

NEI

NEI Funds

Audited annual financial statements

September 30, 2024



Management's Responsibility for Financial Reporting

The accompanying financial statements of the NEI Funds have been prepared by Northwest & Ethical Investments L.P. (the "Manager"), as Manager of the Funds, and have been approved by the Board of Directors of Northwest & Ethical Investments Inc., acting as general partner of Northwest & Ethical Investments L.P. The Manager is responsible for the information and representations contained in these financial statements.

The Manager has taken the necessary measures to ensure that relevant and reliable financial information is reported. The financial statements have been prepared in accordance with International Financial Reporting Standards and necessarily include certain amounts that are based on estimates and judgments. The significant accounting policies which the Manager believes are appropriate are described in Note 2 to the financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements as well as overseeing the Manager's performance of its financial reporting responsibilities. It meets with the external auditors of the NEI Funds to review the financial statements, the audit process and financial reporting. It also approves these financial statements for publication.

Ernst & Young LLP is the external auditor of the NEI Funds. They have audited the financial statements in accordance with International Financial Reporting Standards for the purpose of expressing to the unitholders their opinion on these financial statements. Their Report is found on the following page.

Signed on behalf of the Board of Directors of
Northwest & Ethical Investments Inc.,
acting as general partner of
Northwest & Ethical Investments L.P.
as Manager and Trustee



William Packham
President and Chief Executive Officer



John H. Bai
SVP, Chief Financial Officer and Chief Risk Officer

December 10, 2024

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of:

NEI Money Market Fund	NEI Global Corporate Leaders Fund
NEI Canadian Bond Fund	NEI Clean Infrastructure Fund
NEI Canadian Impact Bond Fund	NEI International Equity RS Fund
NEI Global Impact Bond Fund	NEI Emerging Markets Fund
NEI Global Total Return Bond Fund	NEI Select Income RS Portfolio
NEI Global High Yield Bond Fund	NEI Select Income & Growth RS Portfolio
NEI Conservative Yield Portfolio	NEI Select Balanced RS Portfolio
NEI Balanced Yield Portfolio	NEI Select Growth & Income RS Portfolio
NEI Global Sustainable Balanced Fund	NEI Select Growth RS Portfolio
NEI Growth & Income Fund	NEI Select Maximum Growth RS Portfolio
NEI Canadian Dividend Fund	NEI Impact Conservative Portfolio
NEI Canadian Equity RS Fund	NEI Impact Balanced Portfolio
NEI Canadian Equity Fund	NEI Impact Growth Portfolio
NEI ESG Canadian Enhanced Index Fund	NEI Income Private Portfolio
NEI U.S. Dividend Fund	NEI Income & Growth Private Portfolio
NEI U.S. Equity RS Fund	NEI Balanced Private Portfolio
NEI Canadian Small Cap Equity RS Fund	NEI Growth Private Portfolio
NEI Canadian Small Cap Equity Fund	NEI Fixed Income Pool
NEI Global Dividend RS Fund	NEI Canadian Equity Pool
NEI Global Value Fund	NEI Global Equity Pool
NEI Global Equity RS Fund	NEI Managed Asset Allocation Pool
NEI Global Growth Fund	NEI Long Short Equity Fund
NEI Environmental Leaders Fund	

(collectively, the "Funds")

Opinion

We have audited the financial statements of the Funds, which comprise the statements of financial position as at September 30, 2024 and 2023, and the statements of comprehensive income, statements of changes in financial position and statements of cash flows for the years (periods, as applicable) then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Funds as at September 30, 2024 and 2023, and their financial performance and their cash flows for the years (periods, as applicable) then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Funds in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance of the Funds. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance of the Funds prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Funds or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Toronto, Canada
December 10, 2024

The logo for Ernst & Young LLP is written in a black, cursive script font.

Chartered Professional Accountants
Licensed Public Accountants

NEI Long Short Equity Fund

STATEMENT OF FINANCIAL POSITION

As at September 30

2024
\$

ASSETS

Current Assets

Margin deposits	18,786,122
Investments at fair value through profit or loss (FVTPL)-long positions	128,365,111
Options at fair value-long positions	799,353
Receivable for investments sold	750,730
Interest, dividends and other receivables	222,405
	<u>148,923,721</u>

LIABILITIES

Current Liabilities

Accrued expenses	1,347
Performance fees payable	1,437,324
Investments at fair value through profit or loss (FVTPL)-short positions	55,215,298
Options at fair value-short positions	627,812
Payable for investments purchased	287,930
Interest, dividends and other payables	41,872
	<u>57,611,583</u>

Net Assets Attributable to Holders of Redeemable Units	<u>91,312,138</u>
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Data per Series (Note b)

Series A

Net assets attributable to holders of redeemable units	<u>713,123</u>
- per unit	<u>11.37</u>

Series C

Net assets attributable to holders of redeemable units	<u>1,152</u>
- per unit	<u>11.52</u>

Series F

Net assets attributable to holders of redeemable units	<u>677,789</u>
- per unit	<u>11.44</u>

Series I

Net assets attributable to holders of redeemable units	<u>89,918,922</u>
- per unit	<u>11.53</u>

Series O

Net assets attributable to holders of redeemable units	<u>1,152</u>
- per unit	<u>11.52</u>

Approved on behalf of the Board of Directors of

Northwest & Ethical Investments Inc.,

acting as general partner of

Northwest & Ethical Investments L.P. as Manager and Trustee



William Packham,
President and Chief Executive Officer



John H. Bai,
SVP, Chief Financial Officer and Chief Risk Officer

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

STATEMENT OF COMPREHENSIVE INCOME

Period Ended September 30

	2024*
	\$
Income	
Interest for distribution purposes	527,179
Dividends	1,706,824
Net income (loss) from derivatives	1,037,962
Foreign exchange gain (loss) on cash	140,377
Net realized gain (loss) on investments	(1,704,365)
Net realized gain (loss) on derivatives	(565,773)
Changes in fair value:	
Net unrealized gain (loss) on investments	15,238,071
Net unrealized gain (loss) on derivatives	171,541
	<u>16,551,816</u>
Expenses (Note 5)	
Management fees	9,303
Performance fees	2,799,658
Independent review committee's fees	995
Administration fees	1,524
Sales taxes	365,578
	<u>3,177,058</u>
Withholding taxes	45,004
Commissions and other portfolio transaction costs	426,428
Interest expense on investments sold short	153,014
Dividends expense on investments sold short	806,668
	<u>4,608,172</u>
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	<u>11,943,644</u>
Data per Series	
Series A	
Increase (decrease) in net assets attributable to holders of redeemable units	<u>63,273</u>
- per unit	<u>1.47</u>
Weighted average units	<u>43,101</u>
Series C	
Increase (decrease) in net assets attributable to holders of redeemable units	<u>152</u>
- per unit	<u>1.52</u>
Weighted average units	<u>100</u>
Series F	
Increase (decrease) in net assets attributable to holders of redeemable units	<u>60,016</u>
- per unit	<u>1.57</u>
Weighted average units	<u>38,122</u>
Series I	
Increase (decrease) in net assets attributable to holders of redeemable units	<u>11,820,051</u>
- per unit	<u>1.54</u>
Weighted average units	<u>7,695,657</u>
Series O	
Increase (decrease) in net assets attributable to holders of redeemable units	<u>152</u>
- per unit	<u>1.52</u>
Weighted average units	<u>100</u>

* Beginning of operations in January 2024

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

STATEMENT OF CHANGES IN FINANCIAL POSITION

Period Ended September 30

	Series A	Series C	Series F	Series I	Series O
	2024*	2024*	2024*	2024*	2024*
	\$	\$	\$	\$	\$
Net Assets Attributable to Holders of Redeemable Units, Beginning of Period	-	-	-	-	-
Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units	63,273	152	60,016	11,820,051	152
Redeemable Unit Transactions					
Proceeds from sale of redeemable units	649,850	1,000	793,973	81,898,871	1,000
Reinvested distributions	-	-	-	-	-
Amounts paid for redeemable units redeemed	-	-	(176,200)	(3,800,000)	-
	649,850	1,000	617,773	78,098,871	1,000
Distributions to Holders of Redeemable Units	-	-	-	-	-
Net Assets Attributable to Holders of Redeemable Units, End of Period	713,123	1,152	677,789	89,918,922	1,152

STATEMENT OF CASH FLOWS

Period Ended September 30

	2024*
	\$
Cash Flows from (used in) Operating Activities	
Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units	11,943,644
Adjustments for:	
Foreign exchange (gain) loss on cash	(140,377)
Net realized (gain) loss on investments and derivatives	2,270,137
Net unrealized (gain) loss on investments and derivatives	(15,409,611)
Margin deposits	(18,786,122)
Proceeds from sale/maturity of investments	(11,757,420)
Investments purchased	(48,421,699)
Receivable for investments sold	(750,730)
Interest, dividends and other receivables	(222,405)
Accrued expenses	1,347
Performance fees payable	1,437,324
Interest, dividends and other payables	41,872
Payable for investments purchased	287,930
Net Cash Flows from (used in) Operating Activities	(79,506,110)
Cash Flows from (used in) Financing Activities	
Proceeds from sale of redeemable units	83,344,694
Amounts paid for redeemable units redeemed	(3,976,200)
Net Cash Flows from (used in) Financing Activities	79,368,494
Effect of exchange rate changes on foreign cash	137,616
Increase (decrease) in cash/bank overdraft	-
Cash (bank overdraft), beginning of period	-
Cash (Bank Overdraft), End of Period	-
Supplemental Information on Cash Flows from (used in) Operating Activities	
Interest received, net of withholding taxes	524,995
Dividends received, net of withholding taxes	1,441,088
Interest paid	153,588
Dividends paid on short sales	764,796

