

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-800-563-5181, by writing to us at CI Investments Inc., 2 Queen Street East, Twentieth Floor, Toronto, ON, M5C 3G7 or by visiting our website at www.ci.com or SEDAR 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.

INVESTMENT OBJECTIVE AND STRATEGIES

The objective of the Harbour Growth & Income Fund (the Fund) is to obtain a long-term total return through a prudent balance of income and capital appreciation. It invests primarily in equity and equity-related securities of mid- to large- capitalization Canadian companies and fixed-income securities issued by Canadian governments and companies. The proportion of the Fund's assets invested in equity and fixed-income securities may vary according to market conditions.

The portfolio advisor uses techniques such as fundamental analysis to assess the value and growth potential of a company. This means evaluating the financial condition and management of a company, its industry and the overall economy. As part of this evaluation, the portfolio advisor analyzes financial data, assesses the quality of management, and conducts company interviews. For the fixed-income portion of the Fund, the portfolio advisor analyzes the yield curve, expected changes in interest rates, credit ratings, credit risk and the issuer's cash flow. Investments in foreign securities will generally be no more than 49% of the Fund's assets.

RISK

No changes affecting the overall level of risk associated with investing in the Fund were made during the year. The risks of the Fund remain as discussed in the Fund's most recently filed simplified prospectus or its amendments. The Manager reviews the risk rating for the Fund on an annual basis, at a minimum, based on the methodology mandated by the Canadian Securities Administrators to determine the risk level of the Fund. Any change to the risk rating made during the year was as a result of such review and was not a result of any change to the investment objective, strategies or management of the Fund.

RESULTS OF OPERATIONS

The net asset value of the Fund decreased by \$865.7 million to \$2,098.7 million from March 31, 2018 to March 31, 2019. The Fund had net redemptions of \$589.9 million during the year. The portfolio's performance decreased assets by \$158.7 million. The Fund paid distributions totalling \$117.1 million. Class A units returned -7.1% after fees and expenses for the one-year period ended March 31, 2019. Over the same time period, the Fund's benchmark returned 7.2%. The benchmark is a combination of the S&P/TSX Composite Total Return Index - 60% and the FTSE Canada Universe Bond Total Return Index - 40%.

The performance of the Fund's other classes is substantially similar to that of Class A units, except for differences in the structure of fees and expenses. For the returns of the Fund's other classes, please refer to the "Past Performance" section.

The Fund was up during the quarter but underperformed versus its benchmark as the Fund's portfolio was initially positioned for a less constructive economic environment and little exposure to foreign assets. Upon change in portfolio management, the Signature

Asset Management team began transitioning the portfolio toward the team's more constructive global view. However, the transition took time and domestic equity markets ripped higher during the quarter, with the West Texas Intermediate crude oil quote increasing over 40%.

A legacy Fund position in Neo Performance Materials Inc. weighed on the portfolio during the quarter as the company announced its acquisition by Luxfer Holdings PLC had fallen through at the time we were attempting to liquidate the holding. Furthermore, Sony Corp., a newly initiated position in the Fund, detracted from performance as Google LLC announced in March it will launch Stadia, a new cloud-based game platform that is expected to compete directly with Sony's PlayStation brand. Unfortunately, these issues overshadowed strong performance from newly initiated Fund positions, such as industrial real estate investment trust Prologis, Inc.; Chinese e-commerce and financial services provider Alibaba Group Holding Ltd.; and health care equipment supplier Danaher Corp.

Equity markets staged a significant rebound during the quarter, with the S&P/TSX Composite Index rising 13.3% and the FTSE Canada Universe Bond Index up 3.9%. The Fund's 60% allocation to equities during the quarter participated positively in this rally and provided the majority of the Fund's returns. Within equities, stock selection was particularly strong in the financials sector as stocks rebounded from a difficult fourth quarter of 2018 and fears of credit weakness for the U.S. consumer subsided. The Fund was underweight in fixed-income investments and held an average 8% cash position during the quarter. This allocation weighed on performance as bonds rallied during the quarter on the back of a more dovish stance by the U.S. Federal Reserve (Fed) on interest rates.

Manulife Financial Corp.'s share price recovered this quarter after a poor showing in 2018. A lawsuit against the company, which claimed that certain life policy contracts guaranteeing a relatively high fixed rate of return have unlimited deposit levels, was struck down by a Saskatchewan court. This was an important win for Manulife Financial that should put the saga to rest. The company is still facing pressure on its long-term care reserve levels, but we believe the current market valuations of the company more than account for that. With strong potential growth in Asia, a solid balance sheet position that is still being optimized and improving operational efficiencies through cost reductions, we believe Manulife Financial's stock is offering good value at these levels.

The Fund's position in Government of Canada 1.5% bonds due June 1, 2026 added to the Fund's performance as fixed-income markets rallied during the quarter. The rally was driven by the Fed, in particular, along with several other central banks globally signalling they would be slowing down their anticipated interest rate increases or prepared to soften their stance on hiking interest rates. Canadian interest rates followed suit, and indeed rallied even further on the back of some signs early this year of slowing growth in the Canadian economy.

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Sony is one of the world's largest consumer, electronics, gaming and entertainment companies. The company's stock fell during the quarter as it became apparent that benefits from the company's restructuring program had largely occurred. In addition, the strong momentum of Sony's gaming division experienced in 2018, with the sale of games such as Fortnite, will be a challenge to sustain in 2019. Thematic gaming investors are concerned the recently announced cloud-based game-streaming service from Google LLC will disrupt Sony's business. We expect some relief in the back half of 2019, but in the near term, the company's challenges are likely to persist. We lowered our position in Sony during the quarter.

