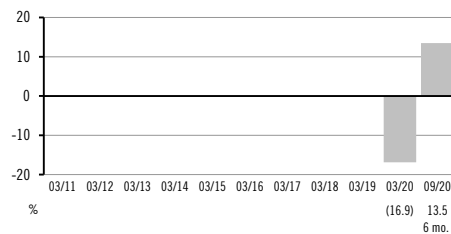
The bar chart shows how much an investment made on the first day of each financial year would have increased or decreased by the end of the respective periods. For the first year of a series, the percentage

shown will be the actual return of the series from its inception date, which can be found under *Series Information*. The chart illustrates how the Fund's performance has changed over time.

SERIES PRIVATE WEALTH



SERIES O



Summary of Investment Portfolio

as at September 30, 2020

The largest holdings of the Fund (up to 25) as at the end of the period and the major asset classes in which the Fund was invested are indicated below. The investments and percentages may have changed by the time you purchase securities of this Fund. The top 25 holdings are made available quarterly, 60 days after quarter-end, except for March 31, which is the fiscal year-end for the Fund, when they are available after 90 days. Please see the front page for information about how they can be obtained.

The effective allocation shows the regional, sector and currency exposure of the Fund calculated by including the Fund's proportionate share of its holdings in Underlying Funds and index participation securities. The Simplified Prospectus and other information about each of the Underlying Funds are available on the SEDAR website at www.sedar.com.

Summary of Top 25 Holdings

	% of net asset value
Kone OYJ B	0.9
Nestle SA Reg.	0.8
Akzo Nobel NV	0.8
NICE-Systems Ltd.	0.7
Roche Holding AG Genussscheine	0.7
Danone SA	0.7
AstraZeneca PLC	0.6
Woolworths Ltd.	0.6
Coloplast AS	0.6
Atlas Copco ABA	0.6
Logitech International SA Reg.	0.6
Koninklijke Ahold Delhaize NV	0.5
Orkla ASA	0.5
Telefonaktiebolaget LM Ericsson B	0.5
Sanofi	0.5
Kuehne + Nagel International AG	0.5
LEG Immobilien GmbH	0.5
NXP Semiconductors NV	0.5
Ageas	0.5
Kerry Group PLC A	0.5
FUJIFILM Holdings Corp.	0.5
Koninklijke DSM NV	0.4
UCB SA	0.4
Elisa OYJ	0.4
Carrefour SA	0.4
	14.2

Summary of Composition of the Portfolio

	% of net asset value
BY ASSET TYPE	
Equities	99.6
Cash and cash equivalents	0.1
Other	0.3
Total	100.0
BY SECTOR	
Industrials	14.8
Consumer Staples	14.3
Financials	11.9
Materials	10.7
Information Technology	9.6
Consumer Discretionary	9.2
Health Care	9.2
Real Estate	8.1
Communication Services	5.2
Utilities	5.2
Energy	1.2
Cash and cash equivalents	0.1
Other	0.5
	100.0

	% of net asset value
BY COUNTRY	
Europe ex U.K.	47.3
Japan	26.3
United Kingdom	12.7
Pacific ex Japan	11.7
Middle East and Africa	1.7
Canada	0.2
Cash and cash equivalents	0.1
	100.0

	% of net asset value
CURRENCY EXPOSURE	
Japanese yen	26.3
Canadian dollar	22.8
Euro	16.3
Swiss franc	8.0
United Kingdom pounds	6.0
Australian dollars	5.3
Swedish krona	3.8
Hong Kong dollars	2.5
Singapore dollars	2.4
Danish krone	1.8
Norwegian krona	1.6
Other	3.2
	100.0

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 current period and previous five financial years (as applicable). In the year a series is established, "period" represents from inception to the end of that period.

Footnotes are presented after *Ratios and Supplemental Data*.