* Beginning of operations in January 2024

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
LONG POSITIONS*							
Equities (140.6%)							
Canadian Equities (90.7%)							
Energy (15.3%)							
Advantage Energy	34,127	324,578	322,500	Waste Connections	10,300	2,129,765	2,490,025
ARC Resources	31,143	682,716	711,929	WSP Global	5,800	1,133,577	1,393,624
Canadian Natural Resources	37,282	1,602,064	1,674,335			14,342,349	16,057,674
Enbridge	40,669	1,979,958	2,234,355	Consumer Discretionary (2.0%)			
Gibson Energy	25,984	557,143	577,105	Dollarama	1,900	193,178	263,226
Imperial Oil	8,500	695,979	808,775	Gildan Activewear	7,700	446,220	490,182
Mattr	6,618	107,217	93,843	Restaurant Brands International	6,826	696,800	666,149
MEG Energy	43,567	1,074,456	1,107,017	Spin Master	12,944	442,632	395,439
North American Construction						1,778,830	1,814,996
Group	6,583	208,991	166,484	Consumer Staples (2.3%)			
Parkland	26,902	1,152,116	937,804	George Weston	7,161	1,238,020	1,625,547
Pembina Pipeline	17,534	800,132	977,520	Metro	1,400	114,851	119,686
Precision Drilling	2,474	217,291	206,059	North West Company	7,466	306,040	383,230
Suncor Energy	45,370	2,136,016	2,264,870			1,658,911	2,128,463
TC Energy	18,000	948,965	1,157,220	Health Care (0.6%)			
TerraVest Industries	3,400	257,507	326,774	Chartwell Retirement Residences	19,500	242,037	303,810
Tourmaline Oil	6,200	361,801	389,426	kneat.com	56,784	199,178	265,181
		13,106,930	13,956,016			441,215	568,991
Materials (11.8%)				Financials (21.9%)			
Agnico Eagle Mines	16,000	1,090,252	1,743,200	Bank of Montreal	5,800	702,406	707,832
BeMetals	199,400	19,940	15,952	Brookfield Asset Management,			
BeMetals, Warrants, 2025-07-31	99,700	-	1,615	Class A	15,700	871,022	1,003,858
Capstone Copper	16,900	116,441	178,633	Brookfield, Class A	3,500	201,324	251,405
CCL Industries, Class B	16,185	1,056,185	1,334,453	Canaccord Capital	22,700	187,416	204,073
Champion Iron	46,876	319,925	311,257	Canadian Imperial Bank of			
First Quantum Minerals	38,100	530,225	702,564	Commerce	31,800	2,149,675	2,638,128
Franco-Nevada	1,981	296,410	332,768	Canadian Western Bank	7,757	230,508	417,559
Frontier Lithium	63,616	43,933	39,442	Dominion Lending Centres	19,633	54,176	80,888
Gold Royalty	19,400	45,384	35,683	Fairfax Financial Holdings	375	520,257	640,376
Gold Royalty, Warrants,				Galaxy Digital Holdings	18,200	256,489	315,952
2027-05-31	19,400	265	7,871	Intact Financial Corporation	1,975	443,588	512,908
Hudbay Minerals	67,855	579,587	844,116	Manulife Financial	55,569	1,742,714	2,221,093
K92 Mining	18,242	120,704	143,565	Nuvei	6,600	223,084	297,688
Kinross Gold	35,371	325,769	448,151	Power Corporation of Canada	23,800	906,779	1,015,308
Labrador Iron Ore Royalty	8,500	281,141	273,360	Royal Bank of Canada	30,750	4,146,674	5,190,600
Major Drilling Group International	31,236	276,517	261,445	Sprott	1,900	114,085	111,359
NGEx Minerals	12,909	105,818	144,064	Toronto-Dominion Bank	51,204	4,026,723	4,378,966
OceanGold	61,976	165,495	237,368			16,776,920	19,987,993
Pan American Silver	33,004	706,119	932,033	Information Technology (7.6%)			
Solaris Resources	31,779	134,885	111,226	Celestica	10,900	482,969	753,626
Talon Metals	177,162	26,564	16,830	Computer Modelling Group	18,400	184,573	209,208
Teck Resources, Class B	26,846	1,553,565	1,896,401	Constellation Software	420	1,542,526	1,848,000
West Fraser Timber	5,075	567,817	668,733	Descartes Systems Group	6,153	745,610	856,313
West Red Lake Gold Mines	120,100	86,472	90,075	Dye & Durham	13,700	177,271	217,693
West Red Lake Gold Mines,				Kinaxis	2,908	462,114	467,228
Warrants, 2026-05-16	120,100	-	27,022	Lightspeed Commerce	12,000	229,816	267,600
		8,449,413	10,797,827	Shopify, Class A	21,400	2,238,378	2,318,690
Industrials (17.6%)						6,063,257	6,938,358
Adentra	4,700	181,344	199,327	Communication Services (2.2%)			
AG Growth International	5,377	311,053	291,057	BCE	7,900	385,583	371,458
AtkinsRealis Group	10,300	560,070	565,985	Cineplex	15,200	127,738	164,312
Badger Infrastructure Solution	11,306	531,496	415,722	Lumine Group	5,497	179,412	173,705
Bombardier, Class B	5,128	300,138	527,722	Rogers Communications, Class B	21,500	1,318,768	1,169,170
Boyd Group Services	2,160	623,399	442,714	TELUS	7,400	165,074	167,906
Brookfield Business Partners	10,100	283,708	320,271			2,176,575	2,046,551
Canadian Pacific Kansas City	37,221	3,938,896	4,305,353	Utilities (6.2%)			
Chorus Aviation	20,217	49,630	57,618	AltaGas	52,600	1,488,068	1,761,048
Element Fleet Management	81,348	1,875,607	2,339,568	Boralex, Class A	19,693	649,172	708,554
NFI Group	21,600	365,643	390,528	Brookfield Infrastructure Partners	15,407	644,977	731,370
Thomson Reuters	5,585	1,149,506	1,288,404	Brookfield Renewable Partners	12,200	405,626	465,308
Toromont Industries	7,800	908,517	1,029,756	Capital Power	15,210	569,414	747,876
				Hydro One	7,675	300,829	359,804
				Innergex Renewable Energy	36,387	336,853	380,972
				TransAlta	32,916	329,464	461,482
						4,724,403	5,616,414
				Index-Based Investments (0.2%)			
				Sprott Physical Uranium Trust	5,744	179,333	150,435

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
Canadian Equities (continued)				Health Care (3.9%)			
Real Estate (3.0%)				Boston Scientific			
Boardwalk Real Estate Investment Trust	7,179	514,917	614,953	Bristol-Myers Squibb	3,300	222,335	230,920
BSR Real Estate Investment Trust	9,971	155,282	191,356	Elanco Animal Health	9,420	196,643	187,152
Colliers International Group	3,000	497,453	615,750	Eli Lilly and Company	610	538,242	730,896
Crombie Real Estate Investment Trust	23,711	334,795	375,582	GoodRx Holdings, Class A	9,902	93,022	92,940
Dream Unlimited, Class A	9,973	243,875	336,389	Insmed	1,050	49,132	103,665
Granite Real Estate Investment Trust	1,600	114,308	130,608	Intuitive Surgical	910	475,182	604,620
Minto Apartments	27,865	460,381	470,640	Medpace Holdings	200	82,981	90,290
		2,321,011	2,735,278	Merck & Co.	2,750	453,848	422,357
				Radnet	3,761	214,966	352,957
				Zymeworks	6,371	88,454	108,137
						2,895,344	3,580,825
Total Canadian Equities - Long				Financials (9.5%)			
		72,019,147	82,798,996	Apollo Global Management			
				Ares Management, Class A			
U.S. Equities (46.0%)				Bank of America			
Energy (1.3%)				Fidelity National Information Services			
Chesapeake Energy	2,200	265,627	244,726	Goldman Sachs Group			
Chord Energy	400	92,530	70,452	Hartford Financial Services Group			
Patterson-UTI Energy	5,800	72,279	60,008	Healthpeak Properties			
Select Water Solutions, Class A	9,600	146,892	144,507	Huntington Bancshares			
Targa Resources	2,050	244,240	410,361	Intercontinental Exchange Group			
Tidewater	900	92,621	87,383	JPMorgan Chase & Co.			
Weatherford International	1,200	152,617	137,820	KKR			
		1,066,806	1,155,257	M&T Bank			
				MarketAxess Holdings			
Industrials (5.3%)				Mastercard, Class A			
Builders FirstSource	2,440	545,644	639,734	Nasdaq			
Clean Harbors	875	265,690	286,038	OneMain Holdings			
Copart	5,268	350,243	373,335	PayPal Holdings			
Fastenal Company	4,339	408,721	419,113	PennyMac Financial Services			
Generac Holdings	1,750	311,998	376,035	Pinnacle Financial Partners			
Loar Holdings	500	24,988	50,440	Progressive			
Old Dominion Freight Line	1,025	267,083	275,367	Reinsurance Group of America			
Quanta Services	1,070	282,848	431,459	Robinhood Markets, Class A			
RXO	8,900	324,651	337,031			7,418,730	8,721,635
Uber Technologies	900	78,836	91,485	Information Technology (12.3%)			
Union Pacific	1,340	439,349	446,692	Adobe Systems			
United Rentals	597	478,867	653,786	AppFolio			
Universal Forest Products	2,375	383,489	421,456	Apple			
		4,162,407	4,801,971	Atlassian, Class A			
				Broadcom			
Consumer Discretionary (5.2%)				Cloudflare, Class A			
Amazon.com	4,525	1,065,462	1,140,309	Corning			
Chewy, Class A	7,000	235,642	277,293	CrowdStrike Holdings, Class A			
D.R. Horton	2,250	442,943	580,515	Gartner			
Domino's Pizza	440	256,434	255,967	Guidewire Software			
DoorDash, Class A	3,125	479,623	603,235	Lam Research			
General Motors	4,500	253,175	272,897	Micron Technology			
Hasbro	1,800	156,554	176,057	Microsoft			
Home Depot	800	379,319	438,410	Motorola Solutions			
Ollie's Bargain Outlet Holdings	1,200	145,592	157,750	nCino			
Stride	1,800	158,882	207,680	NVIDIA			
TJX Companies	2,309	304,615	367,055	Onto Innovation			
Wayfair, Class A	1,200	88,843	91,177	Oracle			
Wynn Resorts	1,500	185,664	194,509	Palo Alto Networks			
		4,152,748	4,762,854	Q2 Holdings			
				Roper Technologies			
Consumer Staples (2.2%)				ServiceNow			
BellRing Brands	2,602	195,467	213,678	Synopsis			
Coca-Cola Consolidated	1,400	134,527	136,062	Tyler Technologies			
Estée Lauder Companies, Class A	900	121,491	121,343	UL Solutions, Class A			
Freshpet	1,175	205,718	217,345	Veralto			
Inter Parfums	800	147,542	140,092			9,484,550	11,200,798
Mondelez International	2,350	235,395	234,142	Communication Services (3.3%)			
Procter & Gamble	752	155,746	176,152	Alphabet, Class A			
Sharkninja	1,500	193,945	220,537	Match Group			
Walmart	5,380	405,292	587,552	Meta Platforms, Class A			
		1,795,123	2,046,903	New York Times, Class A			

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
U.S. Equities (continued)			
Pinterest, Class A	3,000	117,742	131,336
Take-Two Interactive Software	733	159,024	152,380
Trade Desk, Class A	2,950	327,297	437,474
Verizon Communications	6,361	351,883	386,358
Zillow Group, Class C	2,000	122,250	172,708
		2,549,278	3,027,997
Utilities (1.4%)			
Eversource	3,300	267,585	276,756
NiSource	5,348	190,944	250,620
PPL	10,143	379,042	453,788
Sempra Energy	2,400	260,147	271,453
		1,097,718	1,252,617
Index-Based Investments (1.0%)			
Invesco S&P 500 Low Volatility ETF	5,204	441,367	504,846
iShares Russell 2000 Value ETF	1,700	351,860	383,547
		793,227	888,393
Real Estate (0.6%)			
Host Hotels & Resorts	8,400	204,643	199,946
Ventas	4,514	284,799	391,511
		489,442	591,457
Total U.S. Equities - Long		35,905,373	42,030,707
Foreign Equities (3.9%)			
Australia (0.1%)			
Westgold Resources	50,575	130,069	121,886
Ireland (1.3%)			
Aon	955	431,535	446,877
Eaton	585	192,180	262,230
ICON	1,140	445,073	442,973
		1,068,788	1,152,080
Israel (0.9%)			
CyberArk	850	279,450	335,230
Monday.com	650	202,313	244,186
Teva Pharmaceutical Industries, ADR	10,000	229,265	243,711
		711,028	823,127
Luxembourg (0.6%)			
Spotify Technology	1,040	321,996	518,355
Netherlands (0.3%)			
ASML Holding	230	297,025	259,194
Netherlands Antilles (0.1%)			
Schlumberger	2,500	157,576	141,838
Taiwan (0.4%)			
Taiwan Semiconductor Manufacturing Company, ADR	1,500	348,371	352,320
United Kingdom (0.2%)			
ReNew Energy Global, Class A	19,585	175,747	166,608
Total Foreign Equities - Long		3,210,600	3,535,408
Total Long Positions		111,135,120	128,365,111

SHORT POSITIONS

Equities (-60.5%)

Canadian Equities (-17.5%)

Energy (-2.2%)

Baytex Energy	(58,239)	(246,770)	(235,286)
Cenovus Energy	(6,200)	(139,189)	(140,244)
Ensign Resource Service Group	(35,783)	(77,974)	(94,825)
Obsidian Energy	(6,500)	(66,881)	(48,815)
Paramount Resources	(11,346)	(306,219)	(298,967)
Parex Resources	(10,939)	(245,334)	(131,268)
PrairieSky Royalty	(4,312)	(97,795)	(118,537)
Spartan Delta	(32,100)	(129,645)	(118,449)
Topaz Energy	(14,965)	(309,973)	(386,845)
Trican Well Service	(9,000)	(37,622)	(42,930)
Veren	(19,100)	(165,048)	(159,103)
Vermilion Energy	(10,400)	(153,056)	(137,280)
Whitecap Resources	(12,789)	(115,991)	(129,169)
		(2,091,497)	(2,041,718)

Materials (-0.8%)

B2Gold	(21,400)	(80,525)	(89,452)
Ero Copper	(3,310)	(78,937)	(99,664)
First Majestic Silver	(16,428)	(122,207)	(133,395)
Interfor	(7,000)	(124,897)	(142,100)
Lundin Mining	(6,358)	(79,392)	(90,093)
New Found Gold	(15,714)	(64,322)	(54,213)
Sandstorm Gold	(12,422)	(78,818)	(100,867)
		(629,098)	(709,784)

Industrials (-0.3%)

Aecon Group	(4,669)	(64,823)	(97,675)
Ballard Power Systems	(3,976)	(18,470)	(9,662)
Canadian National Railway Company	(850)	(134,238)	(134,614)
		(217,531)	(241,951)

Consumer Discretionary (-0.4%)

BRP	(800)	(73,071)	(64,392)
Canadian Tire Corporation, Class A	(1,505)	(218,041)	(243,945)
Magna International, Class A	(1,700)	(94,619)	(94,316)
		(385,731)	(402,653)

Consumer Staples (-0.9%)

Empire Company, Class A	(2,646)	(92,038)	(109,359)
Loblaw Companies	(3,800)	(665,421)	(684,304)
		(757,459)	(793,663)