In this regard, a number of significant trades were transacted during the quarter, a few of which are noted below.

We added a significant Fund position in Canadian Natural Resources Ltd., which we believe is Canada's premier exploration and production energy company, with significant free cash flow, a world-class management team, and an inexpensive share price.

We added a meaningful Fund position in shares of Manulife Financial, which we believe has been undervalued for some time. Recent positive developments on a litigation case have helped to improve sentiment on the company, and Manulife Financial stock was up strongly during the quarter.

We also added large Fund positions in Alimentation Couche-Tard Inc.; Samsung Electronics Co., Ltd.; and Synchrony Financial.

Also for alignment reasons, we sold off Fund positions in Fairfax India Holdings Corp. and Fairfax Africa Holdings Corp. We also sold positions in Toronto-Dominion Bank, Telefonaktiebolaget LM Ericsson, Fortis Inc., Alphabet Inc. (the parent company of Google) and Newmont Mining Corp. In each case, we believe there are other holdings that offer better risk/reward characteristics.

We added Fund positions in Bank of America Corp. and Industrial Alliance Insurance and Financial Services Inc., which we believe offer better upside potential compared with some other financial holdings that we sold down during the quarter. The Fund's overall weight in financial equities was slightly reduced during the quarter.

We added a Fund position in Total S.A., one of the world's largest integrated oil companies. Total is expected to generate production growth of almost 15% over the next two years. The company's stock trades near the bottom end of its historical valuation on several important metrics and pays a very healthy 5% dividend. We are also constructive on oil prices due to members of the Organization of the Petroleum Exporting Countries (better known by its acronym, OPEC) maintaining their supply discipline and an expectation of more modest production growth of shale oil from the Permian Basin in southwestern U.S.

RECENT DEVELOPMENTS

The powerful rally in government bond prices in March pushed long-term bonds yields below short-term bond yields - a so-called inversion of the term structure (or curve) of bond yields. This development was attributable to Fed policy changes and soft economic data. This extreme circumstance has prompted comparisons of global bond markets, particularly in the case of low-growth Europe, to Japan where real interest rates and government bond yields are already negative. Signature Global Asset Management's

view is that lower yields will serve as a stabilizing force to growth rather than a precipitator of a deflationary contraction, which is the prevailing view in the bond market. Barring an external shock, our view is a recession is unlikely in the short term.

Lyft, Inc.'s initial public offering at the end of March began what we expect to be a flurry of global technology IPOs being brought to the market in the second quarter of 2019, including from Uber Technologies Inc., Palantir Technologies Inc. and Slack Technologies, Inc. Many of these "unicorn" deals will test the market's appetite to sponsor extremely fast-growing, but as yet unprofitable, business models. The overall technological wave is sweeping across a broad set of sectors and is having a hugely disruptive impact on traditional businesses. Large sectors such as automotive and finance, to name a few, will need to adapt quickly or otherwise be swept aside by the speed and ferocity of these changes.

After the significant rally this quarter, valuations in both equity and credit markets are at fair levels. We believe low interest rates and low growth are set to extend well into the future, resulting in modest returns from this point forward.

New Accounting Standard – IFRS 9

Effective April 1, 2018, the Fund retrospectively without restatement adopted IFRS 9, *Financial Instruments* (IFRS 9). The new standard requires financial assets to be either carried at amortized cost or at fair value with changes in fair value recognized in profit and loss (FVTPL) or in other comprehensive income (FVOCI) based on the Fund's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. Upon transition to IFRS 9, the Fund's financial assets and financial liabilities previously designated as FVTPL or classified as held for trading under IAS 39, *Financial Instruments: Recognition and Measurement* (IAS 39) continue to be classified as FVTPL under IFRS 9. There were no changes in the measurement attributes for any of the Fund's financial assets and financial liabilities upon transition to IFRS 9.

Effective September 20, 2018, Tom Eisenhauer became a member of the Independent Review Committee (IRC) and effective October 15, 2018, Mary Robertson resigned as a member of the IRC.

Effective February 8, 2019, CI Investments Inc. replaced Marret Asset Management Inc. and CI Global Investments Inc. as portfolio sub-advisor to the Fund.

RELATED PARTY TRANSACTIONS

Manager, Portfolio Advisor, Trustee and Registrar

CI Investments Inc. is the Manager, Portfolio Advisor, Trustee and Registrar of the Fund. CI Investments Inc. is a subsidiary of CI Financial Corp. The Manager, in consideration for management fees, provides management services required in the day-to-day operations of the Fund. The Manager bears all of the operating expenses of the Fund (other than taxes, borrowing costs and new governmental fees) in return for a fixed administration fee.

Management fee and fixed administration fee rates as at March 31, 2019, for each of the classes are shown below:

	Annual management fee rate (%)	Annual fixed administration fee rate (%)
Class A	2.000	0.20
Class A1	1.850	0.20

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	Annual management fee rate (%)	Annual fixed administration fee rate (%)
Class A2	1.800	0.19
Class A3	1.750	0.15
Class A4	1.700	0.12
Class A5	1.600	0.10
Class E	1.850	0.15
Class EF	0.850	0.15
Class F	1.000	0.20
Class F1	0.850	0.20
Class F2	0.800	0.19
Class F3	0.750	0.15
Class F4	0.700	0.12
Class I	Paid directly by investor	-
Class O	Paid directly by investor	0.15
Class P	Paid directly by investor	0.20
Class Z	1.750	0.20

The Manager received \$18.9 million in management fees and \$2.0 million in fixed administration fees for the year.

Management Fees

Approximately 27% of total management fees were used to pay for sales and trailing commissions. The remaining 73% of management fees were used to pay for investment management and other general administration.

