

Semi-annual Management Report of Fund Performance

As at March 31, 2024

This Semi-annual Management Report of Fund Performance contains financial highlights but does not contain either semi-annual or annual financial statements of the investment fund. You can obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-888-809-3333, by writing us at Northwest & Ethical Investments L.P., 151 Yonge Street Suite 1200, Toronto, ON M5C 2W7 or by visiting our website at www.neiinvestments.com or SEDAR+ at www.sedarplus.ca.

Unitholders 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.

Management Discussion of Performance

Results of Operations

The NEI Clean Infrastructure Fund's Series A units returned 6.2% for the six-month period ended March 31, 2024 compared with a return of 12.1% for the benchmark explained below.

Unlike the benchmark return, the Fund's returns are after the deduction of fees and expenses paid by the Fund. Performance differences between series of units are mainly attributable to management fees charged to each series. Refer to the Past Performance section for the details of returns by series.

The benchmark for this Fund is the S&P Global Infrastructure Index (C\$).

The Fund's net asset value increased by 29.49% during the period, from \$246,351,956 as at September 30, 2023 to \$318,997,735 as at March 31, 2024. This change in net assets is attributed to net unitholder activity of \$53,531,344 and \$19,114,435 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

The fourth quarter of 2023 started with a mixed October, but November and December proved to be strong months for the Fund and sector as long-term interest rates in the U.S. and Europe reversed their ascension back to levels on par or below where they were at the beginning of 2023. This move alleviated some impacts of capital costs constraining growth and returns and enhanced the present value of existing asset cash flows.

In the first quarter of 2024, the broad clean infrastructure sector, European Utilities and renewables developers and operators performed poorly while U.S. Utilities delivered positive performance. European renewables and Utilities were affected by falling power prices while most renewables companies globally continue to experience a derating due to fears of lower returns going forward.

Factors That Have Affected Performance

The fallout from the U.S. offshore wind pipeline (mostly signed prior to pandemic-related inflationary impacts) continued to affect sentiment early in the fourth quarter, even if the Fund had quite limited exposure. On the other side of the world, the Fund's modest exposure to China continued to be a headwind. Towards the end of the quarter, in December, small-capitalization stock Greenvolt Energias Renovaveis SA received a takeover offer from KKR & Co. Inc. at a modest 11% premium to the last closing price. All regions ended up with a positive contribution for the period.

U.S. Utilities stabilized in a high interest rate environment and what seems to be a renaissance of nuclear power is occurring for the following reasons: 1) nuclear offers non-stop decarbonized electricity that can mitigate the intermittency of wind and solar; 2) the Production Tax Credit in the Inflation Reduction Act provides a floor tariff for nuclear electricity, which supports investing to extend the life of the plants and create further value over the long-term, as well as reduces the need for hedging; 3) data centres are increasingly attracted to connect directly to the nuclear plants and seem ready to pay a premium to wholesale power prices to secure their insatiable need for green power. These attributes are particularly beneficial for unregulated nuclear plants which benefits Constellation Energy Corp., Public Service Enterprise Group Inc., Dominion Energy Inc., and NextEra Energy Inc., among others.

European power prices have been depressed by falling natural gas prices as the bloc experienced a mild winter and an absence of recovery in energy demand. That has affected companies with generation exposed to spot prices and hedged prices as the market expects a lower power price capture when the hedges expire. On the positive side, solar panel prices have collapsed thereby supporting solar deployment with lower electricity tariffs but stable returns. Amid such a context, Europe and the Asia-Pacific had a negative contribution while North America was positive.

The public market seems to be ignoring the positive underlying signals, such as stable renewables development returns, the impact of artificial intelligence (AI) on electricity demand growth, as well as low valuations and attractive yields. However, continuing into the theme, private equity and mergers and acquisitions have been recognizing value, with KKR making a takeover offer for Encavis AG, a German renewables company, at a 54% premium to the unaffected price, and Iberdrola SA offering to buy the minorities in Avangrid Inc. at a 6.7% premium. The KKR offer price for Encavis, which is in the Fund, implies a multiple that is more than 20% over the multiples of European peers such as Neoen SA, ERG SPA, or EDP Renovaveis SA.

Portfolio Changes

During the fourth quarter of 2023, the portfolio sub-advisor entered Avista Corp. The portfolio sub-advisor exited TransAlta Renewables Inc. as the company was taken over by its parent company, TransAlta Corp. In the first quarter of 2024, the portfolio sub-advisor had no additions and exited BKW AG.

Environmental, Social, And Governance (ESG) Activities

In addition to any ESG-related commentary made in the sections above, other ESG-related activities undertaken in the period are described here. Relevant impact metrics will be reported in the Annual Management Report of Fund Performance.