Financials (-3.2%)

Definity Financial	(2,500)	(120,058)	(136,275)
EQB	(800)	(76,104)	(83,400)
Fiera Capital	(900)	(6,932)	(7,434)
Galaxy Digital Holdings	(10,200)	(126,976)	(177,072)
Great-West Lifeco	(12,146)	(513,357)	(560,174)
iA Financial Group	(1,300)	(135,495)	(145,730)
IGM Financial	(7,146)	(257,490)	(289,985)
National Bank of Canada	(3,100)	(334,162)	(395,994)
Propel Holdings	(1,000)	(21,175)	(28,430)
Scotiabank	(4,500)	(327,465)	(331,605)
StorageVault Canada	(22,416)	(117,675)	(115,891)
Sun Life Financial	(3,800)	(258,689)	(298,110)
TMX Group	(7,500)	(277,779)	(317,925)
		(2,573,357)	(2,888,025)

Information Technology (-0.6%)

CGI, Class A	(700)	(108,983)	(108,934)
Dye & Durham	(6,200)	(79,812)	(98,518)
Enghouse Systems	(5,291)	(192,896)	(178,042)
Open Text	(4,000)	(209,614)	(180,080)
		(591,305)	(565,574)

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
Canadian Equities (continued)				Verisk Analytics, Class A	(400)	(130,098)	(144,961)
Communication Services (-0.3%)				Werner Enterprises	(5,747)	(301,100)	(299,942)
Cogeco Communications	(2,999)	(183,171)	(214,428)			(4,048,653)	(4,123,110)
Québecor, Class B	(2,200)	(67,100)	(77,682)	Consumer Discretionary (-2.7%)			
		(250,271)	(292,110)	1-800-flowers.com	(4,415)	(59,169)	(47,351)
Utilities (-1.1%)				Abercrombie & Fitch, Class A	(600)	(123,465)	(113,525)
Brookfield Infrastructure Partners, Class A	(5,013)	(238,570)	(294,413)	Airbnb, Class A	(1,070)	(218,578)	(183,509)
Brookfield Renewable, Class A	(4,700)	(192,034)	(207,552)	Booking Holdings	(37)	(183,231)	(210,777)
Emera	(1,800)	(91,093)	(95,922)	CarMax	(400)	(43,666)	(41,861)
Fortis	(6,776)	(367,126)	(416,385)	Chegg	(3,432)	(38,593)	(8,216)
		(888,823)	(1,014,272)	Deckers Outdoor	(900)	(190,241)	(194,083)
Index-Based Investments (-7.6%)				Duolingo	(380)	(91,495)	(144,939)
iShares Core S&P/TSX Capped Composite Index ETF	(157,768)	(5,526,908)	(6,025,160)	Etsy	(1,180)	(99,182)	(88,620)
iShares S&P/TSX Capped Energy Index ETF	(55,800)	(1,035,742)	(942,462)	GameStop, Class A	(1,300)	(56,152)	(40,315)
		(6,562,650)	(6,967,622)	LGI Homes	(800)	(120,088)	(128,234)
Real Estate (-0.1%)				McDonald's	(475)	(169,156)	(195,621)
SmartCentres Real Estate Investment Trust	(3,131)	(74,564)	(83,316)	Murphy USA	(125)	(86,621)	(83,323)
Total Canadian Equities - Short		(15,022,286)	(16,000,688)	Polaris	(1,872)	(222,824)	(210,746)
				Starbucks	(950)	(102,759)	(125,258)
U.S. Equities (-40.6%)				Tempur-Pedic International	(800)	(58,569)	(59,075)
Energy (-0.4%)				Tractor Supply Company	(450)	(137,197)	(177,061)
ConocoPhillips	(1,100)	(173,711)	(156,625)	Udemy	(7,500)	(87,779)	(75,467)
Halliburton Company	(3,700)	(175,866)	(145,368)	Ultra Salon Cosmetics & Fragrance	(100)	(69,466)	(52,627)
ProFrac Holding	(800)	(9,944)	(7,347)	Yeti Holdings	(1,750)	(94,574)	(97,109)
Propetro Holding	(3,796)	(41,789)	(39,326)	Yum! Brands	(870)	(152,896)	(164,387)
		(401,310)	(348,666)			(2,405,701)	(2,442,104)
Materials (-1.0%)				Consumer Staples (-1.0%)			
Avery Dennison	(825)	(238,883)	(246,318)	Colgate-Palmolive	(650)	(91,370)	(91,259)
Cleveland-Cliffs	(8,700)	(205,089)	(150,256)	Dollar Tree	(325)	(55,924)	(30,909)
Rio Tinto	(4,747)	(434,001)	(456,917)	General Mills	(1,800)	(182,896)	(179,781)
Steel Dynamics	(525)	(86,267)	(89,521)	Hershey Company	(920)	(242,396)	(238,623)
		(964,240)	(943,012)	Maplebear	(4,100)	(198,654)	(225,905)
Industrials (-4.5%)				PepsiCo	(525)	(119,418)	(120,727)
AGCO	(1,449)	(216,919)	(191,776)			(890,658)	(887,204)
American Airlines Group	(3,663)	(68,212)	(55,683)	Health Care (-1.5%)			
Barnes Group	(1,300)	(63,550)	(71,048)	Amgen	(180)	(84,363)	(78,439)
Beacon Roofing Supply	(1,860)	(214,395)	(217,420)	Biogen	(350)	(93,081)	(91,756)
Bloom Energy	(2,037)	(37,116)	(29,092)	CVS Health	(1,700)	(143,607)	(144,571)
C.H. Robinson Worldwide	(1,787)	(218,403)	(266,745)	Edwards Lifesciences	(800)	(75,493)	(71,399)
Caterpillar	(400)	(189,365)	(211,588)	Gilead Sciences	(2,102)	(226,797)	(238,345)
CoStar Group	(1,700)	(179,210)	(173,449)	Henry Schein	(1,400)	(133,786)	(138,031)
Enerpac Tool Group	(2,849)	(122,885)	(161,408)	IQVIA Holdings	(500)	(154,580)	(160,245)
Fluence Energy	(2,900)	(67,964)	(89,071)	Madrigal Pharmaceuticals	(520)	(159,861)	(149,249)
GATX	(568)	(96,775)	(101,747)	Pfizer	(1,165)	(43,684)	(45,598)
HNI	(1,892)	(104,703)	(137,768)	Solventum	(1,674)	(137,290)	(157,846)
Illinois Tool Works	(780)	(272,447)	(276,461)	Zimmer Biomet Holdings	(700)	(101,155)	(102,198)
J.B. Hunt Transport Services	(700)	(184,715)	(163,147)			(1,353,697)	(1,377,677)
Kennametal	(4,200)	(138,701)	(147,290)	Financials (-6.5%)			
Lyft, Class A	(3,300)	(65,047)	(56,904)	Alliance Data Systems	(2,200)	(139,528)	(141,569)
ManpowerGroup	(1,600)	(164,519)	(159,091)	Allstate	(820)	(183,103)	(210,324)
MSC Industrial Direct Co., Class A	(1,438)	(183,885)	(167,371)	American Express	(750)	(254,790)	(275,088)
Paycom Software	(500)	(117,730)	(112,639)	Ameriprise Financial	(450)	(258,059)	(285,928)
Plug Power	(2,200)	(13,700)	(6,724)	Bancorp	(1,600)	(106,374)	(115,770)
Robert Half	(1,651)	(171,482)	(150,519)	Bank OZK	(3,740)	(231,051)	(217,450)
Stanley Black & Decker	(550)	(66,836)	(81,920)	Blue Owl Capital	(7,342)	(172,049)	(192,239)
Sunrun	(3,945)	(83,632)	(96,358)	Cadence Bank	(1,400)	(60,904)	(60,306)
Terex Corporation	(2,319)	(186,206)	(165,943)	Carlyle Group	(5,200)	(301,386)	(302,830)
Toro Company	(1,250)	(144,993)	(146,622)	Cincinnati Financial	(1,000)	(167,016)	(184,095)
United Parcel Service, Class B	(775)	(135,384)	(142,905)	CME Group	(950)	(266,249)	(283,497)
Upwork	(6,900)	(108,681)	(97,518)	East West Bancorp	(900)	(100,571)	(100,712)
				FactSet Research Systems	(343)	(210,870)	(213,320)
				Federated Hermes	(4,000)	(192,850)	(198,918)
				Jack Henry & Associates	(650)	(146,145)	(155,195)
				Jackson Financial	(900)	(86,176)	(111,046)
				Marsh & McLennan Companies	(450)	(136,847)	(135,773)
				Moody's	(470)	(289,716)	(301,674)
				Morgan Stanley	(1,825)	(230,007)	(257,287)
				Principal Financial Group	(2,300)	(259,412)	(267,204)
				Raymond James Financial	(650)	(99,923)	(107,654)
				Selective Insurance Group	(700)	(87,637)	(88,329)

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
U.S. Equities (continued)				Index-Based Investments (-16.8%)			
Skyward Specialty Insurance Group	(2,000)	(102,597)	(110,171)	Consumer Staples Select Sector SPDR Fund	(3,300)	(364,636)	(370,436)
T. Rowe Price Group	(950)	(141,219)	(139,956)	Industrial Select Sector SPDR Fund	(4,700)	(813,486)	(860,926)
Terreno Realty	(1,850)	(152,583)	(167,211)	Invesco QQQ Trust Series 1 ETF	(1,675)	(1,089,180)	(1,105,651)
Travelers Companies	(590)	(166,645)	(186,815)	Invesco S&P 500 Top 50 ETF	(17,200)	(1,077,765)	(1,105,650)
U.S. Bancorp	(2,000)	(117,434)	(123,695)	iShares 20+ Year Treasury Bond ETF	(4,400)	(575,561)	(583,772)
Unum Group	(1,400)	(107,860)	(112,545)	iShares Core S&P 500 ETF	(10,000)	(7,607,984)	(7,801,202)
Voya Financial	(1,800)	(186,978)	(192,854)	iShares iBoxx High Yield Corporate Bond ETF	(3,216)	(335,250)	(349,263)
W. R. Berkley	(3,100)	(222,745)	(237,846)	iShares JPMorgan USD Emerging Markets Bond	(2,354)	(276,505)	(297,928)
Webster Financial	(2,100)	(130,500)	(132,379)	iShares MSCI Emerging Markets ETF	(3,660)	(196,386)	(227,005)
Wells Fargo & Company	(2,600)	(195,709)	(198,640)	iShares MSCI USA Momentum Factor ETF	(4,600)	(1,189,640)	(1,261,425)
Zions Bancorporation	(1,400)	(88,397)	(89,408)	iShares Russell 2000 Growth ETF	(2,100)	(761,794)	(806,601)
		(5,593,330)	(5,897,728)	SPDR S&P Metals & Mining ETF	(2,800)	(225,543)	(241,299)
Information Technology (-3.1%)				Utilities Select Sector SPDR Fund	(1,900)	(202,127)	(207,577)
Applied Materials	(275)	(72,169)	(75,147)	VanEck Semiconductor ETF	(400)	(134,490)	(132,784)
Arista Networks	(175)	(80,435)	(90,842)			(14,850,347)	(15,351,519)
Arrow Electronics	(900)	(152,634)	(161,681)	Real Estate (-1.1%)			
Braze, Class A	(1,500)	(65,340)	(65,729)	Alexandria Real Estate Equities	(999)	(165,035)	(160,443)
Cadence Design Systems	(350)	(133,722)	(128,294)	CubeSmart	(700)	(42,941)	(50,962)
DigitalOcean Holdings	(1,400)	(76,711)	(76,476)	Iron Mountain REIT	(775)	(108,966)	(124,552)
DoubleVerify Holdings	(2,400)	(54,569)	(54,661)	Lineage	(650)	(72,949)	(68,903)
Enphase Energy	(475)	(70,736)	(72,606)	Macerich	(5,722)	(128,124)	(141,154)
Extreme Networks	(2,897)	(66,356)	(58,888)	Mid-America Apartment Communities	(700)	(128,756)	(150,433)
First Solar	(135)	(54,926)	(45,543)	Realty Income	(1,505)	(112,683)	(129,087)
Five9	(700)	(26,685)	(27,199)	Weyerhaeuser Company	(4,800)	(227,103)	(219,811)
Fortinet	(500)	(41,754)	(52,441)			(986,557)	(1,045,345)
Globalfoundries	(2,430)	(191,427)	(132,280)	Total U.S. Equities - Short			
GoDaddy, Class A	(250)	(36,631)	(53,009)			(36,178,769)	(37,071,050)
Intel	(700)	(40,585)	(22,210)	Foreign Equities (-2.4%)			
KLA	(155)	(135,047)	(162,339)	Australia (-0.5%)			
LiveRamp Holdings	(1,500)	(61,688)	(50,271)	BHP Billiton, ADR	(5,970)	(486,482)	(501,484)
Marvell Technology	(1,200)	(113,455)	(117,046)	Bermuda (-0.8%)			
ON Semiconductor	(1,032)	(100,576)	(101,344)	Everest Group	(500)	(255,640)	(264,965)
Palo Alto Networks	(1,000)	(430,834)	(462,267)	Nabors Industries	(483)	(57,834)	(42,114)
Procore Technologies	(966)	(93,607)	(80,635)	RenaissanceRe Holdings	(1,025)	(311,740)	(377,618)
Qualcomm	(300)	(66,753)	(68,995)			(625,214)	(684,697)
Qualys	(710)	(182,435)	(123,352)	Ireland (-0.1%)			
Salesforce	(425)	(151,764)	(157,326)	Accenture, Class A	(200)	(91,678)	(95,613)
Snowflake, Class A	(400)	(61,132)	(62,137)	Israel (-0.3%)			
SolarEdge Technologies	(900)	(79,874)	(27,886)	Check Point Software Technologies	(1,225)	(289,886)	(319,438)
Super Micro Computer	(100)	(72,635)	(56,316)	South Africa (-0.5%)			
UiPath, Class A	(1,100)	(34,073)	(19,042)	Gold Fields	(20,144)	(404,633)	(418,192)
Varonis Systems	(1,500)	(103,786)	(114,620)	Switzerland (-0.1%)			
Zscaler	(450)	(102,566)	(104,035)	Logitech International	(550)	(69,102)	(66,745)
		(2,954,905)	(2,824,617)				
Communication Services (-0.9%)							
Charter Communications, Class A	(400)	(156,563)	(175,321)				
Electronic Arts	(400)	(72,242)	(77,598)				
FuboTV	(4,975)	(18,500)	(9,554)				
IAC	(816)	(55,618)	(59,396)				
Lumen Technologies	(6,500)	(46,241)	(62,416)				
Pubmatic	(2,999)	(73,932)	(60,313)				
Snap	(3,100)	(59,760)	(44,861)				
Sphere Entertainment	(966)	(46,237)	(57,720)				
TripAdvisor	(2,697)	(75,709)	(52,853)				
Warner Bros. Discovery	(9,600)	(101,350)	(107,114)				
Warner Music Group, Class A	(2,038)	(96,513)	(86,272)				
Yelp	(1,500)	(84,317)	(71,166)				
		(886,982)	(864,584)				
Utilities (-1.1%)							
American Electric Power Company	(700)	(83,732)	(97,133)				
American Water Works Company	(900)	(169,105)	(178,004)				
Dominion Resources	(2,565)	(156,513)	(200,475)				
FirstEnergy	(1,800)	(93,266)	(107,966)				
Ormat Technologies	(1,893)	(168,228)	(196,981)				
Spire	(2,032)	(171,545)	(184,925)				
		(842,389)	(965,484)				