Inter-Fund Trading

Inter-fund trading occurs when a Fund purchases or sells a security of any issuer from or to another Fund managed by the Manager. These transactions are executed through market intermediaries and under prevailing market terms and conditions. The Independent Review Committee reviews such transactions during scheduled meetings. During the year ended March 31, 2019 the Fund executed inter-fund trades.

Independent Review Committee

The Fund received standing instructions from the Fund's Independent Review Committee with respect to the following related party transactions:

- a) trades in securities of CI Financial Corp.; and
- b) purchases or sales of securities of an issuer from or to another investment fund managed by the Manager.

The applicable standing instructions require that related party transactions be conducted in accordance with the Manager's policies and procedures and that the Manager advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that investment decisions in respect of related party transactions (a) are free from any influence by an entity related to the Manager and without taking into account any consideration relevant to an entity related to the Manager; (b) represent the business judgment of the Manager uninfluenced by

considerations other than the best interests of the Fund; (c) are made in compliance with the Manager's policies and procedures; and (d) achieve a fair and reasonable result for the Fund. Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC on a quarterly basis to monitor compliance.

The Fund relied on the IRC's standing instructions regarding related party transactions during this reporting year.

Except as otherwise noted above, the Fund was not a party to any related party transactions during the year ended March 31, 2019.

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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 years, as applicable.

Net Assets per Unit (\$) ^{(1) (2) (4) *}		Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽³⁾
Net assets at the beginning of year ⁽²⁾		Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the year	Unrealized gains (losses) for the year	Total increase (decrease) from operations ⁽²⁾	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital	Total distributions ^{(2) (3)}	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Class A												
Commencement of operations June 27, 1997												
Mar. 31, 2019	19.63	0.49	(0.46)	(0.50)	(1.01)	(1.48)	(0.06)	(0.14)	(0.45)	-	(0.65)	17.55
Mar. 31, 2018	20.76	0.44	(0.49)	0.71	(1.12)	(0.46)	-	(0.12)	(0.55)	-	(0.67)	19.63
Mar. 31, 2017	19.65	0.49	(0.50)	1.28	0.56	1.83	(0.12)	(0.18)	(0.39)	-	(0.69)	20.76
Mar. 31, 2016	22.04	0.51	(0.51)	1.41	(2.10)	(0.69)	(0.09)	(0.21)	(1.44)	-	(1.74)	19.65
Mar. 31, 2015	20.77	0.50	(0.52)	3.32	(1.98)	1.32	-	(0.01)	-	-	(0.01)	22.04
Class A1												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.46	0.24	(0.20)	(0.63)	0.03	(0.56)	(0.03)	(0.07)	(0.23)	-	(0.33)	8.46
Mar. 31, 2018	10.00	0.17	(0.20)	0.38	(0.50)	(0.15)	-	(0.06)	(0.28)	-	(0.34)	9.46
Class A2												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.46	0.24	(0.20)	(0.35)	(0.39)	(0.70)	(0.03)	(0.07)	(0.23)	-	(0.33)	8.46
Mar. 31, 2018	10.00	0.17	(0.20)	0.37	(0.47)	(0.13)	-	(0.06)	(0.28)	-	(0.34)	9.46
Class A3												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.46	0.24	(0.19)	(0.37)	(0.36)	(0.68)	(0.03)	(0.08)	(0.24)	-	(0.35)	8.46
Mar. 31, 2018	10.00	0.17	(0.18)	0.36	(0.56)	(0.21)	-	(0.06)	(0.30)	-	(0.36)	9.46
Class A4												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.46	0.24	(0.18)	(0.33)	(0.34)	(0.61)	(0.03)	(0.08)	(0.24)	-	(0.35)	8.45
Mar. 31, 2018	10.00	0.17	(0.18)	0.37	(0.63)	(0.27)	-	(0.06)	(0.30)	-	(0.36)	9.46
Class A5												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.45	0.24	(0.17)	(0.44)	(0.27)	(0.64)	(0.03)	(0.08)	(0.25)	-	(0.36)	8.45
Mar. 31, 2018	10.00	0.18	(0.16)	0.38	(0.49)	(0.09)	-	(0.07)	(0.32)	-	(0.39)	9.45

*Footnotes for the tables are found at the end of the Net Assets per Unit section of the Financial Highlights.

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FINANCIAL HIGHLIGHTS (cont'd)

