



NEI Emerging Markets Fund

Annual Management Report of Fund Performance

As at September 30, 2024

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

Unitholders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

Management Discussion of Performance

Investment Objective and Strategies

NEI Emerging Markets Fund (the "Fund") aims to achieve long-term capital appreciation by investing its assets primarily in equity securities of emerging market companies. The Fund will be able to invest in any sector and in both large and small capitalization companies. The Fund follows a responsible approach to investing, as described in the simplified prospectus of the Fund.

The Portfolio Sub-Advisor's investment philosophy is based on the core belief that evaluating stocks with a combination of fundamental, environmental, social and governance ("ESG") and quantitative methods is superior to any single approach because it yields a more comprehensive understanding of factors that drive performance. The Portfolio Sub-Advisor follows a disciplined investment process that combines top-down and bottom-up fundamental and ESG research, with quantitative tools. The bottom-up stock selection is as critical as the top-down macro analysis, given the extensive number of investable stocks in the Emerging Markets universe. The investment process seeks to identify "Stewards of Capital" companies that know how to sustain and accelerate profitable growth, and hence are believed to be best positioned in realizing the potential created by the under-penetration of many emerging-market industries.

Risk

The risks of investing in the Fund remain as discussed in the simplified prospectus. The Fund is suitable for investors investing in the long term, with a medium to high tolerance for risk. Any changes in the Fund have not affected the overall level of risk of the Fund.

Results of Operations

The NEI Emerging Markets Fund's Series A units returned 20.7% for the twelve-month period ended September 30, 2024 compared with a return of 26.0% for the benchmark explained below.

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

The benchmark for this Fund is the MSCI EM NR Index (C\$).

The Fund's net asset value decreased by 36.61% during the period, from \$336,592,182 as at September 30, 2023 to \$213,363,123 as at September 30, 2024. This change in net assets is attributed to net unitholder activity of -\$180,782,176 and \$57,553,117 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

Emerging markets equities were initially supported by positive sentiment attributed to dovish rhetoric from central banks globally, which stoked hopes of interest rate cuts. Strong performance in the Information Technology sector given optimism surrounding artificial intelligence ("AI") provided a further boost. Later in the period, sentiment was negatively impacted by weak U.S. manufacturing and jobs data, which stoked fears of a recession in the world's largest economy, while waning optimism around AI and concerns around potentially higher tariffs for emerging markets compounded concerns. However, the U.S. Federal Reserve Board's (the "Fed") long-awaited interest-rate cut in September and a raft of fresh monetary and stimulus measures in China enabled emerging markets equities to finish the period with strong momentum.

Chinese equities marginally underperformed the index over the period. Initially, there was increasing concern about the heavily indebted property sector when a Hong Kong court ordered the liquidation of property giant Evergrande. There were also declines in residential property prices and property investment throughout 2023.

Elsewhere in Asia, Taiwanese equities had a stellar period and outperformed the benchmark. The rally was led by Information Technology shares, fueled by continuing excitement around AI. The South Korean market underperformed, despite robust demand for semiconductors. Both import and export growth disappointed, dragged down by lower car exports as wage negotiations disrupted production. Indian stocks surged, setting new record highs despite a brief spurt of volatility in the immediate aftermath of the election results.

In Latin America, Brazilian equities generated positive returns despite marginally underperforming the benchmark. Investor sentiment was shaken after the finance minister expressed concern over Brazil's fiscal framework following the government's failure to win parliamentary backing for his proposal to curtail corporate tax credits. Mexican equities also lagged the index. South African equities significantly outperformed the index. The African National Congress formed a coalition with the centre-right Democratic Alliance and other smaller opposition parties. This boosted investor confidence that the reform agenda is set to continue under the leadership of re-elected President Cyril Ramaphosa.

Factors That Have Affected Performance

On a country level, some of the top-performing countries for the period were Peru, Taiwan, Poland, India and Hungary. Among the worst-performing countries were Egypt, Mexico, Brazil, Indonesia and Chile.

At the sector level, for the Fund specifically, Consumer Staples, Materials and Health Care were largest contributors to performance, while Financials, Communication Services and Industrials were the largest detractors. On a country level, Brazil, Korea and Argentina were the largest contributors to performance for the Fund. India, China and Indonesia were the largest detractors from performance.