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
Foreign Equities (continued)			
United Kingdom (-0.1%)			
Royalty Pharma, Class A	(1,500)	(58,088)	(57,391)
Total Foreign Equities - Short		(2,025,083)	(2,143,560)
Total Short Positions		(53,226,138)	(55,215,298)
Total Investments (80.1%)		57,908,982	73,149,813
Options at Fair Value - Long Positions (TABLE 1) (0.9%)			799,353
Options at Fair Value - Short Positions (TABLE 2) (-0.7%)			(627,812)
Other Net Assets (19.7%)			17,990,784
Net Assets (100.0%)			91,312,138

*All long positions and margin deposits were pledged as collateral to the Fund's prime broker.

TABLE 1

Options at Fair Value—Long Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Equity Options						
Call						
Atlassian	42	100	December 2024	USD 175.00	51,207	45,442
Atlassian	17	100	December 2024	USD 200.00	8,467	6,093
Builders FirstSource	19	100	November 2024	USD 195.00	37,056	31,607
Builders FirstSource	3	100	November 2024	USD 230.00	2,549	955
CBOE Volatility Index	104	100	October 2024	USD 19.00	22,705	16,175
Celestica	46	100	November 2024	CAD 68.00	10,902	29,900
Charles Schwab	94	100	October 2024	USD 70.00	15,917	7,882
DexCom	35	100	January 2025	USD 85.00	14,629	12,544
Elanco Animal Health	94	100	October 2024	USD 18.00	6,977	-
ICON	18	100	November 2024	USD 310.00	14,616	9,251
ICON	6	100	November 2024	USD 350.00	816	284
Invesco QQQ Trust Series 1	48	100	October 2024	USD 476.00	33,196	117,306
iShares Russell 2000 ETF	98	100	October 2024	USD 227.00	27,719	7,422
iShares Russell 2000 ETF	172	100	October 2024	USD 228.00	28,133	22,797
iShares Russell 2000 ETF	52	100	October 2024	USD 235.00	2,249	1,266
Kinaxis	114	100	November 2024	CAD 160.00	44,289	118,560
NVIDIA	83	100	October 2024	USD 117.00	39,989	81,945
Parkland	138	100	November 2024	CAD 38.00	8,832	3,864
Spin Master	138	100	November 2024	CAD 34.00	8,142	4,278
Trisura Group	74	100	November 2024	CAD 43.00	7,622	15,910
Trisura Group	22	100	November 2024	CAD 49.00	660	220
						<u>533,701</u>

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

TABLE 1 (continued)

Options at Fair Value—Long Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Put						
CBO	14	100	October 2024	USD 5,360.00	6,364	1,610
CBO	7	100	October 2024	USD 5,370.00	15,007	426
CBO	28	100	October 2024	USD 5,410.00	61,378	3,976
CBO	23	100	October 2024	USD 5,530.00	53,568	4,511
CBO	42	100	October 2024	USD 5,580.00	32,815	24,993
Duolingo	3	100	November 2024	USD 190.00	587	548
Duolingo	12	100	November 2024	USD 240.00	13,843	13,146
Invesco QQQ Trust Series 1	69	100	October 2024	USD 445.00	16,777	10,638
Invesco QQQ Trust Series 1	137	100	October 2024	USD 450.00	87,932	25,940
Invesco QQQ Trust Series 1	190	100	October 2024	USD 471.00	87,837	94,563
iShares MSCI USA Momentum Factor ETF	38	100	October 2024	USD 182.00	6,469	-
iShares MSCI USA Momentum Factor ETF	162	100	October 2024	USD 194.00	22,993	17,528
iShares S&P/TSX 60 Index ETF	230	100	November 2024	CAD 29.00	1,380	-
iShares S&P/TSX 60 Index ETF	924	100	November 2024	CAD 31.00	13,860	1
Starbucks	17	100	November 2024	USD 65.00	699	-
Starbucks	58	100	November 2024	USD 80.00	11,529	2,902
Sunrun	40	100	November 2024	USD 13.00	2,498	2,813
Sunrun	115	100	November 2024	USD 17.00	22,396	28,462
Tesla	32	100	October 2024	USD 225.00	33,572	25,967
Varonis Systems	94	100	December 2024	USD 45.00	17,255	7,628
						265,652
Options at Fair Value—Long Positions						799,353

TABLE 2

Options at Fair Value—Short Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Equity Options						
Written Call						
Atlassian	(34)	100	December 2024	USD 185.00	(28,891)	(25,291)
Atlassian	(30)	100	December 2024	USD 195.00	(17,693)	(14,607)
Builders FirstSource	(14)	100	November 2024	USD 210.00	(19,042)	(12,686)
Builders FirstSource	(14)	100	November 2024	USD 220.00	(14,872)	(8,142)
CBOE Volatility Index	(92)	100	October 2024	USD 24.00	(13,097)	(7,466)
Celestica	(18)	100	October 2024	CAD 70.00	(1,170)	(5,850)
Celestica	(37)	100	November 2024	CAD 76.00	(4,070)	(13,690)
Charles Schwab	(70)	100	October 2024	USD 75.00	(4,408)	(1,609)
DexCom	(24)	100	January 2025	USD 100.00	(3,685)	(3,408)
Duolingo	(1)	100	November 2024	USD 370.00	(755)	(595)
Elanco Animal Health	(84)	100	October 2024	USD 20.00	(2,683)	(2,840)
ICON	(13)	100	November 2024	USD 320.00	(7,073)	(9,318)
ICON	(13)	100	November 2024	USD 340.00	(3,536)	(5,978)
Invesco QQQ Trust Series 1	(41)	100	October 2024	USD 484.00	(16,912)	(69,036)
Invesco QQQ Trust Series 1	(23)	100	October 2024	USD 485.00	(14,233)	(31,355)
iShares Russell 2000 ETF	(121)	100	October 2024	USD 230.00	(13,576)	(10,637)
iShares Russell 2000 ETF	(121)	100	October 2024	USD 233.00	(7,687)	(5,400)
iShares Russell 2000 ETF	(117)	100	October 2024	USD 234.00	(8,919)	(791)
Kinaxis	(79)	100	November 2024	CAD 170.00	(22,120)	(86,505)
NVIDIA	(58)	100	October 2024	USD 122.00	(19,047)	(37,260)
NVIDIA	(58)	100	October 2024	USD 128.00	(12,228)	(18,669)
Parkland	(97)	100	November 2024	CAD 40.00	(2,425)	(1,455)
Spin Master	(110)	100	November 2024	CAD 36.00	(1,650)	(3,190)
Trisura Group	(52)	100	November 2024	CAD 45.00	(2,860)	(8,840)
Trisura Group	(52)	100	November 2024	CAD 47.00	(1,820)	(5,200)
						(389,818)

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

SCHEDULE OF INVESTMENT PORTFOLIO AS AT SEPTEMBER 30, 2024 (continued)

TABLE 2 (continued)

Options at Fair Value—Short Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Written Put						
Atlassian	(6)	100	October 2024	USD 140.00	(2,800)	(487)
CBO	(9)	100	October 2024	USD 5,250.00	(47,571)	(913)
CBO	(6)	100	October 2024	USD 5,290.00	(37,207)	(649)
CBO	(18)	100	October 2024	USD 5,360.00	(30,499)	(2,313)
CBO	(16)	100	October 2024	USD 5,400.00	(39,800)	(1,298)
CBO	(28)	100	October 2024	USD 5,410.00	(16,566)	(4,544)
CBO	(7)	100	October 2024	USD 5,450.00	(22,928)	(757)
CBO	(4)	100	October 2024	USD 5,485.00	(3,934)	(947)
CBO	(16)	100	October 2024	USD 5,510.00	(32,208)	(2,705)
CBO	(29)	100	October 2024	USD 5,550.00	(16,190)	(12,551)
Celestica	(5)	100	October 2024	CAD 46.00	(400)	(30)
Duolingo	(8)	100	November 2024	USD 210.00	(3,431)	(3,679)
Duolingo	(8)	100	November 2024	USD 220.00	(4,941)	(5,085)
Invesco QQQ Trust Series 1	(48)	100	October 2024	USD 410.00	(20,043)	(2,532)
Invesco QQQ Trust Series 1	(19)	100	October 2024	USD 415.00	(9,460)	(1,156)
Invesco QQQ Trust Series 1	(17)	100	October 2024	USD 430.00	(4,330)	(966)
Invesco QQQ Trust Series 1	(89)	100	October 2024	USD 445.00	(47,563)	(14,083)
Invesco QQQ Trust Series 1	(137)	100	October 2024	USD 450.00	(40,158)	(26,311)
Invesco QQQ Trust Series 1	(52)	100	October 2024	USD 460.00	(23,039)	(15,402)
Invesco QQQ Trust Series 1	(114)	100	October 2024	USD 467.00	(43,732)	(47,487)
iShares MSCI USA Momentum Factor ETF	(89)	100	October 2024	USD 184.00	(15,757)	(5,417)
iShares MSCI USA Momentum Factor ETF	(31)	100	October 2024	USD 188.00	(8,655)	(2,516)
iShares MSCI USA Momentum Factor ETF	(99)	100	October 2024	USD 192.00	(10,037)	(12,050)
iShares S&P/TSX 60 Index ETF	(1,554)	100	November 2024	CAD 30.00	(11,540)	(6,924)
Kinaxis	(34)	100	November 2024	CAD 125.00	(16,150)	(21,080)
Parkland	(28)	100	October 2024	CAD 32.00	(560)	(392)
Spin Master	(28)	100	October 2024	CAD 28.00	(280)	(672)
Starbucks	(41)	100	November 2024	USD 70.00	(2,248)	(887)
Starbucks	(41)	100	November 2024	USD 75.00	(4,496)	(1,386)
Sunrun	(86)	100	November 2024	USD 14.00	(7,730)	(9,654)
Sunrun	(75)	100	November 2024	USD 16.00	(10,929)	(15,012)
Tesla	(28)	100	October 2024	USD 200.00	(11,822)	(7,952)
Toronto-Dominion Bank	(21)	100	November 2024	CAD 70.00	(945)	(1,029)
Trisura Group	(15)	100	October 2024	CAD 36.00	(675)	(405)
Varonis Systems	(28)	100	October 2024	USD 45.00	(1,409)	(1,136)
Varonis Systems	(66)	100	December 2024	USD 40.00	(6,910)	(7,587)
						(237,994)
Options at Fair Value—Short Positions						(627,812)

The accompanying Notes are an integral part of these financial statements.