NEI's Responsible Investing team supported management on all voted proxy items at five annual general meetings and/or special meetings. There were no shareholder resolutions on the ballots.

Recent Developments

High levels of U.S. interest rates and the expectation of delays and a smaller magnitude of cuts in interest rates continue to be headwinds. It however seems increasingly likely that interest rates will be cut in the U.S. and Europe before year end as inflation abates.

AI and data centres are becoming more prominent in supporting the expectation of electricity growth going forward, in addition to new demand from electric vehicles. As an illustration, each new potential 1000-watt chip would annually consume more power than a U.K. home and about 80% of a U.S. home. Moreover, data centre owners are showing the willingness to pay a premium for reliable and green electricity, which indicates the start of a recognition that electricity is not plentiful, and that the combination of uninterrupted and green attributes is not a commodity.

The portfolio sub-advisor also believes that valuations do not reflect the growth the sector should experience in the coming years, which is supported by the quantum increase in investments in the grid being witnessed.

Related Party Transactions

Northwest & Ethical Investments L.P. ("NEI LP") is the Manager, Trustee, Portfolio Manager and Registrar of the Fund. Northwest & Ethical Investments Inc., the general partner of NEI LP, is a wholly-owned subsidiary of Aviso Wealth Inc. ("Aviso"). Aviso is also the sole limited partner of NEI LP. Aviso is a wholly-owned subsidiary of Aviso Wealth LP, which in turn is owned 50% by Desjardins Financial Holding Inc. and 50% by a limited partnership owned by the five Provincial Credit Union Centrals and The CUMIS Group Limited. Desjardins Financial Holding Inc. is a wholly-owned subsidiary of the Fédération des caisses Desjardins du Québec ("Fédération").

NEI LP charges the Fund a fixed administration fee in place of certain variable expenses. NEI LP in turn, pays all operating expenses of the Fund, other than specified Fund costs (e.g. the fees and expense of the Independent Review Committee ("IRC"), taxes, and brokerage commissions) which include payments to related parties. These services are in the normal course of operations and are measured at an exchange amount that is consistent with other independent parties. Desjardins Trust Inc. ("Desjardins Trust") is the custodian of the Fund. Desjardins Trust is a wholly-owned subsidiary of the Fédération. The Fund may engage in securities lending and repurchase transactions, and Desjardins Trust may act as the Fund's securities lending and repurchase transactions agent ("Agent"). Any revenue earned on such transactions is split 60%—40% between the Fund and the Agent. Desjardins Securities Inc. ("DSI") is a broker responsible for security transactions on behalf of the Fund. DSI is a wholly-owned subsidiary of the Fédération.

The Fund's sub-advisors may place a portion of the Fund's portfolio transactions with brokerage firms which are affiliates of NEI LP, provided that the affiliate's trade execution abilities and costs are comparable to those of non-affiliated qualified brokerage firms.

Effective April 1, 2024, Credential Asset Management Inc. and Credential Qtrade Securities Inc. merged into Aviso Financial Inc. As a result, the Fund is now distributed through Aviso Financial Inc., and members of the Fédération and other nonrelated parties by way of shared ownership. NEI LP pays to these parties distribution and servicing fees based on a percentage of the daily values of the units of each held by the dealer's clients and additionally, in some cases, on the amount of initial purchase.

NEI LP has established the IRC for the Fund in accordance with the requirements of National Instrument 81-107 – Independent Review Committee for Investment Funds in order to review conflicts of interest as they relate to investment fund management. The Fund did not rely on an approval, positive recommendation or standing instruction from the Fund's IRC with respect to any related party transactions.



NEI Clean Infrastructure Fund

This document contains forward-looking statements. Such statements are generally identifiable by the terminology used, such as “plan”, “anticipate”, “intend”, “expect”, “estimate”, or other similar wording. These forward-looking statements are subject to known and unknown risks and uncertainties and other factors which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such factors include, but are not limited to: general economic, market and business conditions; fluctuations in securities prices, fluctuation in interest rates and foreign currency exchange rates; and actions by governmental authorities. Future events and their effects on the Fund may not be those anticipated by us. Actual results may differ materially from the results anticipated in these forward-looking statements. We do not undertake, and specifically disclaim, any obligation to update or revise any forward-looking information, whether as a result of new information, future developments or otherwise.

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 six-month period ended March 31, 2024 and the past five fiscal years or for the periods since inception, as applicable.

