

Semi-annual Management Report of Fund Performance

As at March 31, 2023

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.sedar.com.

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 Growth Private Portfolio's Series W units returned 9.5% for the six-month period ended March 31, 2023 compared with a return of 13.2% for the benchmark explained below.

Unlike the benchmark return, the Portfolio's returns are after the deduction of fees and expenses paid by the Portfolio. 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 blended benchmark is composed of 15% FTSE Canada Universe Bond Index, 17% S&P/TSX Composite TR Index and 68% MSCI ACWI NR Index (C\$).

The Portfolio's net asset value increased by 10.17% during the period, from \$151,508,501 as at September 30, 2022 to \$166,918,941 as at March 31, 2023. This change in net assets is attributed to net unitholder activity of \$829,909 and \$14,580,531 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

In the 6-month period ending March 31, 2023, central banks across the globe stayed hawkish and continued with their aggressive monetary tightening throughout the period in their effort to tame inflation. The US Federal Reserve (Fed) raised its key policy rate by 1.75% in the past six months to 5.00%. Bank of Canada (BoC) raised its policy rate by 1.25% in the past six months to 4.50% before taking a pause to assess the impact of its hiking cycle on the Canadian economy. While inflation has started to recede in North America, the economic backdrop continued to deteriorate with elevated recession concerns and reduced estimates on economic growth.

Global markets posted strong returns with higher than usual volatility over this period despite the risk-off sentiment and the uncertain backdrop. Investors reacted positively to China's decision to ease its zero covid policy and a warmer-than-usual winter weather, triggering more positive investor sentiment that perhaps the risk of recession would fall. For the 6-month period, global equities measured by MSCI All Country World Index returned 16.0%, led by MSCI Europe Index which returned 30.0%, followed by S&P 500 Index in the US which returned 13.4%, and Canada's S&P TSX Index which returned 10.4%.

The fixed income markets also rebounded as bond yields plummeted in March to reflect the market's expectation that central banks may have to ease monetary policies by cutting rates soon in response to economies falling into recession. The sovereign bond yield curve has experienced significant volatility both on the long and short end, with the 2-yr bond yield hitting a high of 5.07% before ending the period at around the same level six months ago at 4.12%. The 10-yr bond yield also had high volatility but ended the period lower at 3.45%. The yield curve inversion, which began in July of last year between the 2-year and 10-year yields, continue to indicate elevated recession risk. Global bonds returned 3.7% and the Canadian fixed income index also rose by 3.3% in this period. On the corporate credit side, Canadian corporate credits index was up by 3.80% while U.S high yields bonds index rose by 7.8%.

Factors That Have Affected Performance

For the 6-month period, asset allocation has generally been a positive contributor to performance. An overweight to global equities contributed as it was the top performing asset class, while an underweight to the underperforming fixed income asset class was also a contributor.

From a portfolio construction standpoint, off-benchmark allocations to global fixed income added value. It was, however, partially offset by allocations to global infrastructure which underperformed in this period.

On underlying fund performance against their respective benchmarks, NEI Canadian Equity Pool outperformed and contributed positively with its lack of exposure to the energy sector, which underperformed. NEI Managed Asset Allocation Pool underperformed with its defensive overweight in cash positions. NEI Clean Infrastructure Fund underperformed as some of its holdings gave back earlier gains. NEI Global Equity Pool underperformed its benchmark, as its underweight to industrials and the underweight to the mega cap technology sector detracted.

ESG Activities

The following environmental, social, and governance (ESG) activities are some of those undertaken during the period related to the Fund's ESG-related investment objectives and strategies. The Fund seeks to achieve its ESG-related investment objectives and strategies through selection of its underlying funds.

For NEI Global Equity Pool, NEI's Responsible Investing & ESG Services team (RI team) engaged 17 companies including Amazon, Johnson & Johnson, and Walmart, on topics such as supply chain risks, equitable access, and digital rights. They voted against management on 42% of the proxy items at 22 annual general meetings. They supported 64% of 14 shareholder resolutions filed on ESG topics such as climate risk, tax transparency, and gender and racial pay disparity.

For NEI Canadian Equity Pool, the RI team engaged eight companies including Gildan Activewear, Empire Co., and Magna International, on topics such as supply chain risks, deforestation, and human rights due diligence. They voted against management on 68% of the proxy items at five annual general meetings. They supported 83% of 6 shareholder resolutions filed on ESG topics such as ethics of artificial intelligence, racial disparity, and the setting of science-based emissions targets.