Portfolio Changes

The Fund's relative overweight sector allocations were Industrials, Information Technology and Health Care. Relative underweight allocations were the Materials, Energy and Consumer Discretionary sectors.

Environmental, Social, And Governance (“ESG”) Activities

In addition to any ESG-related commentary made in the sections above, other ESG-related activities undertaken in the period are described here.

NEI completed 17 ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of their initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

Recent Developments

With the Fed beginning its monetary easing cycle, emerging market central banks have room to follow suit. Many emerging economies are experiencing lower inflationary pressure, which given relatively high policy rates, provides the capacity to cut interest rates faster so long as inflation remains on its downward trajectory. It is worth noting that some emerging market economies have already begun their easing cycles, which should be a significant boost to consumption, earnings and growth.

In China, many of the challenges facing the economy are well known, particularly deflationary concerns and the troubled property sector. The impact of the latter has been compounded by weak consumption with consumers trading down and geopolitical tensions weighing on sentiment. However, recent announcements of fiscal support just days after China’s central bank announced the biggest monetary stimulus since the pandemic have drastically improved sentiment.

North Asian economies such as Taiwan and Korea are benefiting from the semiconductor recovery thanks to increasing demand from AI, smartphones and automotive technology, as well as governments’ focus on strengthening supply chains. In addition, Korea’s “value up” program could provide further boosts given the focus on improving corporate value. India is continuing its reform agenda under the new coalition government. The administration is focused on infrastructure investment and expanding the country’s manufacturing sector, which is encouraging private capital expenditure and foreign direct investment (“FDI”).

Indonesia is benefiting from economic momentum thanks to strong consumer demand and commodity prices. Policy reforms in areas like supply-chain downstreaming have stimulated FDI and resulted in a current account surplus. Malaysia is capitalizing on supply chain reshuffling thanks to its sophisticated manufacturing base, developed infrastructure, growth-orientated reforms and aided by its geographical location and neutral geopolitical stance. In emerging Europe, Poland’s economy is in a good place with low unemployment and private/public debt levels, and FDI at record highs. The economy is also benefiting from positive net migration.

In Latin America, Brazil has some of the highest real interest rates in the world, which should give the central bank room to ease policy once inflation is under control. Meanwhile, Mexico has a robust growth outlook as a beneficiary of near shoring, given its proximity to the U.S. and trade agreements.

Elections within emerging market countries caused market volatility in the first half of 2024. Now, however, the portfolio sub-advisor sees more opportunities than risks. In Mexico, the new government has been stressing fiscal prudence as well as discussing public and private collaboration. As mentioned, Mexico’s judicial reforms will be important to note. Investor focus is now moving to the U.S. elections and the resulting implications for policy, in particular trade, as well as the strength of the U.S. dollar, which historically trades inversely to the fortunes of emerging markets.

On June 28, 2024, the exclusionary screens for gambling and nuclear power were removed from the Fund.

The term of Mr. W. William Woods ended on September 30, 2024. Mr. Woods had served with distinction on the Independent Review Committee ("IRC") since 2015. After consulting with the Manager, the IRC decided to replace Mr. Woods with Mr. Jean Morissette. Mr. Morissette was appointed as a new IRC member effective October 1, 2024, for a one (1) year term. Ms. Caroline Cathcart will continue in her role as an IRC member, and Ms. McCarthy will continue to serve as both an IRC member and the Chair.

Related Party Transactions

Northwest & Ethical Investments L.P. ("NEI LP" and "NEI Investments") is the Manager, Trustee, Portfolio Manager and Registrar of the Fund. Northwest & Ethical Investments Inc., the general partner of NEI LP, is a wholly-owned subsidiary of Aviso Wealth Inc. ("Aviso"). Aviso is also the sole limited partner of NEI LP. Aviso is a wholly-owned subsidiary of Aviso Wealth LP, which in turn is owned 50% by Desjardins Financial Holding Inc. and 50% by a limited partnership, 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 charges the Fund a fixed administration fee in place of certain variable expenses. NEI LP in turn, pays all operating expenses of the Fund, other than specified Fund costs (e.g. the fees and expense of the Independent Review Committee ("IRC"), taxes, and brokerage commissions) which include payments to related parties. These services are in the normal course of operations and are measured at an exchange amount that is consistent with other independent parties. Desjardins Trust Inc. ("Desjardins Trust") is the custodian of the Fund. Desjardins Trust is a wholly-owned subsidiary of the Fédération. The Fund may engage in securities lending and repurchase transactions, and Desjardins Trust may act as the Fund's securities lending and repurchase transactions agent ("Agent"). Any revenue earned on such transactions is split 60%—40% between the Fund and the Agent. Desjardins Securities Inc. ("DSI") is a broker responsible for security transactions on behalf of the Fund. DSI is a wholly-owned subsidiary of the Fédération.