NEI Long Short Equity Fund

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION

a) Establishment of the Fund (Note 1)

The NEI Long Short Equity Fund (the "Fund") intends to qualify as a mutual fund trust. The establishment date for each series of the Fund is the date set out in the simplified prospectus as the start date for that series, as listed below:

Series A	Series C	Series F
January 11, 2024	January 11, 2024	January 11, 2024
Series I	Series O	
January 11, 2024	January 11, 2024	

b) Units (Note 4)

Issued and Outstanding Units

	Number of Units, Beginning of Period	Units Issued	Reinvested Units	Units Redeemed	Number of Units, End of Period
Series A					
September 30, 2024	-	62,715	-	-	62,715
Series C					
September 30, 2024	-	100	-	-	100
Series F					
September 30, 2024	-	74,653	-	15,415	59,238
Series I					
September 30, 2024	-	8,160,258	-	361,170	7,799,088
Series O					
September 30, 2024	-	100	-	-	100

c) Distributions

All distributions made by the Fund are automatically reinvested in additional units of the same series that paid the distribution unless notification to the contrary is received in writing at least 5 days in advance to receive a cash payment. All distributions reinvested are made without an acquisition charge.

The schedule of distributions, which may consist of net investment income, net realized capital gains and/or return of capital, is as follows:

Series A	Series C	Series F
Annually	Annually	Annually
Series I	Series O	
Annually	Annually	

In addition, the Fund will, prior to the end of each year, distribute any excess net income and net realized capital gains to its unitholders.

d) Management Fees and Other Expenses (Note 5)

The annual management fee rates, for 2024, are as follows:

	Series A %	Series F %
September 30, 2024	2.00	1.00

The annual administration fee rates, for 2024, are as follows:

	Series A %	Series C %	Series F %
September 30, 2024	0.25	0.08	0.25
	Series O %		
September 30, 2024	0.08		

For the period ended September 30, 2024, the Fund incurred performance fees of \$2,799,658.

Series C unitholders negotiate directly with the dealer and pay management fees directly by the dealer to the Manager.

Series I unitholders negotiate and pay management and administration fees directly to the Manager.

Series O unitholders negotiate and pay management fees directly to the Manager.

e) Related Party Transactions (Note 6)

Accrued expenses payable to related parties, presented in the Statement of Financial Position, are as follows:

September 30, 2024
\$
1,347

NEI Long Short Equity Fund

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (continued)

f) Interest in Unconsolidated Structured Entities

The following table presents the Fund's interest in unconsolidated structured entities:

	September 30, 2024	
Unconsolidated Structured Entities	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)
Consumer Staples Select Sector SPDR Fund	112,671	(370)
Industrial Select Sector SPDR Fund	191,748	(861)
Invesco QQQ Trust Series 1 ETF	390,356,449	(1,106)
Invesco S&P 500 Low Volatility ETF	10,151,398	505
Invesco S&P 500 Top 50 ETF	9,045,087	(1,106)
iShares 20+ Year Treasury Bond ETF	81,043,137	(584)
iShares Core S&P 500 ETF	717,955,969	(7,801)
iShares Core S&P/TSX Capped Composite Index ETF	39,396	(6,025)
iShares iBoxx High Yield Corporate Bond ETF	21,647,844	(349)
iShares JPMorgan USD Emerging Markets Bond	126,568	(298)
iShares MSCI Emerging Markets ETF	25,681,370	(227)
iShares MSCI USA Momentum Factor ETF	13,616,882	(1,261)
iShares Russell 2000 Growth ETF	15,871,595	(807)
iShares Russell 2000 Value ETF	16,583,588	384
iShares S&P/TSX Capped Energy Index ETF	1,465,367	(942)
SPDR S&P Metals & Mining ETF	2,408,997	(241)
Sprott Physical Uranium Trust	28,249	150
Utilities Select Sector SPDR Fund	112,817	(208)
VanEck Semiconductor ETF	32,641,015	(133)

g) Financial Instruments Disclosures (Note 7)

Strategy in Using Financial Instruments

Investment Objective

The investment objective of the Fund is to generate long-term capital appreciation primarily through a portfolio comprised of long and short equity securities. The Fund may also invest in fixed income securities, derivative instruments, securities of investment funds, and cash and cash equivalents.

The Fund may engage in physical short sales and/or borrowing for investment purposes.

The Fund follows a responsible approach to investing, as described in the simplified prospectus of the Fund.

As an "alternative mutual fund", the Fund is not subject to certain investment restrictions set out in National Instrument 81-102 – Investment Funds ("NI 81-102") that restrict the ability of a conventional mutual fund (other than an alternative mutual fund) to leverage its assets through borrowing, short sales and/or specified derivatives. On average, over time, the Fund generally expects to utilize a leverage of 2.5 to 3 times its net assets, or, as may be permitted by securities regulations.

Financial Instruments Fair Value Measurement

Hierarchy of Financial Instruments Measured at Fair Value

The following table categorizes the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Material Accounting Policy Information" section of Note 2.

Fair Value Hierarchy (in \$'000)

September 30, 2024	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at FVTPL				
Equities - Long	127,324	2	-	127,326
Non Related Index-Based Investments - Long	1,039	-	-	1,039
Options - Long	799	-	-	799
Total	129,162	2	-	129,164
Financial liabilities at FVTPL				
Equities - Short	32,896	-	-	32,896
Non Related Index-Based Investments - Short	22,319	-	-	22,319
Options- Short	628	-	-	628
Total	55,843	-	-	55,843

Transfers between Levels

During the period ended September 30, 2024, there were no transfers of securities between Levels 1, 2 and 3.

Financial Instruments Risks

Currency Risk (in \$'000)

The Fund's exposure to currency risk is presented in the table below. Amounts shown represent monetary and non-monetary items (including the notional amount of foreign currency forward contracts). The table also illustrates the potential impact on the Net Assets Attributable to Holders of Redeemable Units if the Canadian dollar had strengthened or weakened by 3% in relation to each of the other currencies, with all other variables held constant.

	September 30, 2024			Impact on Net Assets Attributable to Holders of Redeemable Units
	Financial Assets \$	Financial Liabilities \$	Net Exposure \$	
USD	46,631	41,092	5,539	166

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

NEI Long Short Equity Fund

NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (continued)

Interest Rate Risk

As at September 30, 2024, the majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, interest rate risk is not significant to the Fund.

Concentration Risk

The following table summarizes the concentration risk, as a percentage of the Fund's Net Assets Attributable to Holders of Redeemable Units:

September 30, 2024	
Market Segment	%
LONG POSITIONS	
Canadian Equities	
Financials	21.9
Industrials	17.6
Energy	15.3
Materials	11.8
Information Technology	7.6
Utilities	6.2
Real Estate	3.0
Consumer Staples	2.3
Communication Services	2.2
Consumer Discretionary	2.0
Health Care	0.6
Index-Based Investments	0.2
U.S. Equities	
Information Technology	12.3
Financials	9.5
Industrials	5.3
Consumer Discretionary	5.2
Health Care	3.9
Communication Services	3.3
Consumer Staples	2.2
Utilities	1.4
Energy	1.3
Index-Based Investments	1.0
Real Estate	0.6
Foreign Equities	3.9
SHORT POSITIONS	
U.S. Equities	
Index-Based Investments	(16.8)
Financials	(6.5)
Industrials	(4.5)
Information Technology	(3.1)
Consumer Discretionary	(2.7)
Health Care	(1.5)
Real Estate	(1.1)
Utilities	(1.1)
Materials	(1.0)
Consumer Staples	(1.0)
Communication Services	(0.9)
Energy	(0.4)
Canadian Equities	(17.5)
Foreign Equities	(2.4)
Options at Fair Value	0.2
Other Net Assets	19.7
Total	100.0

Price Risk (in \$'000)

The Manager's best estimate of the impact on Net Assets Attributable to Holders of Redeemable Units as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

Benchmarks	Change in Price	Impact on Net Assets Attributable to Holders of Redeemable Units September 30, 2024
	%	\$
75% S&P/TSX Composite TR Index	3.00	2,055
25% FTSE Canada 30 Day Treasury Bill Index	0.25	57

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

Credit Risk

As at September 30, 2024, the Fund had no significant investments in either fixed-income securities, money market securities and derivative financial instruments. As a result, credit risk is not significant to the Fund.

Liquidity Risk

For further information on the maturity of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

Leverage

From the commencement of operations on January 22, 2024 to September 30, 2024, the Fund's aggregate exposure reached a low of 0.00% and a high of 92.19% of the Fund's NAV. As at September 30, 2024, the Fund's aggregate exposure was 86.53% of the Fund's NAV. The primary source of leverage was short positions in equity securities.

As at September 30, 2024, NEI Long Short Equity Fund had pledged cash as collateral to the prime broker equal to \$18,786,122.

h) Seed Capital

The Manager had the following seed capital investments:

	Seed Capital	Percentage Ownership
	\$	%
September 30, 2024	175,164	0.2

i) Other Commissions Paid to Brokers

The brokerage commissions paid on securities transactions may include "soft dollar" amounts, such as the value of research and other services provided by the broker. Although the Manager uses best efforts to determine the soft dollar portion of commissions paid on portfolio transactions of the Fund, the soft dollar portion, in some instances, is not ascertainable. The soft dollar amounts are listed below:

	September 30, 2024
	\$
Soft dollars	63,911

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023

Throughout the Notes to the Financial Statements, “we”, “NEI LP”, “NEI” or “Manager” refers to Northwest & Ethical Investments L.P., the Manager of the Funds.

Throughout the Notes to the Financial Statements, “Unitholders” refers to Holders of redeemable units.

1. ESTABLISHMENT OF THE FUNDS

NEI LP acts as the Manager of the NEI Funds, collectively called “the Funds”. Its head office is located at 151 Yonge Street, Suite 1200, Toronto, ON, M5C 2W7.

The Funds are all mutual fund trusts or unit trusts subject to the laws of Ontario.

The information provided in these financial statements and notes thereto is as at September 30, 2024 and 2023, and for the 12-month periods ended on those dates, except for the Funds established during either period, in which case the information provided relates to the period from inception to September 30, 2024 and 2023, as applicable.

Funds	Inception date
NEI Canadian Impact Bond Fund	June 29, 2023
NEI Impact Conservative Portfolio	June 29, 2023
NEI Impact Balanced Portfolio	June 29, 2023
NEI Impact Growth Portfolio	June 29, 2023
NEI Long Short Equity Fund	January 11, 2024
NEI Global Corporate Leaders Fund	June 27, 2024

For the Funds established in either year, the “period” represents the period from the beginning of operations to September 30 of that financial year. The establishment date is described in Note a) of the Notes to the Financial Statements – Specific Information of the applicable Funds.

The main activities of the Funds are disclosed in the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund.

2. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICY INFORMATION

BASIS OF PRESENTATION

Statement of Compliance

The policies applied in the preparation of these financial statements are in accordance with International Financial Reporting Standards (“IFRS”). These financial statements have been authorized for issue by the NEI LP Board of Directors on December 10, 2024.

MATERIAL ACCOUNTING POLICY INFORMATION

The significant measurement and presentation policies applied to prepare these financial statements are described below.

Financial Instruments

The Funds’ financial instruments include, where applicable, cash and equivalents, investments, derivatives, interest, dividends and other receivables, receivable for investments sold, subscriptions receivable, cash guarantee received for repurchase transactions, payable for investments purchased, distributions payable to unitholders, accrued expenses, liabilities, redemptions payable and commitments related to repurchase transactions. Financial instruments are recognized on the date that the Funds become a party to the contractual provisions of the instrument, namely the trade date of the financial instrument.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all the risks and rewards of ownership.