For NEI Fixed Income Pool, the RI team engaged 12 companies including Bank of Montreal, Cenovus Energy, and Loblaw Cos, on topics such as supply chain risks and net-zero commitments.

Recent Developments

There were plenty of reasons to expect a much weaker equity market given everything that happened in this 6-month period, but somehow the equity markets were able to look past bank failures, rate hikes, and slashed earnings estimates with a surprising level of optimism, betting on the strength of economic data and the Fed to start cutting rates as soon as mid-year 2023. The fixed income market, however, seems to be living on a different planet, speculating that the banking crisis will lead to tighter lending standards, raising the probability of recession, which in turn alleviates the need for higher rates. The treasury markets saw dramatic volatility. The treasury yield curve became deeply inverted in this period with 2yr yields exceeding 10yr yields by over 107bps in early March, before ending the period at a more moderate level at 55bps.

Strength in recent data stems primarily from the re-opening of China as well as the warmer than usual winter in Europe and North America. The sustainability of the resilience is debatable as the lagged and varied impact of monetary tightening over the past 12 months is yet to be felt in the economy, putting central bankers at a tough position amidst inflation rates that are still above the neutral rate. This is keeping us in a defensive positioning in the portfolios, waiting for better clarity on paths of rates and economic growth.

During this period, the portfolio's target allocation in equities has been moved from 80% to 85%, with a corresponding reduction in target allocation in fixed income from 20% to 15%. The blended benchmark for the portfolios has also been adjusted to align with the new target asset allocation of the portfolio.

Effective March 01, 2023, the blended benchmark was changed from 20% FTSE Canada Universe Bond Index, 16% S&P/TSX Composite TR Index and 64% MSCI World NR Index (C\$) to a blended benchmark of 15% FTSE Canada Universe Bond Index, 17% S&P/TSX Composite TR Index and 68% MSCI ACWI NR Index (C\$).

Related Party Transactions

Northwest & Ethical Investments L.P. ("NEI LP") is the Manager, Trustee, Portfolio Manager and Registrar of the Portfolio. 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 Portfolio a fixed administration fee in place of certain variable expenses. NEI LP in turn, pays all operating expenses of the Portfolio, other than specified portfolio 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 Portfolio. Desjardins Trust is a wholly-owned subsidiary of the Fédération. The Portfolio may engage in securities lending and repurchase transactions, and Desjardins Trust may act as the Portfolio's securities lending and repurchase transactions agent ("Agent"). Any revenue earned on such transactions is split 60%—40% between the Portfolio and the Agent. Desjardins Securities Inc. ("DSI") is a broker responsible for security transactions on behalf of the Portfolio. DSI is a wholly-owned subsidiary of the Fédération.

Where applicable the amounts paid in commission by the Portfolio to DSI and amounts received from underlying funds managed by NEI LP during the period are presented.

| | March 2023 (\$) | March 2022 (\$) |
|--|-----------------|-----------------|
| Amounts received from underlying funds | 3,443,629 | 3,931,748 |



NEI Growth Private Portfolio

The Portfolio's sub-advisors may place a portion of their 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.

The Portfolio is distributed through Credential Asset Management Inc. and Credential Qtrade Securities Inc. 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 Portfolio 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 Portfolio did not rely on an approval, positive recommendation or standing instruction from the Portfolio's IRC with respect to any related party transactions.