Net Assets per Unit (\$) ⁽¹⁾

Series	Period	Net Assets, Beginning of Period	Increase (Decrease) from Operations					Distributions					Net Assets, End of Period	
			Total Revenue	Total Expenses	Realized Gains (Losses)	Unrealized Gains (Losses)	Total Increase (Decrease) from Operations ⁽²⁾	From Income (Excluding Dividends)	From Dividends	From Underlying Funds	From Capital Gains	Return of Capital		Total Distributions ⁽³⁾⁽⁴⁾
A	Mar. 2024	7.51	0.15	-0.10	-0.14	0.54	0.45	0.00	0.04	0.00	0.00	0.10	0.14	7.82
	Sept. 2023	9.49	0.35	-0.24	-0.07	-2.24	-2.20	0.00	0.12	0.00	0.10	0.10	0.32	7.51
	Sept. 2022	10.00	0.21	-0.17	0.14	-1.55	-1.37	0.00	0.04	0.00	0.00	0.14	0.18	9.49
F	Mar. 2024	7.63	0.15	-0.06	-0.14	0.46	0.41	0.00	0.09	0.00	0.00	0.05	0.14	8.00
	Sept. 2023	9.56	0.34	-0.14	-0.07	-2.18	-2.05	0.00	0.21	0.00	0.10	0.02	0.33	7.63
	Sept. 2022	10.00	0.21	-0.10	0.14	-1.41	-1.16	0.00	0.10	0.00	0.00	0.08	0.18	9.56
I	Mar. 2024	7.66	0.15	-0.02	-0.15	0.58	0.56	0.00	0.11	0.00	0.00	0.00	0.11	8.11
	Sept. 2023	9.61	0.34	-0.04	-0.08	-1.84	-1.62	0.00	0.30	0.00	0.15	0.00	0.45	7.66
	Sept. 2022	10.00	0.21	-0.04	0.14	-0.45	-0.14	0.00	0.18	0.00	0.00	0.00	0.18	9.61
O	Mar. 2024	7.74	0.15	-0.02	-0.15	0.58	0.56	0.00	0.12	0.00	0.00	0.00	0.12	8.19
	Sept. 2023	9.71	0.34	-0.05	-0.08	-1.98	-1.77	0.00	0.30	0.00	0.15	0.00	0.45	7.74
	Sept. 2022	10.00	0.12	-0.01	0.15	-11.45	-11.19	0.00	0.07	0.00	0.00	0.00	0.07	9.71
P	Mar. 2024	7.50	0.14	-0.09	-0.14	0.53	0.44	0.00	0.05	0.00	0.00	0.09	0.14	7.82
	Sept. 2023	9.50	0.35	-0.22	-0.07	-2.51	-2.45	0.00	0.14	0.00	0.11	0.11	0.36	7.50
	Sept. 2022	10.00	0.27	-0.16	0.14	-1.51	-1.26	0.00	0.12	0.00	0.00	0.06	0.18	9.50
PF	Mar. 2024	7.62	0.15	-0.05	-0.14	0.57	0.53	0.00	0.09	0.00	0.00	0.05	0.14	8.00
	Sept. 2023	9.57	0.35	-0.12	-0.07	-2.25	-2.09	0.00	0.24	0.00	0.10	0.03	0.37	7.62
	Sept. 2022	10.00	0.19	-0.09	0.14	-2.34	-2.10	0.00	0.09	0.00	0.00	0.09	0.18	9.57

(1) All per unit figures presented in 2024 are referenced to net assets determined in accordance with IFRS and are derived from the Fund's semi-annual financial statements for the period ended March 31, 2024.

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

(3) Distributions were paid in cash or reinvested in additional units of the Fund.

(4) Distributions (if any) that may have been made that included return of capital in excess of short term earnings were made to minimize disruption and provide stability to investors who have elected to take their distributions in the form of cash, and as disclosed in the simplified prospectus. These amounts are reviewed at each calendar year-end and management engages in discussions with the sub-advisor to determine the most applicable strategy on a go forward basis and will take any action(s) as needed for the long-term stability of the Fund.