Classification and Measurement

The Funds classify and measure financial instruments in accordance with IFRS 9, *Financial Instruments*. Under IFRS 9, financial assets are measured at amortized cost or at Fair value through profit or loss (“FVTPL”) depending on the contractual cash flow characteristics and the business model for managing the financial assets.

The portfolios of financial assets are managed, and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets’ performance and to make decisions. The contractual cash flows of the Funds’ debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds’ business model’s objective. Consequently, all investments are measured at FVTPL.

The Funds’ obligation concerning net assets attributable to holders of redeemable units is recorded at the redemption amount which approximates fair value. The accounting policies used to measure the fair value of investments and derivative financial instruments are identical to those used in measuring the net asset value (“NAV”) for transactions with holders of redeemable units, except when the closing price for financial assets and liabilities is not within the bid-ask spread.

NEI Long Short Equity Fund makes short sales in which a borrowed security is sold in anticipation of a decline in the market value of that security, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at FVTPL.

As at September 30, 2024 and 2023, there are no differences between the Funds’ NAV per unit for transactions and their net assets per unit attributable to holders of redeemable units in accordance with IFRS.

Classification of Units Issued by the Funds

The Funds’ outstanding units qualify as “puttable instruments” as required by IAS 32: *Financial Instruments: Presentation* (“IAS 32”). The Funds’ outstanding units are classified as financial liabilities in these financial statements as they do not meet the definition of puttable instruments to be classified as equity.

Impairment of Financial Assets

The impairment model is applicable to financial assets except for financial instruments at FVTPL or designated at fair value through other comprehensive income.

With respect to other financial assets measured at amortized cost, the Funds consider both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statements date, all financial assets measured at amortized cost are due to be settled within the short term. The Funds consider that the risk of default on these financial assets is low, and that the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Funds to credit risk from financial assets recorded at amortized cost, no loss allowance has been recognized as no such impairment will have a significant impact on the financial statements.

Determination of the Fair Value of Financial Instruments

Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the valuation date. The Funds use the closing price for both financial assets and financial liabilities when this price falls within the bid-ask spread. In circumstances when the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivative financial instruments, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each valuation date.

Valuation techniques include the use of comparable recent arm’s length transactions, the fair value of other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other techniques commonly used by market participants and which use observable inputs. Refer to Note 7 “Financial Instruments Disclosures” for further information about the Funds’ fair value measurements.

Cash

Cash (bank overdraft) is measured at cost, which closely approximates fair value.

Money Market Securities

Money market securities are recorded at cost including accrued interest, which closely approximates fair value.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023 (continued)

Equities, Index-Based Investments and Exchange Traded Funds

Equities, index-based investments and exchange traded funds (“ETFs”) are recorded at the closing price of the stock exchange on which the corresponding security is principally traded. ETFs that are thinly traded are valued at the average of the closing bid and ask prices. Unlisted warrants are valued with a recognized valuation model such as Black-Scholes.

Bonds, Mortgage-Backed Securities and Asset-Backed Securities

Bonds, mortgage-backed securities and asset-backed securities are valued based on closing prices obtained from recognized securities dealers.

Investment Funds

The underlying funds’ units are generally valued based on the NAV per unit provided by the underlying fund’s manager at each valuation day, except for private equity funds which are discussed under section “Valuation of Unlisted Securities and Other Investments”.

Derivative Financial Instruments

Certain Funds may use an array of derivative financial instruments such as foreign currency forward contracts, forward contracts, interest rate swaps, credit default swaps, to-be-announced (“TBA”), futures contracts and options for hedging purposes or purposes other than hedging, or both.

Foreign Currency Forward Contracts, Forward Contracts, Interest Rate Swaps, Credit Default Swaps and TBA

The fair value of these instruments corresponds to the gains or losses that would result upon contract settlement on the valuation date; this value is recorded in “Unrealized appreciation (depreciation) on derivatives” in the Statements of Financial Position.

Futures Contracts

Futures contracts are valued at fair value and are settled daily through brokers. Any amounts receivable (payable) from the settlement of futures contracts are recorded in “Receivable (Payable) on futures contracts” in the Statements of Financial Position.

Options

Options listed on a stock exchange are valued according to fair value based on the closing price of the principal stock exchange on which the option is being traded for long positions and the ask price for short positions. Unlisted options are valued with a recognized valuation model such as Black-Scholes.

Valuation of Unlisted Securities and Other Investments

When the above-mentioned valuation principles of the investments are not applicable, fair value is determined according to the Manager’s best estimates, based on established valuation procedures and on prevailing market conditions on each valuation date. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. For further information, refer to Note 3 “Critical Accounting Judgments, Estimates and Assumptions”.

Investment Transactions

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which the cost is determined using the First-In, First-Out method. The average cost does not include amortization of premiums or discounts on fixed-income securities except for stripped bonds. Portfolio transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Funds are recognized in the Statements of Comprehensive Income. The difference between the unrealized appreciation (depreciation) of investments at the beginning and at the end of the period is included in “Net unrealized gain (loss) on investments” in the Statements of Comprehensive Income. On disposal of an investment, the difference between the fair value and the cost of the investment is included in “Net realized gain (loss) on investments” in the Statements of Comprehensive Income.

Securities Lending Activities and Repurchase Agreements

Effective June 1, 2020, certain Funds may enter into securities lending and repurchase transactions through the securities lending program of the Funds’ custodian, Desjardins Trust Inc. (“Desjardins Trust”).

Securities Lending

The securities on loan are included in the Schedule of Investment Portfolio and are included in the total value in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities are retained by the Funds.

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day’s securities loaned. Securities received as collateral in securities lending are not included in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds. Any cash collateral received is included in the Statements of Financial Position in “cash collateral received for securities on loan”, as applicable.

For those Funds engaged in securities lending, the amount of securities loaned and the value of collateral received is disclosed in the “Schedule of Investment Portfolio”, where applicable.

Revenue generated through Desjardins Trust’s securities lending is shared by the Fund and Desjardins Trust at the rate presented in the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund. This revenue is included in “Revenue from securities lending activities” in the Statements of Comprehensive Income.

Repurchase Agreements

In a repurchase agreement, a Fund sells a security to a third party and agrees to buy the same, or substantially the same, security back from the third party at a predetermined price and date.

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, combination of cash and securities, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day’s repurchase transactions. Securities received as collateral in repurchase transactions are not included in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds.

Cash guarantees received for repurchase transactions are recognized as financial assets in the Statements of Financial Position, in “Cash guarantee received for repurchase transactions”. A liability representing the obligation to repurchase the securities is recognized in “Commitments related to repurchase transactions”. Desjardins Trust, as the Funds’ custodian, may use the cash guarantees to buy investments to generate revenue, which is shared by the Fund and Desjardins Trust at the rate presented in the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund. This revenue is included in “Revenue from securities lending activities” in the Statements of Comprehensive Income.

Leverage

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that would otherwise not be possible.

The aggregate gross exposure of an “alternative mutual fund” under National Instrument 81-102 – Investment Funds (“NI 81-102”) calculated as the sum of the following, must not exceed three times an alternative mutual fund’s NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the alternative mutual fund’s specified derivatives positions, excluding any specified derivatives used for hedging purposes. If an alternative mutual fund’s aggregate gross exposure exceeds three times that fund’s NAV, the alternative mutual fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the alternative mutual fund’s NAV or less.

As an “alternative mutual fund”, NEI Long Short Equity Fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of NEI Long Short Equity Fund that exceed the NAV of the Fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a fund’s turnover, transaction and market impact costs, interest and other costs and expenses.

The Manager, on behalf of NEI Long Short Equity Fund, has received exemptive relief from Canadian securities regulatory authorities permitting NEI Long Short Equity Fund to engage in short selling transactions and cash borrowing up to a combined maximum of 100% of its NAV, which is in excess of the short sale and cash borrowing limits of 50% of a fund’s NAV provided for both conventional mutual funds and alternative mutual funds in NI 81-102.

NOTES TO THE FINANCIAL STATEMENTS
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Offsetting Financial Assets and Financial Liabilities

A financial asset and a financial liability offset in the Fund’s Statement of financial position when, and only when, the Fund has a legally enforceable and unconditional right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. The Fund has a legally enforceable and unconditional right to set off a financial asset and a financial liability when such right is enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

Over-the-counter derivative financial instruments, securities lending and repurchase agreements, receivable for investments sold and payable for investments purchased are subject to master netting or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position, as they give a right to an offset that is enforceable only in the event of default, insolvency or bankruptcy.

The table presenting financial assets and liabilities that are subject to a master netting agreement or similar agreement is presented in the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund, if applicable.

Other Assets and Liabilities

Margin deposits, margin deposited on derivatives, receivable on futures contracts, subscriptions receivable, receivable for investments sold, cash guarantee received for repurchase transactions as well as interest, dividends and other receivables are measured at amortized cost.

Similarly, accrued expenses, performance fees payable, payable on futures contracts, redemptions payable, payable for investments purchased, commitments related to repurchase transactions, interest, dividends and other payables, as well as distributions payable, are measured at amortized cost.

Given the short-term nature of other assets and liabilities, their carrying amount closely approximates their fair value.

Income

Interest for distribution purposes from investments in debt securities presented in the Statements of Comprehensive Income is recognized as it is earned. The Funds do not amortize premiums paid or discounts received on the purchase of debt securities except for stripped bonds. Dividends are recognized as income on the ex-dividend date. Income received from ETFs and income trusts are included in “Dividends” in the Statements of Comprehensive Income. Notional distributions received from ETFs are considered non-cash transactions and increase the average costs for those ETFs. Amounts from investments that are treated as a return of capital for income tax purposes reduce the average cost of those investments. Foreign interest and dividend income are accounted for on a gross basis and are included in the “Income” section of the Statements of Comprehensive Income.

The net income from the Limited Partnership includes income attributed for tax purposes and are presented in “Distributions from underlying funds”. Distributions received from underlying funds are recorded at the date of distribution. They are included in “Distributions from underlying funds” in the Statements of Comprehensive Income.

Distributions received in the form of units from underlying funds are presented as “Non-cash distribution from investments” in the Statements of Cash Flows.

Upon settlement of derivative financial instruments contracts, the gains and losses from derivative financial instruments held for hedging purposes are included in “Net realized gain (loss) on derivatives” in the Statements of Comprehensive Income. Gains and losses from derivative financial instruments held for purposes other than hedging are included in “Net income (loss) from derivatives” in the Statements of Comprehensive Income.

Foreign Currency Translation

The Funds’ financial statements, subscriptions and redemptions are denominated in Canadian dollars, which is the Funds’ functional and presentation currency. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Foreign exchange gains and losses relating to cash are presented as “Foreign exchange gain (loss) on cash” in the Statements of Comprehensive Income and those relating to other financial assets and liabilities are presented within “Net realized gain (loss) on investments” and “Net unrealized gain (loss) on investments” in the Statements of Comprehensive Income.

Amount in currencies are presented using the following abbreviations:

Abbreviation	Currency	Abbreviation	Currency
AUD	Australian Dollar	KRW	South Korean Won
BRL	Brazilian Real	MXN	Mexican Peso
CAD	Canadian Dollar	MYR	Malaysian Ringgit
CHF	Swiss Franc	NOK	Norwegian Krone
CLP	Chilean Peso	NZD	New Zealand Dollar
CNY	Chinese Yuan Renminbi	PHP	Philippine Peso
CZK	Czech Republic Koruna	PLN	Polish Zloty
DKK	Danish Krone	RUB	Russian Ruble
EUR	Euro	SAR	Saudi Riyal
GBP	Pound Sterling	SEK	Swedish Krona
HKD	Hong Kong Dollar	SGD	Singapore Dollar
HUF	Hungarian Forint	THB	Thai Baht
IDR	Indonesian Rupiah	TRY	Turkish Lira
ILS	Israeli Shekel	TWD	Taiwan Dollar
INR	Indian Rupee	USD	United States Dollar
JPY	Japanese Yen	ZAR	South African Rand

Short Selling

The unrealized gains or losses arising from short positions are reflected in the Statement of Comprehensive Income as part of “Net unrealized gain (loss) on Investments” and the fair value of short positions is reflected in the Statement of Financial Position as “Investments at fair value through profit or loss - short positions”. When the short position is closed out, gains or losses are realized and included in “Net realized gain (loss) on Investments” in the Statement of Comprehensive Income.

There can be no assurance that a fund will be able to close out a short position at an acceptable time or price. Until the Fund replaces a borrowed security, it will maintain adequate margin with the broker consisting of cash and liquid securities. As at September 30, 2024, the margin maintained with the broker is noted in the Statements of Financial Position in “Margin deposits”, if applicable.

Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit, presented in the Statements of Comprehensive Income, is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the average number of units outstanding during the period.

Income Taxes

Under the *Income Tax Act* (Canada) (the “Tax Act”), each Fund, except the Funds below, qualifies, or intends to qualify, as a mutual fund trust.

The following Funds are considered unincorporated unit trusts:

- NEI Fixed Income Pool
- NEI Canadian Equity Pool
- NEI Global Equity Pool
- NEI Managed Asset Allocation Pool

Each Fund’s taxation year-end is December 15 except for NEI Money Market Fund and the unincorporated unit trusts, which have a taxation year-end of December 31.

The Funds are taxable on net income and net capital gains not distributed to unitholders. All the Funds’ investment income and sufficient net capital gains realized in any year are required to be distributed to unitholders to ensure that the Funds will not be subject to income taxes. As a result, the Funds do not record income taxes. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In some special cases the Pools, which are unincorporated unit trusts, may become liable for alternative minimum tax, and may be subject to a special tax under Part XII.2 of the Tax Act. The Manager expects that the Pools will not be subject to tax under Part XII.2, although no assurance can be given that this will not occur.

Capital losses can be carried forward indefinitely to reduce future capital gains. Non-capital losses incurred in a financial year may be carried forward 20 years to reduce future investment income and capital gains.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023 (continued)

Distributions are classified as a return of capital, net investment income or capital gain. The Manager reserves the right to make additional distributions in any year, if determined to be appropriate.

The Funds currently incur withholding taxes imposed by certain countries on foreign investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

The Funds that have exposure to Indian securities accrue a tax liability for unrealized gains that are in excess of unrealized losses.

Each Fund will elect under section 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are “Canadian securities” (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital gains or losses to the Fund.

Refer to the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund for more information on income taxes.

Investments in Other Investment Entities

The Funds meet the definition in IFRS 10, *Consolidated Financial Statements*, of investment entities and account for their investments in underlying funds at FVTPL.

In accordance with IFRS 12, *Disclosure of Interests in Other Entities*, specific information on the Funds’ investments in other entities, such as subsidiaries, associates and structured entities has been disclosed, as applicable, in “Notes to the Financial Statements – Specific Information” pertaining to each Fund.

Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to variable returns from its involvement with the entity and through its power over the entity.

Associates

Associates are investments in entities over which the Fund exercises significant influence without, however, exercising control.

Structured Entities

Structured entities are conceived in a way that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds (including limited partnerships), index-based investments and exchange traded funds, income trusts, mortgage-backed securities and asset-backed securities are structured entities, unless the specified relationship is different. Total values of those investments in the table “Fair Value Hierarchy” also represent the fair value of investments in structured entities.

3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Funds have made when preparing the financial statements.

Fair Value Measurement of Derivative Financial Instruments and Securities not Quoted in an Active Market

The Funds may hold financial instruments that are not quoted in active markets, including derivative financial instruments. Fair value is determined based on models that make maximum use of observable inputs and rely as little as possible on unobservable inputs. The Funds consider the data observable if the market data is readily available, distributed or updated on a regular basis, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager.

When no quoted prices are available, the fair value is estimated using present value or other valuation methods, which are influenced by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates, which reflect varying degrees of risk, including liquidity risk, credit risk, risks related to interest rates, exchange rates, and price and rate volatility.

The calculation of the fair values may differ given the role that judgment plays in applying the valuation techniques and the acceptable estimation. Fair value reflects market conditions at a given date and, for this reason, it may not be representative of future fair values. Refer to Note 7 “Financial Instruments Disclosures” for further information on fair value measurement of financial instruments.

4. NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

Structure of Redeemable Units

Each Fund is authorized to issue an unlimited number of series of units and an unlimited number of redeemable units (the units) of each series. Each series unit entitles the holder thereof to participate equally in the distributions of the Fund made to that series. Fractions of units may be issued.

The units of a Fund are of the same series and confer the same rights and privileges except that, in respect of a Fund with more than one series of units, each series of units may have different management fees, dealer compensation structure or distribution structure. As a result, each unit entitles its holder to one vote and to participate equally in distributions made in respect to the series of units by the subject Fund and, upon liquidation, in the net assets attributable of the series of units remaining after satisfaction of outstanding liabilities. A fraction of a unit will entitle the unitholder to proportionate participation but will not entitle them to vote.

The Funds only issue fully paid units and fractions of units. Unitholders may redeem their units in the manner described in the Declaration of Trust.

The Manager manages the capital of the Funds in accordance with their investment objectives (Refer to Note 7). Also, in accordance with securities regulations, the Funds seek to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions with such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

Authorized Units

The authorized units of the Fund are comprised of the following series of units:

An unlimited number of Series A units, principally targeted at individual investors purchasing units on a front-end sales charge option basis.

An unlimited number of Series C units, intended for investors who have granted their dealer discretionary investment authority to invest through the use of proprietary model portfolios.

An unlimited number of Series F units, intended for investors participating in programs that do not require them to pay sales charges or service fees to investment professionals or dealers.

An unlimited number of Series I units, offered to institutional or other high net worth investors who negotiate and pay management fees directly to the Manager. The Series I management fee will in no circumstances be higher than the management fee payable on Series A units of the Fund.

An unlimited number of Series O units, intended for investors who make large investments in a Fund. Those investors must enter an agreement which identifies the management fee negotiated and pay management fees directly to the Manager. The Series O management fee will in no circumstances be higher than the management fee payable on Series A units of the Fund.

An unlimited number of Series P units, intended for investors who make large investments in a single Fund. Series P units may only be purchased on a front-end sales charge option basis.

An unlimited number of Series PF units, intended for investors who make large investments in a single Fund and investors participating in programs that do not require them to pay sales charges or service fees to investment professionals or dealers.

An unlimited number of Series W units, intended for investors who make an initial investment of at least \$100,000 in an NEI Private Portfolio. Series W units may only be purchased on a front-end sales charge option basis. The initial investment criteria may vary from time to time.

An unlimited number of Series WF units, intended for investors who make an initial investment of at least \$100,000 in an NEI Private Portfolio and investors participating in programs that do not require them to pay sales charges or service fees to investment professionals or dealers. The initial investment criteria may vary from time to time.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023 (continued)

NEI LP has decided to discontinue its deferred sales charge (“DSC”), low load, low load 2 and low load 3 (together “LL”) sales charge purchase options for those NEI Funds that offered DSC or LL. On August 10, 2020, DSC and LL sales charge purchase options across the Funds’ lineup have been closed to new investors. For investors with existing DSC and/or LL units as of that date, subsequent investments subject to DSC and/or LL sales charges were available until October 2020. On October 5, 2020, DSC and LL sales charge purchase options were closed to new investments. Investors with existing DSC and/or LL units will remain invested based on the redemption fee schedule applicable to those units.

Valuation of Units

On each business day and for each series of units of each Fund, the Manager calculates the NAV per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

The NAV of each series in a Fund corresponds to the proportion of the assets of the Fund attributable to the series, net of the proportion of the Fund’s total liabilities attributable to the series and the liabilities of the series. Expenses directly related to a series are applied against this series. Other income and expenses, as well as realized and unrealized capital gains and losses are applied against each series in proportion to their respective NAV.

Management of Risks Associated with Units

Units issued and outstanding are considered as the Funds’ capital. The Funds are not subject to specific capital requirements concerning subscription and redemption of units, other than certain minimum subscription requirements. Unitholders are entitled to require payment of the NAV per unit for all or any of the units they hold by giving written redemption request to the Manager within the prescribed time period. Units are redeemable for cash equal to a pro rata share of the Funds’ NAV.

Redemptions

Unitholders may at any time elect to redeem all or part of their units on the valuation date at the current closing NAV per unit. Payment for any unit redeemed will be made by the applicable Fund.

5. MANAGEMENT FEES AND OTHER EXPENSES

Management Fees

As the Manager, Trustee, Portfolio Manager and Registrar, NEI LP receives from each Fund, management fees, before taxes, calculated on the NAV of each unit series on each valuation date. Management fees are calculated daily with the NAV of the Funds according to the annual rates presented in “Notes to the Financial Statements – Specific Information” pertaining to each Fund. NEI LP is responsible for the payment of investment fees to Portfolio sub-advisors retained by the Funds.

The management fee varies between Funds and series. Series I and Series O units of the Funds are not subject to management fees, as the unitholders of these series negotiate and pay those fees directly to the Manager.

Certain Funds may invest in other mutual funds (“underlying funds”), including other NEI Funds in order to achieve their investment objectives. There are fees payable by the underlying funds in addition to the fees payable by the investing Fund. No management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service.

Performance Fees

Subject to the attainment of the high-water mark (described below), the Manager charges a performance fee, payable to the Portfolio Sub-Advisor in respect of NEI Long Short Equity Fund. The performance fees for each series shall be calculated, earned and accrued daily and become a liability of NEI Long Short Equity Fund on each valuation day and shall be paid by the Fund at the end of each calendar quarter.

NEI Long Short Equity Fund pays the Manager a daily performance fee equal to 20% of, the positive difference between the unit price on each valuation day and high-water mark less the hurdle amount per unit on the valuation day, multiplied by the number of units outstanding on the applicable valuation day on which the performance fees is determined. The high-water mark is the greatest unit price on any previous valuation day since the units of the series were first issued. The hurdle amount per unit for each applicable series on a valuation day is the product of (a) 2% for each calendar year (pro-rated for the number of days in the calendar year); (b) the unit price of each applicable series on the valuation day; and (c) the number of days since the most recently determined high-water mark or the beginning of the current calendar year, whichever is most recent. Once a high-water mark is attained, a performance fee is earned by the sub-advisor and will not be reduced if there is subsequent negative performance by NEI Long Short Equity Fund.

The Manager reserves the right, in its discretion, to discontinue, decrease or waive the performance fees at any time. Performance fees are subject to applicable taxes, including GST/HST.

Other Expenses

The Manager pays all of the operating expenses of the Funds, except for:

- costs and expenses associated with taxes (including, but not limited to, GST/HST), borrowing, and the costs associated with the independent review committee (“IRC”). IRC expenses include annual dues, meeting fees and other related expenses such as travel relating to the operation of the IRC.
- costs associated with portfolio transactions, including brokerage commissions and research and execution costs.

The operating expenses include, but are not limited to, audit fees, fund accounting costs, transfer agency and recordkeeping costs, custodian costs, administration costs and trustee services relating to registered tax plans, costs of printing and disseminating prospectuses, fund facts and continuous disclosure materials, legal fees, bank charges, investor communication costs and regulatory filing fees.

In return for assuming the obligation to pay the Funds’ operating expenses, each Fund pays to the Manager a fixed annual administration fee (“administration fee”), which is subject to applicable taxes, including HST. The administration fee varies between Funds and series. Administration fees correspond to a specified percentage of the NAV of the series, calculated and accrued daily. No administration fee is charged to Series I units of the Funds because of the fee structures associated with this series.

The annual management fee rate and the annual administration fee rate shown in the “Notes to the Financial Statements – Specific Information” pertaining to each Fund may be lower than the rates presented in the prospectus, as the Manager can absorb a portion of those expenses.

For more information regarding the management fees and other expenses each Fund incurs, please refer to the “Notes to the Financial Statements – Specific Information” pertaining to each Fund.

6. RELATED PARTY TRANSACTIONS

NEI LP is the Manager, Trustee, Portfolio Manager and Registrar of the Funds. Northwest & Ethical Investments Inc., the general partner of NEI LP, is a wholly-owned subsidiary of Aviso Wealth Inc. (“Aviso”). Aviso is the sole limited partner of the Manager. 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, CU CUMIS Wealth Holdings LP, 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 is the Manager of the Funds pursuant to the Management Agreement and ensures the daily administration of the Funds. NEI LP provides or ensures the Funds are provided with all services (accounting, custody, portfolio management, record maintenance, transfer agent) required. The Funds pay management and administration fees to NEI LP. Trustee fees and portfolio management fees are entirely at NEI LP’s expense.

Desjardins Trust is the custodian of the Funds. Desjardins Trust is a wholly-owned subsidiary of the Fédération. The Funds may engage in securities lending transactions, and Desjardins Trust may act as the Funds’ securities lending and repurchase transactions agent (“Agent”). Any revenue earned on such securities lending is split between the Funds and the Agent.

Underlying Funds

In accordance with their investment objectives, certain Funds invest in Series I units of other NEI Funds. All the underlying funds identified as “Related” in the table “Fair Value Hierarchy” are considered related parties. Refer to Note 7 “Financial Instruments Disclosures” for further information on fair value hierarchy and fair value measurement of financial instruments. All transactions in those investments are executed based on the fair value of those investments as described in the material accounting policy information. No commissions or other fees were paid by the Fund in relation to these transactions.