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

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

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

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

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five fiscal years or for the periods since inception, as applicable.

Net Assets per Unit (\$)⁽¹⁾

| Series | Period | Net Assets, Beginning of Period | Increase (Decrease) from Operations | | | | | Distributions | | | | | | Net Assets, End of Period |
|--------|------------|---------------------------------|-------------------------------------|----------------|-------------------------|---------------------------|--|-----------------------------------|----------------|-----------------------|--------------------|-------------------|---------------------------------------|---------------------------|
| | | | Total Revenue | Total Expenses | Realized Gains (Losses) | Unrealized Gains (Losses) | Total Increase (Decrease) from Operations ⁽²⁾ | From Income (Excluding Dividends) | From Dividends | From Underlying Funds | From Capital Gains | Return of Capital | Total Distributions ⁽³⁾⁽⁴⁾ | |
| A | Sept. 2024 | 6.28 | 0.14 | -0.26 | 0.24 | 1.17 | 1.29 | 0.00 | 0.02 | 0.00 | 0.00 | 0.00 | 0.02 | 7.56 |
| | Sept. 2023 | 6.00 | 0.17 | -0.19 | -1.16 | 1.50 | 0.32 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.28 |
| | Sept. 2022 | 9.62 | 0.11 | -0.24 | -0.58 | -2.93 | -3.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6.00 |
| | Sept. 2021 | 8.34 | 0.07 | -0.27 | 0.42 | 0.29 | 0.51 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.62 |
| | Sept. 2020 | 6.86 | 0.06 | -0.21 | 0.51 | 1.17 | 1.53 | 0.00 | 0.07 | 0.00 | 0.00 | 0.00 | 0.07 | 8.34 |
| F | Sept. 2024 | 13.59 | 0.31 | -0.42 | 0.53 | 2.52 | 2.94 | 0.00 | 0.18 | 0.00 | 0.00 | 0.00 | 0.18 | 16.37 |
| | Sept. 2023 | 12.87 | 0.36 | -0.28 | -2.52 | 3.12 | 0.68 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 13.59 |
| | Sept. 2022 | 20.44 | 0.22 | -0.35 | -1.24 | -6.02 | -7.39 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12.87 |
| | Sept. 2021 | 17.55 | 0.18 | -0.36 | 0.91 | -1.92 | -1.19 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 20.44 |
| | Sept. 2020 | 14.34 | 0.13 | -0.29 | 1.07 | 1.96 | 2.87 | 0.00 | 0.20 | 0.00 | 0.00 | 0.00 | 0.20 | 17.55 |
| I | Sept. 2024 | 12.13 | 0.26 | -0.17 | 0.47 | 2.14 | 2.70 | 0.00 | 0.34 | 0.00 | 0.00 | 0.00 | 0.34 | 14.61 |
| | Sept. 2023 | 11.52 | 0.32 | -0.06 | -2.23 | 2.77 | 0.80 | 0.00 | 0.23 | 0.00 | 0.00 | 0.00 | 0.23 | 12.13 |
| | Sept. 2022 | 18.11 | 0.20 | -0.10 | -1.12 | -5.54 | -6.56 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.09 | 11.52 |
| | Sept. 2021 | 15.41 | 0.11 | -0.04 | 0.79 | 1.14 | 2.00 | 0.00 | 0.10 | 0.00 | 0.00 | 0.00 | 0.10 | 18.11 |
| | Sept. 2020 | 12.57 | 0.11 | -0.05 | 0.94 | 2.67 | 3.67 | 0.00 | 0.37 | 0.00 | 0.00 | 0.00 | 0.37 | 15.41 |
| O | Sept. 2024 | 9.60 | 0.19 | -0.13 | 0.37 | 1.85 | 2.28 | 0.00 | 0.26 | 0.00 | 0.00 | 0.00 | 0.26 | 11.56 |
| | Sept. 2023 | 9.17 | 0.22 | -0.06 | -1.76 | 2.74 | 1.14 | 0.00 | 0.23 | 0.00 | 0.00 | 0.00 | 0.23 | 9.60 |
| | Sept. 2022 | 14.36 | 0.17 | -0.09 | -0.84 | -4.18 | -4.94 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 | 9.17 |
| | Sept. 2021 | 12.24 | 0.10 | -0.04 | 0.63 | -4.63 | -3.94 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.09 | 14.36 |
| | Sept. 2020 | 9.99 | 0.09 | -0.05 | 0.74 | 1.75 | 2.53 | 0.00 | 0.29 | 0.00 | 0.00 | 0.00 | 0.29 | 12.24 |
| P | Sept. 2024 | 9.91 | 0.22 | -0.39 | 0.39 | 1.84 | 2.06 | 0.00 | 0.06 | 0.00 | 0.00 | 0.00 | 0.06 | 11.93 |
| | Sept. 2023 | 9.44 | 0.26 | -0.28 | -1.84 | 2.39 | 0.53 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.91 |
| | Sept. 2022 | 15.10 | 0.17 | -0.35 | -0.92 | -4.59 | -5.69 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.44 |
| | Sept. 2021 | 13.05 | 0.11 | -0.38 | 0.67 | -0.09 | 0.31 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15.10 |
| | Sept. 2020 | 10.68 | 0.10 | -0.30 | 0.80 | 1.89 | 2.49 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.09 | 13.05 |
| PF | Sept. 2024 | 10.32 | 0.23 | -0.29 | 0.40 | 1.97 | 2.31 | 0.00 | 0.18 | 0.00 | 0.00 | 0.00 | 0.18 | 12.41 |
| | Sept. 2023 | 9.76 | 0.28 | -0.18 | -1.90 | 2.46 | 0.66 | 0.00 | 0.04 | 0.00 | 0.00 | 0.00 | 0.04 | 10.32 |
| | Sept. 2022 | 15.44 | 0.18 | -0.23 | -0.93 | -4.44 | -5.42 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.76 |
| | Sept. 2021 | 13.20 | 0.12 | -0.21 | 0.68 | -1.26 | -0.67 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15.44 |
| | Sept. 2020 | 10.79 | 0.09 | -0.18 | 0.81 | 2.13 | 2.85 | 0.00 | 0.20 | 0.00 | 0.00 | 0.00 | 0.20 | 13.20 |