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 Portfolio 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 Portfolio and are intended to help you understand the Portfolio's financial performance for the six-month period ended March 31, 2023 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⁾ |
| W | Mar. 2023 | 8.54 | 0.19 | -0.09 | -0.08 | 0.78 | 0.80 | 0.00 | 0.00 | 0.11 | 0.00 | 0.18 | 0.29 | 9.06 |
| | Sept. 2022 | 10.31 | 0.29 | -0.18 | 0.01 | -1.31 | -1.19 | 0.00 | 0.00 | 0.10 | 0.04 | 0.49 | 0.63 | 8.54 |
| | Sept. 2021 | 9.60 | 0.14 | -0.19 | 0.01 | 1.28 | 1.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.60 | 0.60 | 10.31 |
| | Sept. 2020 | 9.91 | 0.08 | -0.18 | -0.02 | 0.43 | 0.31 | 0.00 | 0.00 | 0.00 | 0.00 | 0.60 | 0.60 | 9.60 |
| | Sept. 2019 | 10.00 | 0.03 | -0.04 | 0.00 | 0.19 | 0.18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 9.91 |
| WF | Mar. 2023 | 8.85 | 0.20 | -0.04 | -0.08 | 0.80 | 0.88 | 0.00 | 0.00 | 0.16 | 0.00 | 0.14 | 0.30 | 9.43 |
| | Sept. 2022 | 10.56 | 0.29 | -0.09 | 0.01 | -1.37 | -1.16 | 0.00 | 0.00 | 0.20 | 0.04 | 0.41 | 0.65 | 8.85 |
| | Sept. 2021 | 9.74 | 0.15 | -0.09 | 0.01 | 1.34 | 1.41 | 0.00 | 0.00 | 0.05 | 0.00 | 0.56 | 0.61 | 10.56 |
| | Sept. 2020 | 9.94 | 0.08 | -0.09 | -0.02 | 0.32 | 0.29 | 0.00 | 0.00 | 0.00 | 0.01 | 0.59 | 0.60 | 9.74 |
| | Sept. 2019 | 10.00 | 0.01 | -0.02 | 0.00 | 0.11 | 0.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 | 0.15 | 9.94 |

(1) All per unit figures presented in 2023 are referenced to net assets determined in accordance with IFRS and are derived from the Portfolio's semi-annual financial statements for the period ended March 31, 2023.

(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 Portfolio.

(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 Portfolio.

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 (\$) |
|--------|------------|-------------------------------------|-------------------------------------|---|---|--|--|-------------------------------|
| W | Mar. 2023 | 149,437 | 16,499 | 1.92 | 1.92 | 0.04 | 11.17 | 9.06 |
| | Sept. 2022 | 136,598 | 15,990 | 1.91 | 1.91 | 0.00 | 2.78 | 8.54 |
| | Sept. 2021 | 131,023 | 12,713 | 1.92 | 1.92 | 0.00 | 1.38 | 10.31 |
| | Sept. 2020 | 73,707 | 7,676 | 1.93 | 1.93 | 0.10 | 5.15 | 9.60 |
| | Sept. 2019 | 7,654 | 772 | 2.07 | 2.07 | 0.10 | 0.00 | 9.91 |
| WF | Mar. 2023 | 17,482 | 1,854 | 0.86 | 0.86 | 0.04 | 11.17 | 9.43 |
| | Sept. 2022 | 14,911 | 1,685 | 0.86 | 0.86 | 0.00 | 2.78 | 8.85 |
| | Sept. 2021 | 12,928 | 1,224 | 0.87 | 0.87 | 0.00 | 1.38 | 10.56 |
| | Sept. 2020 | 6,045 | 621 | 0.90 | 0.90 | 0.10 | 5.15 | 9.74 |
| | Sept. 2019 | 2,617 | 263 | 0.92 | 0.92 | 0.10 | 0.00 | 9.94 |

(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 Portfolio's sub-advisor manages its investment holdings. A portfolio turnover rate of 100% is equivalent to the Portfolio 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 Portfolio 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 Portfolio.

Management Fees

The Manager is responsible for the management, supervision and administration of the Portfolio. The Manager receives from the Portfolio management fees, before HST, calculated daily on the net asset value of the Portfolio at an annual rate shown below.

The management fee covers the cost of investment advisory fees, sales, marketing, and distribution expenses of the Portfolio. 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 Portfolio held by the dealer’s clients. No trailer fees are paid in respect of any Series WF units of the Portfolio.

In addition to the fees and expenses directly payable by the Fund, certain fees and expenses may be payable by some underlying third party funds. The Fund indirectly bears its proportionate share of such fees and expenses. However, the Fund does not pay any management fees or similar expenses that, in the view of the Manager, a reasonable person would consider duplicate a fee payable by an underlying fund for the same service.