Ratios and Supplemental Data

Series	Period	Total Net Asset Value (000's of \$)	Number of Units Outstanding (000's)	Management Expense Ratio (%) ⁽¹⁾	Management Expense Ratio before Waivers and Absorptions (%)	Trading Expense Ratio (%) ⁽²⁾	Portfolio Turnover Rate (%) ⁽³⁾	Net Asset Value per Unit (\$)
A	Mar. 2024	7,559	967	2.16	2.16	0.10	16.04	7.82
	Sept. 2023	7,012	934	2.18	2.18	0.10	39.72	7.51
	Sept. 2022	3,192	336	2.20	2.20	0.25	16.50	9.49
F	Mar. 2024	9,357	1,170	1.07	1.07	0.10	16.04	8.00
	Sept. 2023	5,832	764	1.07	1.07	0.10	39.72	7.63
	Sept. 2022	3,721	389	1.07	1.07	0.25	16.50	9.56
I	Mar. 2024	273,868	33,781	N/A	N/A	0.10	16.04	8.11
	Sept. 2023	210,138	27,429	N/A	N/A	0.10	39.72	7.66
	Sept. 2022	177,569	18,475	N/A	N/A	0.25	16.50	9.61
O	Mar. 2024	4,402	538	0.05	0.05	0.10	16.04	8.19
	Sept. 2023	4,148	536	0.06	0.06	0.10	39.72	7.74
	Sept. 2022	3,990	411	0.06	0.06	0.25	16.50	9.71
P	Mar. 2024	4,239	542	1.99	1.99	0.10	16.04	7.82
	Sept. 2023	3,404	454	2.00	2.00	0.10	39.72	7.50
	Sept. 2022	1,267	133	2.03	2.03	0.25	16.50	9.50
PF	Mar. 2024	19,573	2,446	0.90	0.90	0.10	16.04	8.00
	Sept. 2023	15,817	2,075	0.90	0.90	0.10	39.72	7.62
	Sept. 2022	6,744	705	0.90	0.90	0.25	16.50	9.57

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs, as well as withholding taxes) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

(3) The portfolio turnover rate indicates how actively the Fund's sub-advisor manages its investment holdings. 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 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 period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Management Fees

The Manager is responsible for the management, supervision and administration of the Fund. The Manager receives from the Fund management fees, before HST, calculated daily on the net asset value of the Fund at an annual rate shown below. The Fund does not pay management fees for Series I and O units. Series I and O unitholders pay a negotiated fee directly to NEI Investments.

The management fee covers the cost of investment advisory fees, sales, marketing, and distribution expenses of the Fund. In addition, the Manager may pay a trailer fee to dealers out of this management fee. The trailer fee is a percentage of the average daily value of the units of the Fund held by the dealer’s clients. No trailer fees are paid in respect of any Series F and PF units of the Fund.

The following table shows the major services paid for out of management fees as a percentage of the management fee for all applicable series of the Fund:

	Management Fee (%)	Investment Advisory and Other Fees (%)	Trailer Fee (%)
Series A	1.70	41.10	58.90
Series F	0.70	100.00	N/A
Series P	1.60	37.42	62.58
Series PF	0.60	100.00	N/A

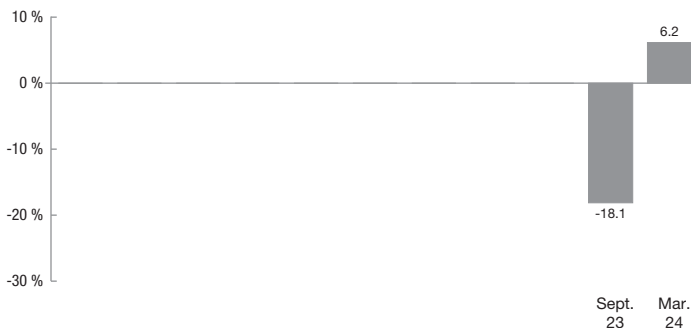
Past Performance

The performance information provided will not necessarily indicate how the Fund will perform in the future. The information shown assumes that distributions made by the Fund in the periods shown were reinvested in additional units of the relevant series 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.

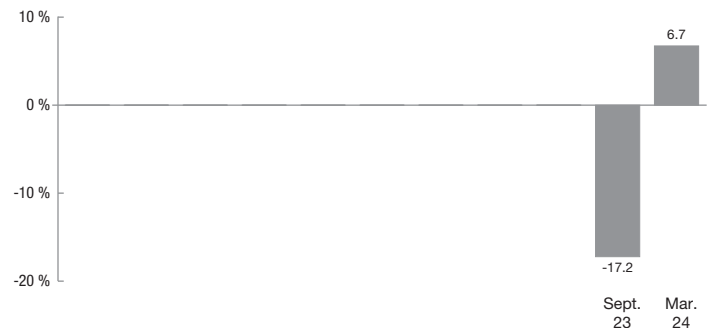
Year-by-Year Returns

The following charts show the annual performance for each series of units of the Fund for each period shown and illustrate how the Fund's performance has varied from period to period with the exception of 2024, which shows the six-month return for the period ended March 31, 2024. The charts indicate how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