Net Assets per Security¹

Series O (in \$)	6 mo	12 mo	12 mo	12 mo	12 mo	12 mo
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2020	2019	2018	2017	2016
² Net assets, beginning of period	8.27	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.14	0.08	n/a	n/a	n/a	n/a
Total expenses	(0.01)	(0.01)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	(0.39)	0.01	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	1.36	(1.77)	n/a	n/a	n/a	n/a
³ Total increase (decrease) from operations	1.10	(1.69)	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding Canadian dividends)	(0.15)	(0.05)	n/a	n/a	n/a	n/a
From Canadian dividends	-	-	n/a	n/a	n/a	n/a
From capital gains	-	-	n/a	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a	n/a
⁴ Total annual distributions	(0.15)	(0.05)	n/a	n/a	n/a	n/a
² Net assets at period end	9.22	8.27	n/a	n/a	n/a	n/a
Series Private Wealth (in \$)	6 mo	12 mo	12 mo	12 mo	12 mo	12 mo
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2020	2019	2018	2017	2016
² Net assets, beginning of period	8.27	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:						
Total revenue	0.14	0.09	n/a	n/a	n/a	n/a
Total expenses	(0.01)	(0.02)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	(0.39)	-	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	1.36	(1.77)	n/a	n/a	n/a	n/a
³ Total increase (decrease) from operations	1.10	(1.70)	n/a	n/a	n/a	n/a
Distributions:						
From income (excluding Canadian dividends)	(0.14)	(0.04)	n/a	n/a	n/a	n/a
From Canadian dividends	-	-	n/a	n/a	n/a	n/a
From capital gains	-	-	n/a	n/a	n/a	n/a
Return of capital	-	-	n/a	n/a	n/a	n/a
⁴ Total annual distributions	(0.14)	(0.04)	n/a	n/a	n/a	n/a
² Net assets at period end	9.22	8.27	n/a	n/a	n/a	n/a

Ratios and Supplemental Data

Series O	6 mo	12 mo	12 mo	12 mo	12 mo	12 mo
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2020	2019	2018	2017	2016
² Total net asset value (pricing NAV) (\$000's)	109,045	94,287	n/a	n/a	n/a	n/a
Number of securities outstanding (000's)	11,827	11,407	n/a	n/a	n/a	n/a
⁵ Management expense ratio (%)	-	0.01	n/a	n/a	n/a	n/a
⁵ Management expense ratio before waivers or absorptions (%)	-	0.01	n/a	n/a	n/a	n/a
⁶ Trading expense ratio (%)	0.14	0.37	n/a	n/a	n/a	n/a
⁷ Portfolio turnover rate (%)	32.34	-	n/a	n/a	n/a	n/a

Series Private Wealth	6 mo	12 mo	12 mo	12 mo	12 mo	12 mo
	Sep. 30	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2020	2019	2018	2017	2016
² Total net asset value (pricing NAV) (\$000's)	31,292	28,526	n/a	n/a	n/a	n/a
Number of securities outstanding (000's)	3,392	3,450	n/a	n/a	n/a	n/a
⁵ Management expense ratio (%)	0.16	0.19	n/a	n/a	n/a	n/a
⁵ Management expense ratio before waivers or absorptions (%)	0.17	0.19	n/a	n/a	n/a	n/a
⁶ Trading expense ratio (%)	0.14	0.37	n/a	n/a	n/a	n/a
⁷ Portfolio turnover rate (%)	32.34	-	n/a	n/a	n/a	n/a

¹ These calculations are prescribed by securities regulations and are not intended to be a reconciliation between opening and closing net assets per security. The information presented is derived from the Fund's financial statements prepared in accordance with IFRS.

² The net assets presented here in this table and in the financial statements may differ from the NAV.

³ NAV and distributions per security figures 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 financial period.

⁴ Distributions were paid in cash, reinvested in additional securities of the Fund, or both.

⁵ MER and MER before waivers or absorptions ("Gross MER") are based on total expenses borne by the Fund, excluding commissions and other portfolio transaction costs, for the stated period and is expressed as an annualized percentage of average daily NAV during the period. In the period a series is established, the MERs and Gross MERs are annualized from the date of inception to the end of the period. MER and Gross MER may be impacted by proposed decreases in management fees and/or administration fees as discussed under *Series Information*.

Where the Fund invests in securities of an Underlying Fund, the MERs and Gross MERs presented for the Fund include the portion of MERs of the Underlying Fund(s) attributable to this investment.

⁶ The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs incurred as a percentage of daily average NAV during the period. Where the Fund invests in securities of an Underlying Fund, the TERs presented for the Fund include the portion of TERs of its Underlying Fund(s) attributable to this investment.

⁷ The portfolio turnover rate ("PTR") indicates how actively the portfolio advisor manages the investments. A PTR 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 PTR 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 between a high PTR and the performance of the Fund. Costs incurred to realign the Fund's portfolio after a fund merger, if any, are excluded from the PTR.



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