For more information regarding the related parties for each Fund, please refer to the “Notes to the Financial Statements – Specific Information” pertaining to each Fund.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023 (continued)

7. FINANCIAL INSTRUMENTS DISCLOSURES

Hierarchy of Financial Instruments Measured at Fair Value

The fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1 - Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques based primarily on observable market data.
- Level 3 - Valuation techniques not based primarily on observable market data.

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

Measurement Monitoring

The Manager is responsible for establishing the fair value measurements included in the Funds' financial statements, including Level 3 measurements. The Manager obtains prices from a pricing agency and monitors and analyzes these prices daily. A Measurement Monitoring Committee (the "Committee") ensures that appropriate operating procedures and a proper monitoring structure are in place and followed. This Committee meets on a quarterly basis to review fair value situations. Reports are produced monthly and given quarterly to the Committee members. It also examines specific processes carried out by the Investment Fund Portfolio Department. Moreover, the Measurement Monitoring Committee establishes Measurement Policy orientation. On a quarterly basis, this Committee examines and approves the Level 3 measurements after obtaining confirmation of the measurements from each portfolio manager, as needed. The Committee signs off on any adjustments made to prices or estimates provided by the pricing agency.

Establishment of Levels

A change in the fair value measurement method could result in a transfer between levels. The Funds' policy is to record the implications of the transfers between levels on the date of the event or change in circumstances behind the transfer.

The following types of investments may be classified as Level 3 if their prices are no longer based on observable inputs.

a) Money Market Securities

Money market securities primarily include public sector and corporate securities. The inputs that are significant to valuation are generally observable. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1. Other money market securities have been classified as Level 2.

b) Equities

Equities are classified as Level 1 when the security is actively traded and a reliable price is observable. Certain equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data and the fair value is classified as Level 2. If the determination of fair value uses significant unobservable data, then the fair value is classified as Level 3. Unlisted warrants are generally classified as Level 2.

c) Index-Based Investments and Exchange Traded Funds

Index-based investments and ETFs are classified as Level 1 when the security is actively traded and a reliable price is observable. ETFs are classified as Level 2 when the security is thinly traded and based primarily on observable market data.

d) Bonds

Public sector bonds guaranteed by the federal or provincial government are classified as Level 1. Corporate bonds, which are valued using models with inputs including interest rate curves, credit spreads and volatilities are usually classified as Level 2.

e) Mortgage-Backed Securities and Asset-Backed Securities

Mortgage-backed securities and asset-backed securities consist primarily of corporate securities, which are valued using models with inputs including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation are generally observable, mortgage-backed securities and asset-backed securities are usually classified as Level 2.

f) Investment Funds

Public investment funds are classified as Level 1 when their prospectus is unrestricted and their price is reliable and observable. Since some investment funds are not public, their price is determined using observable market data and their fair value is classified as Level 2. If the measurement of fair value requires the use of significant unobservable inputs, then it is classified as Level 3.

g) Derivative Financial Instruments

Derivative financial instruments, which consist of foreign currency forward contracts, forward contracts, interest rate swaps, and credit default swaps, for which counterparty credit spreads are observable and reliable or for which the credit-related inputs are determined to be significant to fair value, are classified as Level 2. Options are classified as Level 1 when the option is actively traded and a reliable price is observable. Unlisted options are generally classified as Level 2.

Detailed information concerning the fair value hierarchy of each Fund is available in their respective "Notes to the Financial Statements – Specific Information". For securities classified as Level 3, the valuation techniques and assumptions are also presented in their respective notes.

Management of Risks Arising from Financial Instruments

Throughout their activities, the Funds are exposed to a variety of risks associated with financial instruments such as market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The overall risk management strategy of the Funds focuses on the unpredictability of financial markets and optimizes the Funds' financial performance. Most investments involve a risk of loss.

The Manager is responsible for the Funds' risk management and for selecting and monitoring portfolio sub-advisors.

The Manager compares the performance of the Funds with benchmark indexes on a monthly basis. This analysis is reviewed quarterly by the Investment Committee. The Manager also ensures that the Funds' investment policies are followed and writes a compliance report, which is also reviewed on a quarterly basis by the Investment Committee.

The Manager organizes annual meetings with the sub-advisors in order to keep abreast of any changes in their investment practices.

Market Risk

Market risk is the risk that the fair value or future cash flows associated with a financial instrument will fluctuate because of a change in the relevant risk variables, such as interest rates, exchange rates, equity prices, political changes, and catastrophic events, such as pandemics or disasters. The Funds' market risk is managed through diversification of the investment portfolios' exposure ratios.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed-income and money market securities) and non-monetary items (usually including investments in equities and investment funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Funds are exposed to currency risk by holding assets and liabilities denominated in currencies other than the Canadian dollar, the Funds' functional currency, as the value of the securities denominated in other currencies will fluctuate according to the prevailing exchange rates.

The Funds' exposure to currency risk is shown based on the carrying value of financial assets and financial liabilities (including derivative financial instruments and the notional amount of foreign currency forward contracts and foreign currency futures, if any).

When the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. Conversely, when the value of the Canadian dollar increases, the value of foreign investments decreases.

NOTES TO THE FINANCIAL STATEMENTS

September 30, 2024, and 2023 (continued)

Currency risk is disclosed when the Funds' foreign currencies exposure is above 5% of Net Assets.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk occurs when an investment fund invests in interest-bearing financial instruments. Generally, the value of these securities increases if interest rates decrease and decreases if interest rates increase. The interest rate risk is managed by calculating and monitoring the average portfolio duration on these securities. The Funds also hold a limited amount of cash subject to variable interest rates, which exposes them to cash flow interest rate price risk.

Changes in the market interest rate may affect the borrowing expenses of the short positions held by NEI Long Short Equity Fund.

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price, other than those arising from currency risk or interest rate risk.

The portfolio manager plans to manage this risk by carefully selecting securities and other financial instruments, in accordance with defined limits. The maximum risk resulting from financial instruments is determined by the fair value or contract value of the financial instruments. The Funds' financial instruments are exposed to price risk arising from uncertainties about the future prices of instruments.

Concentration Risk

Concentration risk arises because of the concentration of exposure within the same category, whether it is geographical location or industry sector. For Funds with an international investment strategy, the concentration by geographic location is presented according to, among other things, the country of incorporation or region. For Funds with a domestic investment strategy, the concentration by industry sector is presented according to their investments in the different sectors. The concentration risk is managed through portfolio diversification within the framework of the Funds' objective and strategy.

Credit Risk

Credit risk is the risk that the financial instrument counterparty will be unable to pay the full amount at maturity. The Funds' credit risk is managed through an independent credit analysis from the Manager/sub-advisor, in addition to credit rating agencies' analysis.

Financial Instrument Transactions

The Funds are exposed to credit risk. The Funds' and the counterparty's respective credit risk are considered when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment.

Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades and, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Funds' rights to their assets in the case of an insolvency of any such party.

The credit rating for fixed-income securities and money market securities is rated by credit rating agencies, which generally includes the *Dominion Bond Rating Service* ("DBRS"), *Standard & Poor's* and *Moody's*. In cases where the credit rating agencies do not agree on a credit rating for fixed-income securities and money market securities, they will be classified following these rules:

- If two credit ratings are available, but the ratings are different, the lowest rating is used;
- If three credit ratings are available, the most common credit rating is used;
- If all three credit rating agencies have different ratings, the middle credit rating is used.

The credit rating is then converted to DBRS format. Generally, the greater the credit rating of a security, the lower the probability of it defaulting on its obligations.

Derivative financial instruments are financial contracts whose value depends on underlying assets and other external factors, such as interest rates and foreign exchange rates. The vast majority of derivative financial instruments are negotiated by mutual agreement between the Funds and their counterparties, and include, among others, foreign currency forward contracts. Other transactions are carried out as part of trades and mainly consist of futures contracts.

As NEI Long Short Equity Fund may borrow cash for investment purposes, sell securities short, and post margin as collateral for specified derivatives transactions, some of the Fund's assets may be held in margin accounts at a prime broker. The margin accounts may be less able to segregate customer assets than traditional custody accounts, which could potentially expose the Fund to unanticipated risk if the prime broker faces financial difficulties. In this case, assets of the Fund could potentially be inaccessible, and the Fund may experience losses if the prime broker cannot satisfy claims of its creditors, or the Fund cannot trade the positions in adverse market conditions.

NEI Long Short Equity Fund transactions are made through an approved broker and are settled on delivery using the Fund's prime broker, RBC Dominion Securities Inc. The risk of default is considered minimal as delivery of investments sold is made only when the Fund has received payment. Payment is made on purchases once the investments have been received by the Fund. Should either party not meet its obligation, the trade will fail.

The credit rating of RBC Dominion Securities Inc. as at September 30, 2024 was AA-.

Securities Lending and Repurchase Transactions

Securities lending and repurchase transactions expose the Funds to credit risk. These transactions are governed by the Canadian Investment Regulatory Organization and provincial securities regulators. The Funds also use netting agreements with counterparties to mitigate credit risk and require a percentage of collateralization (a pledge) on these transactions. The Funds only accept pledges from counterparties that comply with the eligibility criteria defined in their policies. These criteria promote quick realization, if necessary, of collateral in case of default. The collateral received and given by the Funds are mainly cash and government securities. Further information on assets pledged and received as collateral is presented in the "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

Liquidity Risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of units. Most of their assets are therefore invested in liquid investments (i.e. investments that are traded in an active market and that can be readily disposed of).

Some Funds may invest in derivative financial instruments, debt securities and unlisted equity investments which are not traded in an active market. As a result, some Funds may not be able to quickly liquidate their investments at amounts approximating their fair values or be able to respond to specific effects such as deterioration in the creditworthiness of any particular issuer. In addition, the Funds can borrow up to 5% of their NAV for the purposes of funding redemptions.

Each Fund may be exposed to indirect liquidity risk in the event that the underlying fund(s) suspends redemptions resulting in the Funds being unable to redeem their investments.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Short selling risk

Because a "short sale" involves a Fund borrowing securities from a lender and selling those securities in the open market, a Fund will generally see a profit if the securities decrease in value and will generally see a loss if the securities increase in value. The process of a "short sale" requires a Fund to provide collateral to the lender and pay a borrowing fee, which may fluctuate during the borrowing period. Unlike a purchase of securities, where the maximum amount of the loss is limited to the amount invested, there is no such limit to a Fund's exposure on a short sale. The securities loaned for the short sale may be recalled by the lender, and limitations on availability of securities may limit a Fund's freedom of action in connection with short sales. In addition, a Fund may have difficulties repurchasing and returning the borrowed securities if a liquid market does not exist. A Fund may also be indirectly exposed to short selling risk if it invests in an underlying fund that practices short selling.

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September 30, 2024, and 2023 (continued)

An alternative mutual fund is subject to different short selling restrictions than those applicable to conventional mutual funds in securities legislation. As an alternative mutual fund, NEI Long Short Equity Fund has received exemptive relief. Subject to the terms and applicability of the exemptive relief, NEI Long Short Equity Fund is permitted to engage in short selling transactions up to a maximum of 100% of its NAV, including selling index participation units ("IPUs") of one or more IPU Issuers short in an aggregate amount of up to 100% of its NAV, which is in excess of the short sale limits provided for both conventional mutual funds and alternative mutual funds in NI 81-102.

Leverage risk

Alternative mutual funds are not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of an alternative mutual fund that exceed the NAV of the fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase an alternative mutual fund's turnover, transaction and market impact costs, interest and other costs and expenses.

Under the investment restrictions applicable to alternative mutual funds in NI 81-102, an alternative mutual fund's aggregate gross exposure, calculated as the sum of the following, must not exceed three times an alternative mutual fund's NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the alternative mutual fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If an alternative mutual fund's aggregate gross exposure exceeds three times that fund's NAV, the alternative mutual fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the alternative mutual fund's NAV or less. As an "alternative mutual fund", NEI Long Short Equity Fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives.

Additional Information

For further information on the risks associated with financial instruments to which each Fund is exposed, refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

8. OTHER INFORMATION

Unitholders of the Funds can obtain, without charge, the simplified prospectus, the fund facts sheets as well as the financial statements by contacting:

Northwest & Ethical Investments L.P.

151 Yonge Street

Suite 1200

Toronto, ON

M5C 2W7

www.NEIinvestments.com

Tel.: 1-888-809-3333

These documents may also be obtained at the following Internet address: www.sedarplus.ca