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 Portfolio:

| | Management Fee (%) | Investment Advisory and Other Fees (%) | Trailer Fee (%) |
|-----------|--------------------|--|-----------------|
| Series W | 1.60 | 37.50 | 62.50 |
| Series WF | 0.60 | 100.00 | N/A |

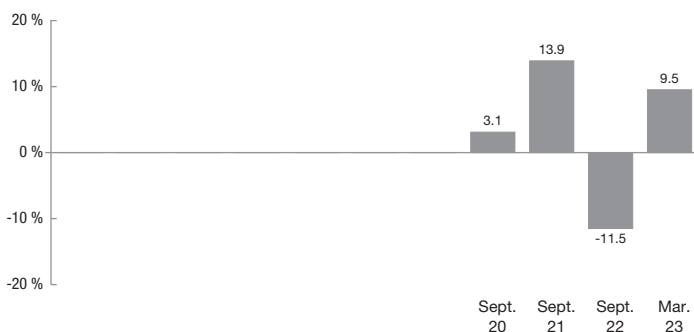
Past Performance

The performance information provided will not necessarily indicate how the Portfolio will perform in the future. The information shown assumes that distributions made by the Portfolio in the periods shown were reinvested in additional units of the relevant series of the Portfolio. In addition, the information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance.

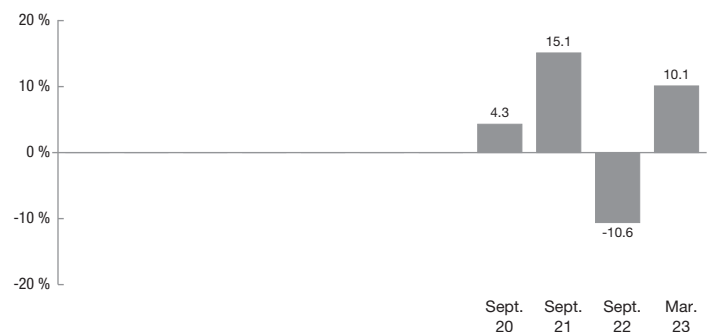
Year-by-Year Returns

The following charts show the annual performance for each series of units of the Portfolio for each period shown and illustrate how the Portfolio's performance has varied from period to period with the exception of 2023, which shows the six-month return for the period ended March 31, 2023. 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.

Series W



Series WF



Summary of Investment Portfolio as at March 31, 2023

Total Net Asset Value: \$166,918,941

| Top Holdings | | % |
|--------------|---|-------|
| 1 | NEI Global Equity Pool, Series I | 55.0 |
| 2 | NEI Managed Asset Allocation Pool, Series I | 19.9 |
| 3 | NEI Canadian Equity Pool, Series I | 16.2 |
| 4 | NEI Clean Infrastructure Fund, Series I | 3.9 |
| 5 | NEI Fixed Income Pool, Series I | 3.5 |
| 6 | NEI Global Impact Bond Fund, Series I | 1.5 |
| | Total | 100.0 |

| Net Asset Value Mix ⁽¹⁾ | | % |
|------------------------------------|----------------------------|-------|
| | Equity | 73.0 |
| | Unit Trust | 18.8 |
| | Fixed Income | 4.1 |
| | Cash and Equivalents | 3.7 |
| | Mortgage-Backed Securities | 0.4 |
| | Total | 100.0 |

| Sector Allocation ⁽¹⁾ | | % |
|----------------------------------|---|-------|
| | Index-Based Investments | 18.6 |
| | Information Technology | 16.1 |
| | Financials | 14.8 |
| | Industrials | 9.2 |
| | Health Care | 8.4 |
| | Communication Services | 5.8 |
| | Consumer Staples | 5.0 |
| | Consumer Discretionary | 4.7 |
| | Utilities | 4.6 |
| | Cash and Equivalents | 3.7 |
| | Energy | 2.3 |
| | Corporate Bonds | 2.1 |
| | Materials | 1.5 |
| | Real Estate | 0.7 |
| | Federal Bonds | 0.7 |
| | Provincial and Crown Corporations Bonds | 0.7 |
| | Mortgage-Backed Securities | 0.4 |
| | Foreign Government Bonds | 0.3 |
| | Supranational Bonds | 0.2 |
| | Municipal Bonds | 0.1 |
| | U.S. Government Bonds | 0.1 |
| | Total | 100.0 |

| Geographic Distribution ⁽¹⁾ | % |
|--|-------|
| United States | 41.8 |
| Canada | 30.0 |
| Other Countries | 24.5 |
| Cash and Equivalents | 3.7 |
| Total | 100.0 |

(1) Table represents an aggregated "look-through" of the top positions and category summaries that are held in the top and underlying fund(s).

"Unit Trust" includes REITs, ETFs, and other similarly structured investment vehicles.

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

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly. For the prospectus and other information about the underlying investment fund(s) held in the portfolio, visit www.neiinvestments.com or www.sedar.com.