Net Assets per Unit (\$) ^{(1) (2) (4) *}		Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽²⁾
Net assets at the beginning of year ⁽²⁾		Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the year	Unrealized gains (losses) for the year	Total increase (decrease) from operations ⁽²⁾	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital	Total distributions ^(2,3)	
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Class E												
Commencement of operations October 4, 2011												
Mar. 31, 2019	11.98	0.32	(0.25)	(0.33)	(0.63)	(0.89)	(0.04)	(0.09)	(0.29)	-	(0.42)	10.71
Mar. 31, 2018	12.67	0.28	(0.27)	0.46	(0.68)	(0.21)	-	(0.08)	(0.36)	-	(0.44)	11.98
Mar. 31, 2017	12.00	0.31	(0.27)	0.80	0.28	1.12	(0.08)	(0.12)	(0.26)	-	(0.46)	12.67
Mar. 31, 2016	13.44	0.33	(0.28)	0.80	(1.14)	(0.29)	(0.06)	(0.13)	(0.89)	-	(1.08)	12.00
Mar. 31, 2015	12.66	0.33	(0.29)	1.93	(1.13)	0.84	-	(0.03)	-	-	(0.03)	13.44
Class EF												
Commencement of operations July 29, 2015												
Mar. 31, 2019	8.84	0.23	(0.09)	(0.34)	(0.29)	(0.49)	(0.04)	(0.09)	(0.28)	-	(0.41)	7.90
Mar. 31, 2018	9.35	0.20	(0.10)	0.33	(0.41)	0.02	-	(0.08)	(0.36)	-	(0.44)	8.84
Mar. 31, 2017	8.86	0.22	(0.10)	0.63	0.02	0.77	(0.08)	(0.11)	(0.25)	-	(0.44)	9.35
Mar. 31, 2016	10.00	0.15	(0.07)	0.17	(0.13)	0.12	(0.05)	(0.11)	(0.75)	-	(0.91)	8.86
Class F												
Commencement of operations July 31, 2001												
Mar. 31, 2019	17.40	0.44	(0.22)	(0.38)	(0.95)	(1.11)	(0.07)	(0.17)	(0.52)	-	(0.76)	15.55
Mar. 31, 2018	18.41	0.39	(0.24)	0.63	(0.97)	(0.19)	-	(0.14)	(0.66)	-	(0.80)	17.40
Mar. 31, 2017	17.44	0.43	(0.24)	1.15	0.44	1.78	(0.14)	(0.21)	(0.47)	-	(0.82)	18.41
Mar. 31, 2016	19.57	0.45	(0.25)	1.22	(1.81)	(0.39)	(0.09)	(0.21)	(1.45)	-	(1.75)	17.44
Mar. 31, 2015	18.43	0.45	(0.25)	2.87	(1.70)	1.37	(0.01)	(0.21)	-	-	(0.22)	19.57
Class F1												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.45	0.24	(0.10)	(0.60)	(0.16)	(0.62)	(0.04)	(0.09)	(0.29)	-	(0.42)	8.44
Mar. 31, 2018	10.00	0.17	(0.10)	0.42	(0.66)	(0.17)	-	(0.08)	(0.37)	-	(0.45)	9.45
Class F2												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.44	0.24	(0.10)	(0.36)	(0.46)	(0.68)	(0.04)	(0.09)	(0.30)	-	(0.43)	8.44
Mar. 31, 2018	10.00	0.16	(0.10)	0.38	(0.89)	(0.45)	-	(0.08)	(0.38)	-	(0.46)	9.44
Class F3												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.44	0.24	(0.09)	(0.17)	(0.34)	(0.36)	(0.04)	(0.10)	(0.30)	-	(0.44)	8.43
Mar. 31, 2018	10.00	0.15	(0.09)	0.43	(1.08)	(0.59)	-	(0.08)	(0.39)	-	(0.47)	9.44

*Footnotes for the tables are found at the end of the Net Assets per Unit section of the Financial Highlights.

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Net Assets per Unit (\$) ^{(1) (2) (4)}		Increase (decrease) from operations:					Distributions:					Net assets at the end of the year shown ⁽²⁾
Net assets at the beginning of year ⁽²⁾		Total revenue	Total expenses (excluding distributions)	Realized gains (losses) for the year	Unrealized gains (losses) for the year	Total increase (decrease) from operations ⁽²⁾	From net investment income (excluding dividends)	From dividends	From capital gains	Return of capital	Total distributions ^{(2) (3)}	
\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Class F4												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.44	0.24	(0.08)	(0.40)	(0.07)	(0.31)	(0.04)	(0.10)	(0.31)	-	(0.45)	8.44
Mar. 31, 2018	10.00	0.19	(0.08)	0.37	(0.57)	(0.09)	-	(0.08)	(0.39)	-	(0.47)	9.44
Class I												
Commencement of operations July 31, 2001												
Mar. 31, 2019	18.05	0.46	-	(0.60)	(0.79)	(0.93)	(0.09)	(0.22)	(0.70)	-	(1.01)	16.12
Mar. 31, 2018	19.11	0.40	-	0.67	(1.04)	0.03	-	(0.19)	(0.90)	-	(1.09)	18.05
Mar. 31, 2017	18.12	0.45	-	1.19	0.50	2.14	(0.20)	(0.29)	(0.64)	-	(1.13)	19.11
Mar. 31, 2016	20.36	0.47	-	1.30	(1.91)	(0.14)	(0.11)	(0.25)	(1.75)	-	(2.11)	18.12
Mar. 31, 2015	19.18	0.46	-	3.07	(1.84)	1.69	(0.02)	(0.47)	-	-	(0.49)	20.36
Class O												
Commencement of operations October 4, 2011												
Mar. 31, 2019	11.92	0.30	(0.02)	(0.37)	(0.57)	(0.66)	(0.06)	(0.14)	(0.45)	-	(0.65)	10.64
Mar. 31, 2018	12.62	0.26	(0.02)	0.46	(0.67)	0.03	-	(0.12)	(0.58)	-	(0.70)	11.92
Mar. 31, 2017	11.96	0.30	(0.02)	0.78	0.27	1.33	(0.13)	(0.18)	(0.41)	-	(0.72)	12.62
Mar. 31, 2016	13.29	0.30	(0.02)	0.79	(1.07)	-	(0.07)	(0.15)	(1.01)	-	(1.23)	11.96
Mar. 31, 2015	12.51	0.31	(0.02)	1.84	(1.07)	1.06	(0.01)	(0.28)	-	-	(0.29)	13.29
Class P												
Commencement of operations May 1, 2017												
Mar. 31, 2019	9.43	0.24	(0.02)	(0.42)	(0.35)	(0.55)	(0.05)	(0.11)	(0.35)	-	(0.51)	8.42
Mar. 31, 2018	10.00	0.15	(0.02)	0.51	(1.29)	(0.65)	-	(0.10)	(0.45)	-	(0.55)	9.43
Class Z												
Commencement of operations August 29, 2003												
Mar. 31, 2019	16.21	0.41	(0.34)	(0.58)	(0.64)	(1.15)	(0.05)	(0.13)	(0.40)	-	(0.58)	14.50
Mar. 31, 2018	17.15	0.36	(0.37)	0.60	(0.93)	(0.34)	-	(0.11)	(0.49)	-	(0.60)	16.21
Mar. 31, 2017	16.24	0.40	(0.37)	1.06	0.45	1.54	(0.11)	(0.16)	(0.35)	-	(0.62)	17.15
Mar. 31, 2016	18.21	0.42	(0.38)	1.15	(1.69)	(0.50)	(0.08)	(0.18)	(1.22)	-	(1.48)	16.24
Mar. 31, 2015	17.15	0.41	(0.39)	2.74	(1.64)	1.12	-	(0.05)	-	-	(0.05)	18.21

(1) This information is derived from the Fund's audited annual financial statements.

(2) Net assets per unit and distributions per unit are based on the actual number of units outstanding for the relevant class at the relevant time. The increase (decrease) in net assets from operations per unit is based on the weighted average number of units outstanding for the relevant class over the fiscal year.

(3) Distributions are automatically reinvested in additional units of the Fund.

(4) This information is provided for the years ended March 31.

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FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ^{(1) (5) *}

	Total net assets ⁽¹⁾ \$000's	Number of units outstanding ⁽⁵⁾ 000's	Management expense ratio before taxes ⁽²⁾ %	Harmonized sales tax ⁽²⁾ %	Management expense ratio after taxes ⁽²⁾ %	Effective HST rate for the year ⁽²⁾ %	Trading expense ratio ⁽³⁾ %	Portfolio turnover rate ⁽⁴⁾ %
Class A								
Commencement of operations June 27, 1997								
Mar. 31, 2019	490,326	27,940	2.20	0.23	2.43	10.26	0.21	181.79
Mar. 31, 2018	875,222	44,588	2.20	0.23	2.43	10.29	0.15	112.07
Mar. 31, 2017	1,305,794	62,906	2.20	0.23	2.43	10.31	0.24	109.75
Mar. 31, 2016	1,522,263	77,449	2.21	0.23	2.44	10.32	0.17	127.90
Mar. 31, 2015	2,026,564	91,936	2.20	0.23	2.43	10.38	0.15	116.62
Class A1								
Commencement of operations May 1, 2017								
Mar. 31, 2019	195,875	23,159	2.05	0.21	2.26	10.40	0.21	181.79
Mar. 31, 2018	112,086	11,850	2.05	0.21	2.26	10.42	0.15	112.07
Class A2								
Commencement of operations May 1, 2017								
Mar. 31, 2019	15,547	1,837	1.99	0.21	2.20	10.65	0.21	181.79
Mar. 31, 2018	19,704	2,082	1.99	0.22	2.21	11.35	0.15	112.07
Class A3								
Commencement of operations May 1, 2017								
Mar. 31, 2019	7,291	862	1.90	0.16	2.06	8.61	0.21	181.79
Mar. 31, 2018	8,012	847	1.90	0.17	2.07	9.18	0.15	112.07
Class A4								
Commencement of operations May 1, 2017								
Mar. 31, 2019	1,109	131	1.82	0.17	1.99	9.38	0.21	181.79
Mar. 31, 2018	1,332	141	1.82	0.18	2.00	10.69	0.15	112.07
Class A5								
Commencement of operations May 1, 2017								
Mar. 31, 2019	245	29	1.70	0.15	1.85	8.71	0.21	181.79
Mar. 31, 2018	326	34	1.70	0.13	1.83	7.12	0.15	112.07

*Footnotes for the tables are found at the end of the Financial Highlights section.

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ^{(1) (2) *}

	Total net assets ⁽¹⁾ \$000's	Number of units outstanding ⁽¹⁾ 000's	Management expense ratio before taxes ⁽²⁾ %	Harmonized sales tax ⁽²⁾ %	Management expense ratio after taxes ⁽²⁾ %	Effective HST rate for the year ⁽²⁾ %	Trading expense ratio ⁽³⁾ %	Portfolio turnover rate ⁽⁴⁾ %
Class E								
Commencement of operations October 4, 2011								
Mar. 31, 2019	26,712	2,493	2.00	0.20	2.20	9.93	0.21	181.79
Mar. 31, 2018	45,916	3,832	2.00	0.20	2.20	9.88	0.15	112.07
Mar. 31, 2017	38,516	3,039	2.00	0.19	2.19	9.69	0.24	109.75
Mar. 31, 2016	25,801	2,150	2.01	0.20	2.21	9.92	0.17	127.90
Mar. 31, 2015	21,988	1,636	2.00	0.22	2.22	10.88	0.15	116.62
Class EF								
Commencement of operations July 29, 2015								
Mar. 31, 2019	1,441	182	1.00	0.09	1.09	9.08	0.21	181.79
Mar. 31, 2018	1,701	193	1.00	0.08	1.08	8.04	0.15	112.07
Mar. 31, 2017	1,492	160	1.00	0.10	1.10	11.70	0.24	109.75
Mar. 31, 2016	116	13	1.00	0.13	1.13	13.00	0.17	127.90
Class F								
Commencement of operations July 31, 2001								
Mar. 31, 2019	15,187	977	1.20	0.12	1.32	10.25	0.21	181.79
Mar. 31, 2018	30,523	1,754	1.20	0.12	1.32	10.13	0.15	112.07
Mar. 31, 2017	40,294	2,189	1.20	0.12	1.32	10.09	0.24	109.75
Mar. 31, 2016	31,762	1,821	1.20	0.12	1.32	10.25	0.17	127.90
Mar. 31, 2015	34,489	1,762	1.20	0.13	1.33	10.44	0.15	116.62
Class F1								
Commencement of operations May 1, 2017								
Mar. 31, 2019	10,366	1,228	1.05	0.11	1.16	10.45	0.21	181.79
Mar. 31, 2018	6,267	663	1.05	0.12	1.17	11.56	0.15	112.07
Class F2								
Commencement of operations May 1, 2017								
Mar. 31, 2019	1,351	160	0.99	0.10	1.09	9.97	0.21	181.79
Mar. 31, 2018	1,173	124	0.99	0.09	1.08	9.59	0.15	112.07
Class F3								
Commencement of operations May 1, 2017								
Mar. 31, 2019	289	34	0.89	0.09	0.98	10.46	0.21	181.79
Mar. 31, 2018	743	79	0.90	0.09	0.99	9.54	0.15	112.07

*Footnotes for the tables are found at the end of the Financial Highlights section.

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

FINANCIAL HIGHLIGHTS (cont'd)

Ratios and Supplemental Data ^{(1) (2) *}

	Total net assets ⁽¹⁾ \$000's	Number of units outstanding ⁽¹⁾ 000's	Management expense ratio before taxes ⁽²⁾ %	Harmonized sales tax ⁽²⁾ %	Management expense ratio after taxes ⁽²⁾ %	Effective HST rate for the year ⁽²⁾ %	Trading expense ratio ⁽³⁾ %	Portfolio turnover rate ⁽⁴⁾ %
Class F4								
Commencement of operations May 1, 2017								
Mar. 31, 2019	45	5	0.82	0.09	0.91	13.00	0.21	181.79
Mar. 31, 2018	10	1	0.81	0.09	0.90	13.00	0.15	112.07
Class I								
Commencement of operations July 31, 2001								
Mar. 31, 2019	1,269,259	78,761	-	-	-	-	0.21	181.79
Mar. 31, 2018	1,771,626	98,135	-	-	-	-	0.15	112.07
Mar. 31, 2017	2,137,509	111,837	-	-	-	-	0.24	109.75
Mar. 31, 2016	2,408,633	132,934	-	-	-	-	0.17	127.90
Mar. 31, 2015	2,997,774	147,219	-	-	-	-	0.15	116.62
Class O								
Commencement of operations October 4, 2011								
Mar. 31, 2019	21,997	2,067	0.15	0.02	0.17	10.59	0.21	181.79
Mar. 31, 2018	35,606	2,987	0.15	0.02	0.17	10.77	0.15	112.07
Mar. 31, 2017	28,569	2,264	0.15	0.02	0.17	10.72	0.24	109.75
Mar. 31, 2016	17,283	1,445	0.15	0.02	0.17	10.02	0.17	127.90
Mar. 31, 2015	8,545	643	0.15	0.01	0.16	9.47	0.15	116.62
Class P								
Commencement of operations May 1, 2017								
Mar. 31, 2019	511	61	0.20	0.02	0.22	8.26	0.21	181.79
Mar. 31, 2018	378	40	0.20	0.01	0.21	6.96	0.15	112.07
Class Z								
Commencement of operations August 29, 2003								
Mar. 31, 2019	41,168	2,840	1.95	0.23	2.18	11.69	0.21	181.79
Mar. 31, 2018	53,774	3,316	1.95	0.23	2.18	11.73	0.15	112.07
Mar. 31, 2017	65,212	3,803	1.95	0.23	2.18	11.76	0.24	109.75
Mar. 31, 2016	68,206	4,200	1.95	0.23	2.18	11.74	0.17	127.90
Mar. 31, 2015	84,010	4,613	1.95	0.23	2.18	11.78	0.15	116.62

*Footnotes for the tables are found at the end of the Financial Highlights section.

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

FINANCIAL HIGHLIGHTS (cont'd)

(1) This information is derived from the Fund's audited annual financial statements.

(2) Management expense ratio is calculated based on expenses charged to the Fund (excluding commissions and other portfolio transaction costs) and is expressed as an annualized percentage of daily average net assets for the year, including the Fund's proportionate share of any underlying fund(s) expenses, if applicable. The Effective HST tax rate is calculated using the attribution percentage for each province based on unitholder residency and can be different from 13%.

(3) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the year, including the Fund's proportionate share of such expenses of any underlying fund(s), if applicable.

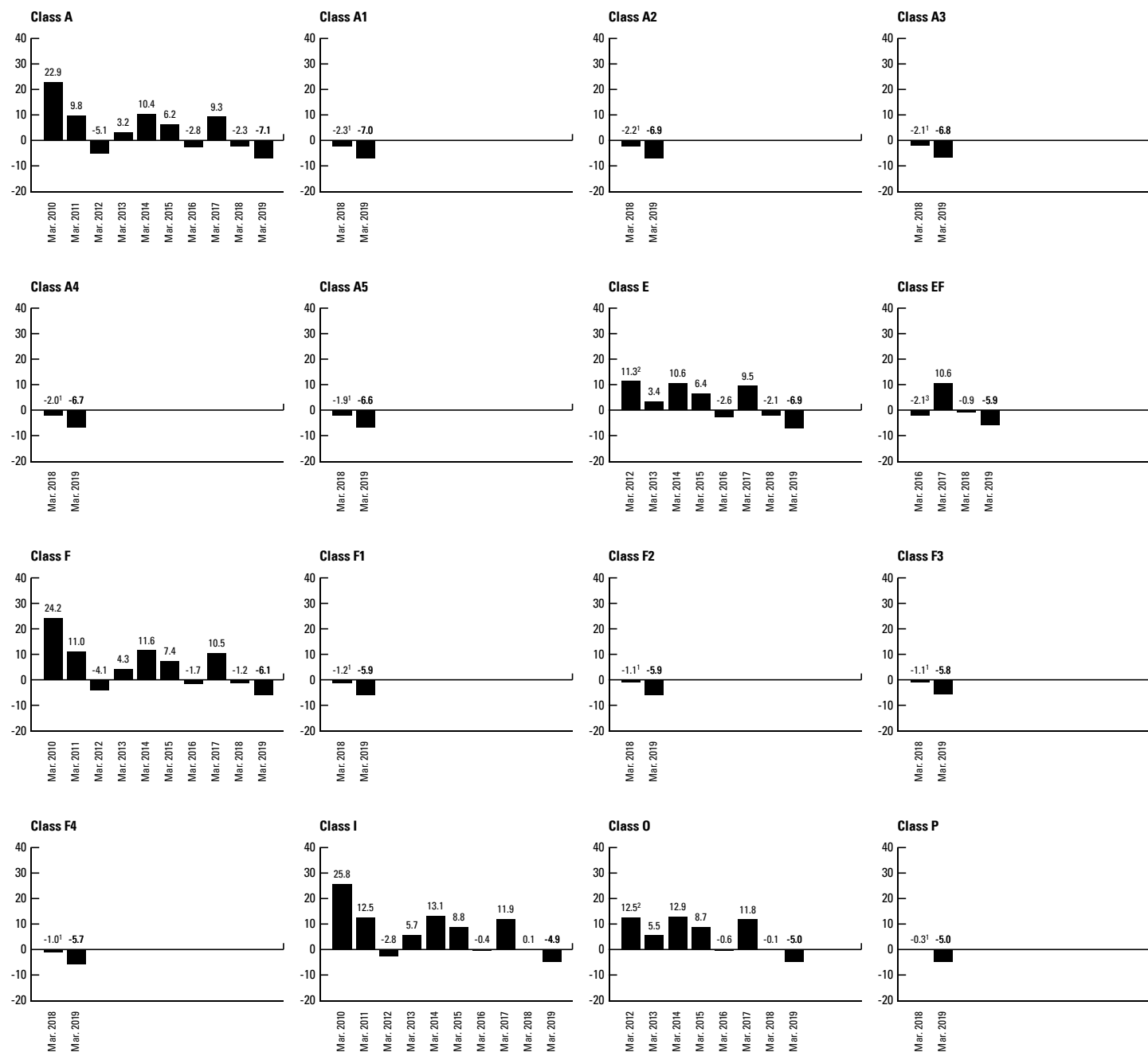
(4) The Fund's portfolio turnover rate indicates how actively the Fund's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the fiscal year. The higher a Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a higher turnover rate and the performance of a Fund. Portfolio turnover rate is calculated by dividing the lesser of the cost of purchases and the proceeds of sales of portfolio securities for the year, and excluding cash and short-term investments maturing in less than one year, and before assets acquired from a merger, if applicable, by the average of the monthly fair value of investments during the year.

(5) This information is provided for the years ended March 31.

Management Report of Fund Performance for the year ended March 31, 2019

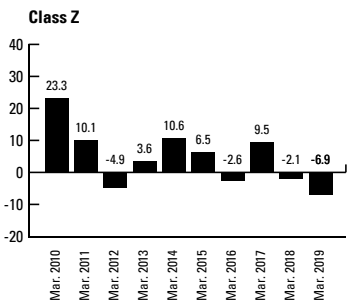
This section describes how the Fund has performed in the past. Remember, past returns do not indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the years shown were reinvested in additional units of the relevant classes of the Fund. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

The following charts show the Fund's annual performance for each of the years shown and illustrate how the Fund's performance has changed from year to year. In percentage terms, the charts show how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year, except where noted.



Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019



1 2018 return is for the period from May 1, 2017 to March 31, 2018.
2 2012 return is for the period from October 4, 2011 to March 31, 2012.
3 2016 return is for the period from July 29, 2015 to March 31, 2016.

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

Annual Compound Returns

The following table shows the Fund's annual compound returns for each year indicated, compared to the Blended Index composed of: (60% - S&P/TSX Composite Total Return Index and 40% - FTSE Canada Universe Bond Total Return Index); the S&P/TSX Composite Total Return Index and the FTSE Canada Universe Bond Total Return Index.

The S&P/TSX Composite Index is a float-adjusted market capitalization weighted index, which is the principal broad measure of the Canadian equity market. It includes common stocks and income trust units of companies incorporated in Canada which are listed on the Toronto Stock Exchange.

The FTSE Canada Universe Bond Index is a market capitalization weighted index that measures the performance of the Canadian investment-grade fixed income market. The Index consists of fixed rate bonds denominated in Canadian dollars, with a remaining effective term to maturity of at least one year, rated BBB or higher. The Index is comprised of four main credit or borrower categories: bonds issued by the Government of Canada (including Crown Corporations), Provincial bonds (including provincially-guaranteed securities), Municipal bonds and Corporate bonds. The Corporate sector is further divided into sub-sectors based on major industry groups: Financial, Communication, Industrial, Energy, Infrastructure, Real Estate and Securitization. The Corporate sector is also divided into sub-indices based on credit rating: a combined AAA/AA sector, a single A sector and a BBB sector.

A discussion of the performance of the Fund as compared to the benchmark is found in the Results of Operations section of this report.

	One Year (%)	Three Years (%)	Five Years (%)	Ten Years (%)	Since Inception (%)
Class A	(7.1)	(0.3)	0.5	4.1	n/a
Blended Index	7.2	6.7	4.9	7.6	n/a
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	9.5	n/a
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	4.3	n/a
Class A1	(7.0)	n/a	n/a	n/a	(4.7)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class A2	(6.9)	n/a	n/a	n/a	(4.6)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class A3	(6.8)	n/a	n/a	n/a	(4.5)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class A4	(6.7)	n/a	n/a	n/a	(4.5)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class A5	(6.6)	n/a	n/a	n/a	(4.3)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class E	(6.9)	(0.1)	0.7	n/a	3.7
Blended Index	7.2	6.7	4.9	n/a	5.7
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	n/a	6.9
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	n/a	3.6
Class EF	(5.9)	1.0	n/a	n/a	0.3
Blended Index	7.2	6.7	n/a	n/a	4.8
S&P/TSX Composite Total Return Index	8.1	9.3	n/a	n/a	6.1
FTSE Canada Universe Bond Total Return Index	5.3	2.7	n/a	n/a	2.5
Class F	(6.1)	0.8	1.6	5.2	n/a
Blended Index	7.2	6.7	4.9	7.6	n/a
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	9.5	n/a
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	4.3	n/a
Class F1	(5.9)	n/a	n/a	n/a	(3.7)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

	One Year (%)	Three Years (%)	Five Years (%)	Ten Years (%)	Since Inception (%)
Class F2	(5.9)	n/a	n/a	n/a	(3.6)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class F3	(5.8)	n/a	n/a	n/a	(3.5)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class F4	(5.7)	n/a	n/a	n/a	(3.4)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class I	(4.9)	2.2	2.9	6.6	n/a
Blended Index	7.2	6.7	4.9	7.6	n/a
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	9.5	n/a
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	4.3	n/a
Class O	(5.0)	2.0	2.8	n/a	5.7
Blended Index	7.2	6.7	4.9	n/a	5.7
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	n/a	6.9
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	n/a	3.6
Class P	(5.0)	n/a	n/a	n/a	(2.7)
Blended Index	7.2	n/a	n/a	n/a	8.7
S&P/TSX Composite Total Return Index	8.1	n/a	n/a	n/a	11.0
FTSE Canada Universe Bond Total Return Index	5.3	n/a	n/a	n/a	5.2
Class Z	(6.9)	0.0	0.7	4.4	n/a
Blended Index	7.2	6.7	4.9	7.6	n/a
S&P/TSX Composite Total Return Index	8.1	9.3	5.4	9.5	n/a
FTSE Canada Universe Bond Total Return Index	5.3	2.7	3.8	4.3	n/a

Harbour Growth & Income Fund

Management Report of Fund Performance for the year ended March 31, 2019

SUMMARY OF INVESTMENT PORTFOLIO as at March 31, 2019

Category	% of Net Assets	Category	% of Net Assets	Top 25 Holdings	% of Net Assets
Country allocation		Sector allocation			
Long Positions		Long Positions			
Canada	67.0	Financials	19.2	Cash & Equivalents	6.2
U.S.A.	12.8	Provincial Bonds	14.3	Manulife Financial Corp.	4.1
Cash & Equivalents	6.2	Corporate Bonds	11.1	Province of Ontario 2.7% 06/02/2029	3.0
France	2.7	Energy	8.8	The Bank of Nova Scotia	2.6
Switzerland	2.1	Canadian Government Bonds	7.6	Boralex Inc., Class A	2.3
Exchange-Traded Fund(s)	1.5	Consumer Staples	6.7	Canadian Natural Resources Ltd.	2.1
Japan	1.4	Cash & Equivalents	6.2	Province of Quebec 2.5% 09/01/2026	2.0
South Korea	1.3	Health Care	5.3	Province of Ontario 2.6% 06/02/2025	1.8
U.K.	1.3	Industrials	5.0	Suncor Energy Inc.	1.8
Spain	0.8	Materials	4.4	Corby Spirit and Wine Ltd., Class A	1.7
Ireland	0.7	Consumer Discretionary	3.8	Province of Quebec 3.75% 09/01/2024	1.7
Netherlands	0.6	Utilities	3.1	Province of Quebec 3.1% 12/01/2051	1.6
Jersey Island	0.6	Information Technology	3.0	SPDR Gold Trust	1.5
Cayman Islands	0.5	Exchange-Traded Fund(s)	1.5	Total S.A.	1.5
Italy	0.3	Real Estate	0.7	Westaim Corp.	1.4
Denmark	0.3	Warrants	0.0	Government of Canada 0.75% 03/01/2021	1.4
Belgium	0.2	Short-Term Investments	0.0	Synchrony Financial	1.4
Sweden	0.2	Foreign Currency Forward Contracts	0.0	Canadian Pacific Railway Ltd.	1.3
Germany	0.2	Other Net Assets (Liabilities)	(0.7)	Samsung Electronics Co., Ltd.	1.3
Short-Term Investments	0.0	Total Long Positions	100.0	Nutrien Ltd.	1.3
Foreign Currency Forward Contracts	0.0	Short Positions:		Canadian Imperial Bank of Commerce	1.2
Other Net Assets (Liabilities)	(0.7)	Options Contracts	(0.0)	Nestle S.A., Registered Shares	1.2
Total Long Positions	100.0	Total Short Positions	(0.0)	Province of Ontario 2.9% 06/02/2049	1.2
Short Positions:				Government of Canada 2% 06/01/2028	1.2
Options Contracts	(0.0)			Province of Ontario 3.5% 06/02/2024	1.1
Total Short Positions	(0.0)			Total Net Assets (in \$000's)	\$2,098,719

The summary of investment portfolio may change due to ongoing portfolio transactions of the Fund and updates will be available on a quarterly basis.

A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any

forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.