(1) All per unit figures presented in 2024 are referenced to net assets determined in accordance with International Financial Reporting Standards and are derived from the Fund's audited annual financial statements for the period ended September 30, 2024.

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

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

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

Ratios and Supplemental Data

| Series | Period | Total Net Asset Value (000's of \$) | Number of Units Outstanding (000's) | Management Expense Ratio (%) ⁽¹⁾ | Management Expense Ratio before Waivers and Absorptions (%) | Trading Expense Ratio (%) ⁽²⁾ | Portfolio Turnover Rate (%) ⁽³⁾ | Net Asset Value per Unit (\$) |
|--------|------------|-------------------------------------|-------------------------------------|---|---|--|--|-------------------------------|
| A | Sept. 2024 | 5,469 | 724 | 2.53 | 2.53 | 0.23 | 58.37 | 7.56 |
| | Sept. 2023 | 5,599 | 892 | 2.53 | 2.53 | 0.14 | 46.09 | 6.28 |
| | Sept. 2022 | 6,328 | 1,055 | 2.54 | 2.65 | 0.15 | 59.84 | 6.00 |
| | Sept. 2021 | 9,215 | 958 | 2.53 | 2.69 | 0.09 | 27.13 | 9.62 |
| | Sept. 2020 | 4,209 | 505 | 2.54 | 2.70 | 0.22 | 72.12 | 8.34 |
| F | Sept. 2024 | 6,701 | 409 | 1.50 | 1.50 | 0.23 | 58.37 | 16.37 |
| | Sept. 2023 | 6,484 | 477 | 1.51 | 1.51 | 0.14 | 46.09 | 13.59 |
| | Sept. 2022 | 5,760 | 448 | 1.51 | 1.51 | 0.15 | 59.84 | 12.87 |
| | Sept. 2021 | 10,744 | 526 | 1.50 | 1.50 | 0.09 | 27.13 | 20.44 |
| | Sept. 2020 | 1,010 | 58 | 1.51 | 1.51 | 0.22 | 72.12 | 17.55 |
| I | Sept. 2024 | 185,981 | 12,729 | N/A | N/A | 0.23 | 58.37 | 14.61 |
| | Sept. 2023 | 311,514 | 25,690 | N/A | N/A | 0.14 | 46.09 | 12.13 |
| | Sept. 2022 | 347,336 | 30,151 | N/A | N/A | 0.15 | 59.84 | 11.52 |
| | Sept. 2021 | 544,539 | 30,076 | N/A | N/A | 0.09 | 27.13 | 18.11 |
| | Sept. 2020 | 283,648 | 18,410 | N/A | N/A | 0.22 | 72.12 | 15.41 |
| O | Sept. 2024 | 162 | 14 | 0.09 | 0.09 | 0.23 | 58.37 | 11.56 |
| | Sept. 2023 | 258 | 27 | 0.09 | 0.09 | 0.14 | 46.09 | 9.60 |
| | Sept. 2022 | 539 | 59 | 0.09 | 0.09 | 0.15 | 59.84 | 9.17 |
| | Sept. 2021 | 312 | 22 | 0.09 | 0.09 | 0.09 | 27.13 | 14.36 |
| | Sept. 2020 | 1 | - | 0.09 | 0.09 | 0.22 | 72.12 | 12.24 |
| P | Sept. 2024 | 2,856 | 239 | 2.23 | 2.23 | 0.23 | 58.37 | 11.93 |
| | Sept. 2023 | 2,900 | 293 | 2.23 | 2.23 | 0.14 | 46.09 | 9.91 |
| | Sept. 2022 | 3,106 | 329 | 2.23 | 2.27 | 0.15 | 59.84 | 9.44 |
| | Sept. 2021 | 4,508 | 299 | 2.22 | 2.27 | 0.09 | 27.13 | 15.10 |
| | Sept. 2020 | 1,485 | 114 | 2.25 | 2.30 | 0.22 | 72.12 | 13.05 |
| PF | Sept. 2024 | 12,194 | 982 | 1.19 | 1.19 | 0.23 | 58.37 | 12.41 |
| | Sept. 2023 | 9,837 | 953 | 1.19 | 1.19 | 0.14 | 46.09 | 10.32 |
| | Sept. 2022 | 12,280 | 1,258 | 1.17 | 1.17 | 0.15 | 59.84 | 9.76 |
| | Sept. 2021 | 10,608 | 687 | 1.15 | 1.15 | 0.09 | 27.13 | 15.44 |
| | Sept. 2020 | 984 | 75 | 1.18 | 1.18 | 0.22 | 72.12 | 13.20 |

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

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

(3) The portfolio turnover rate indicates how actively the Fund's sub-advisor manages its investment holdings. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the period. The higher the portfolio turnover rate in a period, the greater the trading costs payable by the Fund in the period, and the greater the chance of an investor receiving taxable capital gains in the period. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

Management Fees

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

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

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

| | Management Fee (%) | Investment Advisory and Other Fees (%) | Trailer Fee (%) |
|-----------|--------------------|--|-----------------|
| Series A | 1.95 | 50.76 | 49.24 |
| Series F | 1.00 | 100.00 | N/A |
| Series P | 1.75 | 42.82 | 57.18 |
| Series PF | 0.75 | 100.00 | N/A |