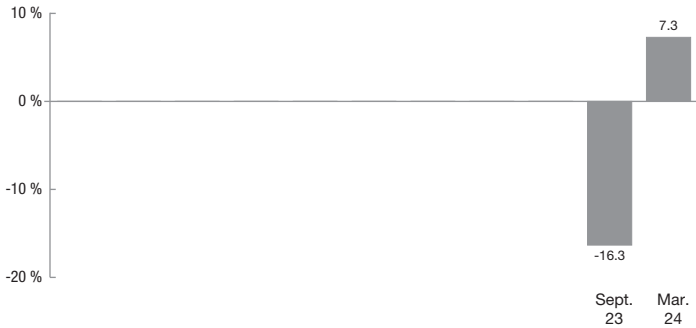
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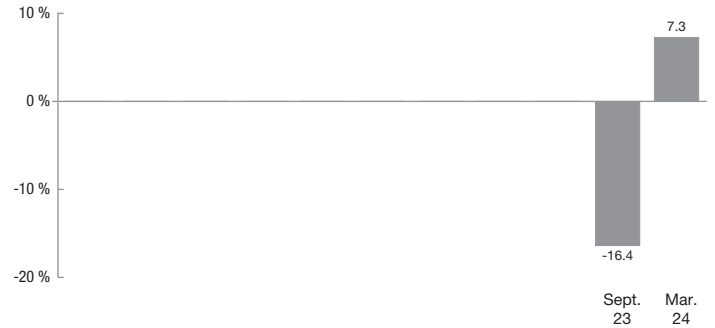
Series F



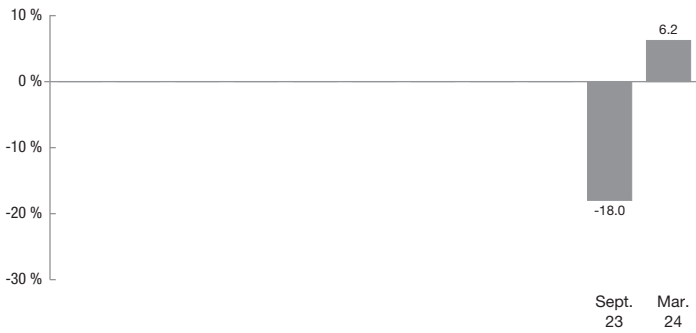
Series I



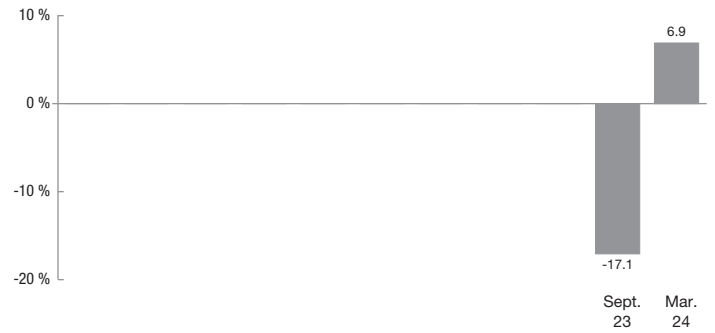
Series O



Series P



Series PF



Summary of Investment Portfolio as at March 31, 2024

Total Net Asset Value: \$318,997,735

Top Holdings		%	Net Asset Value Mix		%
NextEra Energy		6.5	Equity		95.8
Clearway Energy, Class C		5.6	Cash and Equivalents		4.2
ERG		5.1	Total		100.0
Dominion Resources		5.1			
Edison International		5.0			
NextEra Energy Partners		4.9			
Atlantica Sustainable Infrastructure		4.9			
Public Service Enterprise Group		4.8			
ReNew Energy Global, Class A		4.8			
Exelon		4.6			
Cash and Equivalents		4.2			
Terna—Rete Elettrica Nazionale		4.2			
Avista		4.0			
Drax Group		4.0			
Neoen		3.8			
Innergex Renewable Energy		3.5			
Energias de Portugal		3.2			
Greenvolt-Energias Renovaveis		3.1			
Encavis		2.7			
RENOVA		2.5			
Enel		2.3			
EDP Renovaveis		2.0			
China Longyuan Power Group		1.7			
Greencoat Uk Wind		1.6			
Elia Group		1.6			
Total		95.7			

Sector Allocation		%
Utilities		92.7
Cash and Equivalents		4.2
Financials		1.6
Energy		1.5
Total		100.0

Geographic Distribution		%
United States		46.9
Other Countries		20.6
Italy		11.6
United Kingdom		10.4
Portugal		6.3
Cash and Equivalents		4.2
Total		100.0

"Other Countries" geographic category includes all countries individually representing less than 5% of the Fund's net asset value.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly.