

IPC Multi-Factor International Equity

ANNUAL MANAGEMENT REPORT OF FUND PERFORMANCE

For the period ended March 31, 2020

Fund Manager
Counsel Portfolio Services Inc.

This Annual 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, 2019; 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 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

July 13, 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 March 31, 2020 that have affected the Fund's performance and outlook.

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.

Investment Objective and Strategies

The Fund seeks to achieve long-term capital growth by primarily investing, either directly or indirectly, in a portfolio of international equities by seeking to track a factor-based index. Currently, the Fund tracks the SciBeta Developed ex USA ex Canada CPS Core-ESG High-Factor-Intensity Diversified Multi-Beta Multi-Strategy 6-Factor 4-Strategy EW Index which seeks to enhance returns, reduce volatility and improve diversification when compared to a market capitalization weighted index. The Fund is not available to retail investors.

Risk

Despite recent volatility related to the global pandemic, the risks of investing in the Fund remain as discussed in the Fund's Simplified Prospectus. The Fund is suitable for investors who: are looking for an international equity fund to hold as part of their portfolio; want a long-term investment; can handle the volatility of stock markets; and have medium tolerance for risk.

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. Series returns may differ for a number of reasons, including if the series was not issued and outstanding for the entire reporting period and because of different levels of fees and expenses charged to each series. Please refer to the *Series Information* section of this report for the varying management and administration fees payable by each series.

Since inception, the Fund's Series Private Wealth securities returned -16.90%. This compares with a -13.25% 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.

The Fund underperformed the Index primarily due to the strong negative performance of the Value factor in addition to an increase in the Fund's correlation to the broader equity market during the February and March 2020 sell-off. The Fund's exposure to the Momentum and Low Volatility factors contributed positively.

The Fund was unhedged against the Euro ("EUR") since inception but introduced a 25% target hedge against the EUR on February 28, 2020. The Fund remained un-hedged against the Japanese Yen ("JPY") and British Pound ("GBP") since inception. Since inception, the Canadian dollar ("CAD") depreciated by 5.82%, 3.36%, and 7.86% against the EUR, GBP, and JPY respectively. As a result, these currency exposures had a positive impact on the Fund's performance.

Net Assets

The Fund's NAV at March 31, 2020 was \$122.8 million primarily due to \$148.0 million of net sales and partially offset by \$25.2 million due to investment performance (after deducting fees and expenses).

Fees and Expenses

The Management Expense Ratio ("MER") for Series Private Wealth for the period ended March 31, 2020 was 0.19%. 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

Governments worldwide have enacted emergency measures to combat the spread of the COVID-19 virus in the last several months. These measures have caused significant volatility and weakness in global equity markets and material disruption to businesses globally, resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions to stabilize economic conditions.

The duration and impact of the COVID-19 pandemic on business and markets, and the extent of economic relief measures provided by governments and central banks, are unknown at the reporting date and it is therefore not possible to reliably estimate the impact on the financial results and position of the Fund in future periods.

Scientific Beta, the Fund's index provider, uses multiple different weighting schemes to diversify against risk. During 2019 and at the beginning of 2020, the average correlation between stocks was low and close to their long-term historical average. In this environment, Scientific Beta's stock selections have historically outperformed over the longer term.

However, correlations moved closer together during market downturn in Q1 2020, similar to previous crises such as 2008 or 2001. Diversification in these negative environments is therefore less effective since stocks behave very similarly. There was a concentration of performance with the largest 5% holdings of the international cap-weighted indices outperforming the broad index. This performance concentration is in opposition with the concept of risk diversification. As a result, Scientific Beta's stock selections (which are based on that concept) have a higher probability to underperform the broad markets in these conditions as they cannot benefit from specific risk diversification.

The Fund's target hedge of 25% against the Euro continues to be maintained. Counsel may also establish hedges against exposure to the British Pound and Japanese Yen. 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. At March 31, 2020, Top Funds owned 76.8% of the Fund's NAV and Series Private Wealth investors owned 23.2% of the Fund's NAV. During the period, the Fund experienced significant redemptions by Top Fund investors. As of March 31, 2020, Counsel had not received notice of any additional 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 March 31, 2020, the Fund held investments in several overseas investments indirectly affiliated with IGM Financial Inc. through Power Corporation of Canada. As at March 31, 2020, the value of these investments was in aggregate \$1.0 million representing 0.8% of the Fund's net assets. These investments are in accordance with policies approved by the Counsel

Funds' Independent Review Committee ("IRC"); 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. Additionally, the Fund relied on standing instructions from the IRC with regards to purchases of securities from Counsel International Value.

Management Fees

The Fund's management fees were used by the Manager to pay for: costs of managing the investment portfolio; providing investment analysis and recommendations; making investment decisions; the purchase and sale of the investment portfolio; and providing other services. The Manager also used the management fees to fund commission payments and other compensation (collectively, "Distribution Related Payments") paid to the dealers and brokers for securities of the Fund bought and held by investors.

The following dealers, who are affiliated with Counsel, may be entitled to Distribution Related Payments from Counsel on the same basis as unrelated registered brokers and dealers: IPC Securities Corporation, Investors Group Securities Inc., IPC Investment Corporation, Investors Group Financial Services Inc., and Quadrus Investment Services Ltd.

During the period, approximately 35% of the total management fee revenues received from all Counsel funds were used to fund Distribution Related Payments to registered dealers and brokers. In comparison, such Distribution Related Payments for the Fund represented 53% of the management fees paid. This amount is an average percentage of the management fees paid by all series. The actual percentage for each series may be higher or lower than the average depending on the level of trailing commissions and sales commissions paid for that series. The higher proportion of Distribution Related Payments is primarily attributable to the lower management fee paid by IPC Essentials Portfolios.

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*.

	Date of Inception	Minimum Investment (\$)	Management Fee (%)	Administration Fee (%)
Series O ^{1,3}	October 29, 2019	-	-	-
Series Private Wealth ^{2,3}	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 the IPC Private Wealth Program and agree to pay certain asset-based fees.

³ Securities of this series are not subject to sales charges or redemption charges.

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.

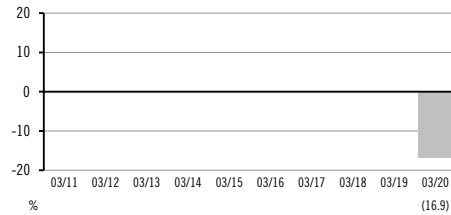
If you hold this Fund outside of a registered plan, income and capital gains distributions paid to you increase your income for tax purposes, whether paid in cash or reinvested in additional securities. The amount of reinvested taxable distributions is added to the adjusted cost base of the securities 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

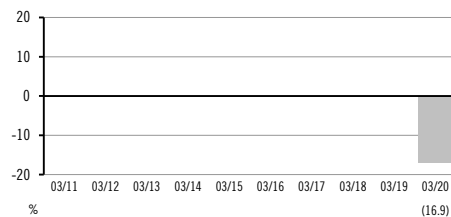
The bar chart shows how much an investment made on the first day of each financial year would have increased or decreased by the end of the respective periods. For the first year of a series, the percentage

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



Annual Compound Returns

The Annual Compound Return table shows the annual compound total return for each series of the Fund for the periods shown ended March 31, 2020. The annual compound total return is also compared to the Fund's benchmark(s)¹ calculated on the same compound basis.

(%)	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Series Private Wealth	n/a	n/a	n/a	n/a	(16.90)
Series O	n/a	n/a	n/a	n/a	(16.90)
MSCI EAFE Index	n/a	n/a	n/a	n/a	(13.25)

¹ MSCI EAFE® Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index consisting of a wide range of developed market equity indices (excluding U.S. and Canada).

Summary of Investment Portfolio

as at March 31, 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
Nestle SA Reg.	0.8
Koninklijke Ahold Delhaize NV	0.8
UCB SA	0.7
NICE-Systems Ltd.	0.7
Kerry Group PLC A	0.6
Roche Holding AG Genussscheine	0.6
National Grid PLC	0.6
Enel SPA	0.6
Diageo PLC	0.6
Orkla ASA	0.5
Swisscom AG Reg.	0.5
Smith & Nephew PLC	0.5
Fujitsu Ltd.	0.5
Elisa OYJ	0.5
Hannover Rueckversicherung SE Reg.	0.5
Assicurazioni Generali SPA	0.5
Nippon Telegraph & Telephone Corp. (NTT)	0.5
Bank Hapoalim	0.5
Nippon Building Fund Inc.	0.5
Vodafone Group PLC	0.5
Hermes International	0.5
Pennon Group PLC	0.4
DSV Panalpina AS	0.4
Merck KGaA	0.4
Ageas	0.4
	13.6

Summary of Composition of the Portfolio

	% of net asset value
BY ASSET TYPE	
Equities	99.4
Cash and cash equivalents	0.4
Other	0.2
Total	100.0
BY SECTOR	
Industrials	15.2
Consumer Staples	14.3
Financials	12.8
Consumer Discretionary	9.8
Real Estate	9.0
Information Technology	7.7
Health Care	7.7
Materials	7.3
Communication Services	7.2
Utilities	6.6
Energy	1.8
Cash and cash equivalents	0.4
Other	0.2
	100.0
BY COUNTRY	
Europe ex U.K.	44.1
Japan	27.7
United Kingdom	14.1
Pacific ex Japan	11.3
Middle East and Africa	2.0
United States	0.2
Canada	0.2
Cash and cash equivalents	0.4
	100.0
CURRENCY EXPOSURE	
Japanese yen	27.7
Euro	23.0
United Kingdom pounds	14.1
Swiss franc	7.7
Canadian dollar	7.6
Australian dollars	4.7
Singapore dollars	3.1
Swedish krona	2.6
Hong Kong dollars	2.6
Danish krone	2.1
Israeli sheqel	1.8
Norwegian krona	1.6
Other	1.4
	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 past 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 \$)	12 mo	12 mo	12 mo	12 mo	12 mo
	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2019	2018	2017	2016
² Net assets, beginning of period	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.08	n/a	n/a	n/a	n/a
Total expenses	(0.01)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	0.01	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(1.77)	n/a	n/a	n/a	n/a
³ Total increase (decrease) from operations	(1.69)	n/a	n/a	n/a	n/a
Distributions:					
From income (excluding Canadian dividends)	(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	(0.05)	n/a	n/a	n/a	n/a
² Net assets at period end	8.27	n/a	n/a	n/a	n/a
Series Private Wealth (in \$)	12 mo Mar. 31 2020	12 mo Mar. 31 2019	12 mo Mar. 31 2018	12 mo Mar. 31 2017	12 mo Mar. 31 2016
² Net assets, beginning of period	10.00	n/a	n/a	n/a	n/a
Increase (decrease) from operations:					
Total revenue	0.09	n/a	n/a	n/a	n/a
Total expenses	(0.02)	n/a	n/a	n/a	n/a
Realized gains (losses) for the period	-	n/a	n/a	n/a	n/a
Unrealized gains (losses) for the period	(1.77)	n/a	n/a	n/a	n/a
³ Total increase (decrease) from operations	(1.70)	n/a	n/a	n/a	n/a
Distributions:					
From income (excluding Canadian dividends)	(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	(0.04)	n/a	n/a	n/a	n/a
² Net assets at period end	8.27	n/a	n/a	n/a	n/a

Ratios and Supplemental Data

Series O	12 mo	12 mo	12 mo	12 mo	12 mo
	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2019	2018	2017	2016
² Total net asset value (pricing NAV) (\$'000's)	94,287	n/a	n/a	n/a	n/a
Number of securities outstanding (000's)	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 (%)	0.37	n/a	n/a	n/a	n/a
⁷ Portfolio turnover rate (%)	-	n/a	n/a	n/a	n/a

Series Private Wealth	12 mo	12 mo	12 mo	12 mo	12 mo
	Mar. 31	Mar. 31	Mar. 31	Mar. 31	Mar. 31
	2020	2019	2018	2017	2016
² Total net asset value (pricing NAV) (\$'000's)	28,526	n/a	n/a	n/a	n/a
Number of securities outstanding (000's)	3,450	n/a	n/a	n/a	n/a
⁵ Management expense ratio (%)	0.19	n/a	n/a	n/a	n/a
⁵ Management expense ratio before waivers or absorptions (%)	0.19	n/a	n/a	n/a	n/a
⁶ Trading expense ratio (%)	0.37	n/a	n/a	n/a	n/a
⁷ Portfolio turnover rate (%)	-	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 and in the financial statements and this table 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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