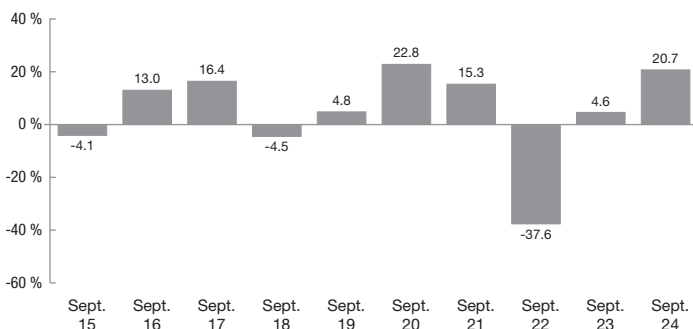
Past Performance

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

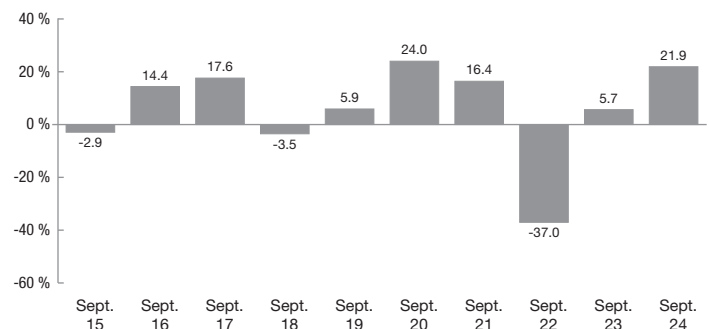
Year-by-Year Returns

The following charts show the annual performance for each series of units of the Fund for each period shown and illustrate how the Fund's performance has varied from period to period. The charts indicate how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period.

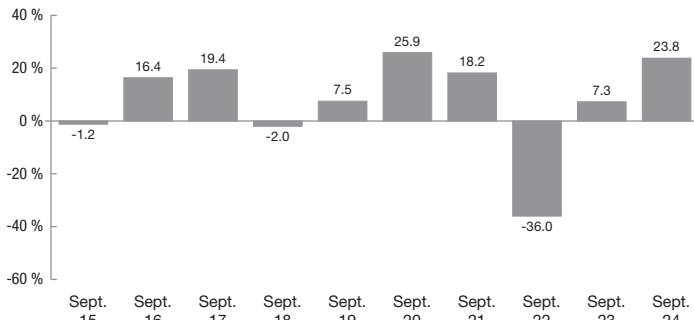
Series A



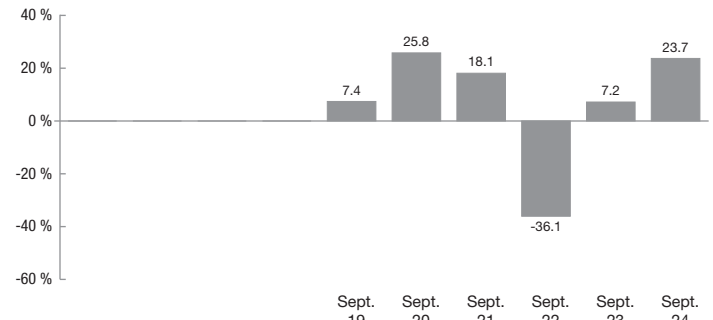
Series F



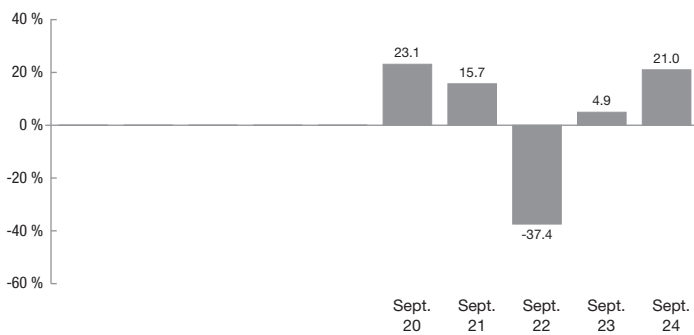
Series I



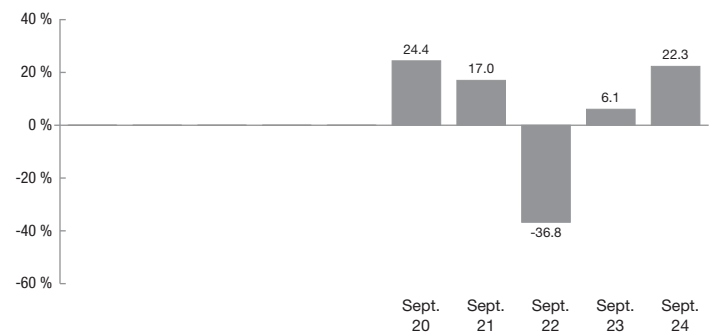
Series O



Series P



Series PF



There was an investment objective change effective May 6, 2013 for Series A, Series F and Series I that could have materially impacted performance during the period. Performance restarted as a result of Fund mergers in 2013.

On or about July 13, 2020, the Portfolio sub-advisor began to apply parts of the Manager's responsible approach to investing to the Fund. Performance for the periods before and after this change could have differed had the change not occurred or occurred at a different date.

Annualized Compound Returns

The following table shows the annual compound returns for all series of the Fund. All returns are in Canadian dollars, on a total return basis, net of fees. For comparison, the returns for the benchmark are included. A discussion regarding the relative performance of the Fund is found in the Results of Operations section of this report and a description of indexes can be found in the Annualized Compound Returns section of this report.

The benchmark for this Fund is the MSCI EM NR Index (C\$).

The MSCI Emerging Markets Index is designed to represent the performance of large- and mid-cap securities in Emerging Markets. It is a free float-adjusted market capitalization weighted Index.

While the Fund uses this benchmark for long-term performance comparisons, it is not managed relative to the composition of the above-noted index. As a result, the Fund may experience periods when its performance is not aligned with this index, either positively or negatively. Please see the "Results of Operations" section of this report for a discussion of recent performance results.

| Group/Investment | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Since Inception ^(*) (%) |
|--------------------------------------|----------|-----------|-----------|------------|------------------------------------|
| MSCI EM NR Index (C\$) | 26.0 | 2.6 | 6.2 | 6.0 | ** |
| NEI Emerging Markets Fund, Series A | 20.7 | -7.7 | 2.2 | 3.5 | N/A |
| NEI Emerging Markets Fund, Series F | 21.9 | -6.7 | 3.2 | 4.6 | N/A |
| NEI Emerging Markets Fund, Series I | 23.8 | -5.3 | 4.8 | 6.2 | N/A |
| NEI Emerging Markets Fund, Series O | 23.7 | -5.4 | 4.7 | N/A | 3.9 |
| NEI Emerging Markets Fund, Series P | 21.0 | -7.4 | 2.5 | N/A | 3.3 |
| NEI Emerging Markets Fund, Series PF | 22.3 | -6.4 | 3.6 | N/A | 4.4 |

^(*)Since inception returns are not provided for series that have been in existence for more than 10 years.

^(**)The return of the benchmark since inception for each applicable series is as follows: Series O: 4.5%, Series P: 5.5%, Series PF: 5.5%.

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Summary of Investment Portfolio as at September 30, 2024

Total Net Asset Value: \$213,363,123

| Top Holdings | % | Geographic Distribution | % |
|---|------|--|-------|
| Taiwan Semiconductor Manufacturing Company | 9.2 | India | 24.5 |
| Tencent Holdings | 5.5 | Other Countries | 19.6 |
| SK hynix | 4.0 | Taiwan | 17.4 |
| Samsung Electronics | 3.7 | Cayman Islands | 12.8 |
| ICICI Bank, ADR | 3.6 | South Korea | 11.1 |
| Max Healthcare Institute | 3.4 | China | 8.4 |
| Eurobank Ergasias Services and Holdings, Class A | 3.2 | Greece | 6.2 |
| Bank Central Asia | 2.9 | Total | 100.0 |
| Trip.com, ADR | 2.8 | <p>"Other Countries" geographic category includes all countries individually representing less than 5% of the Fund's net asset value.</p> <p>The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly.</p> | |
| Bharti Airtel | 2.5 | | |
| MercadoLibre | 2.5 | | |
| Meituan, Class B | 2.3 | | |
| Hd Hyundai Electric | 2.2 | | |
| Eastroc Beverage Group, Class A | 2.1 | | |
| MediaTek | 2.0 | | |
| Phoenix Mills | 2.0 | | |
| NU Holdings, Class A | 1.9 | | |
| Shenzhen Mindray Bio-Medical Electronics, Class A | 1.7 | | |
| Bajaj Finance | 1.7 | | |
| Itaú Unibanco Banco Múltiplo | 1.7 | | |
| Cholamandalam Investment and Finance Company | 1.7 | | |
| APL Apollo Tubes | 1.6 | | |
| eMemory Technology | 1.6 | | |
| Techtronic Industries | 1.6 | | |
| BDO Unibank | 1.6 | | |
| Total | 69.0 | | |