

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 U.S. Dividend Fund's (the "Fund") investment objective is to provide investors with long-term capital growth. The Fund invests primarily in common shares of large-capitalization American corporations.

The Portfolio Sub-Advisor employs a value-driven, bottom-up approach to security selection that seeks to identify stocks with a high and growing dividend yield, financial strength and attractive business models, among other key characteristics. The Fund is primarily invested in a diversified multi-cap portfolio of income producing equity securities which typically have a minimum market capitalization at the time of initial purchase and are trading below the Portfolio Sub-Advisor's assessment of fair value. The Fund is primarily invested in U.S. dividend paying common stocks. The Fund may also invest in a broad range of foreign stocks through the use of American Depositary Receipts ("ADRs") and may also invest in foreign companies traded on U.S. exchanges, convertible preferred stocks, Real Estate Investment Trusts ("REITs"), investment companies and royalty income trusts. Publicly traded partnerships are restricted.

Risk

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

Results of Operations

The NEI U.S. Dividend Fund's Series A units returned 29.9% for the twelve-month period ended September 30, 2024 compared with a return of 27.6% 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 Russell 3000 Value TR Index (C\$).

The Fund's net asset value increased by 35.40% during the period, from \$41,671,718 as at September 30, 2023 to \$56,423,430 as at September 30, 2024. This change in net assets is attributed to net unitholder activity of \$659,418 and \$14,092,294 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

The period was characterized by a sharp upward movement for U.S. equities thanks to the sudden change in tone from the U.S. Federal Reserve Board (the “Fed”). In the year prior, the Fed engaged in its most aggressively hawkish policy shifts in a generation, moving rates from zero to 4.25%–4.50% in only 273 days. As the period started, the federal funds rate was holding steady at 5.25%–5.50% as policymakers waited for higher interest rates to slowly bring inflationary pressure down and watched out for any undue economic impact. Over the course of the last twelve months, higher rates did their job and inflation eased and officials kept the pain in check with constant promises to cut rates should the economy slow too quickly. This created a “goldilocks” period in which inflation eased, labour markets remained solid, and the consumer weakened but did not collapse.

From October 1, 2023 to September 30, 2024, the broad U.S. equity market, as measured by the Russell 3000, advanced significantly. Large-capitalization stocks outpaced both mid- and small-cap in the period. Among large-cap stocks, growth stocks were clearly the place to be as the Russell 1000 Growth Index advanced well over its value-focused peer. The end of interest rate hikes also meant relief for dividend-payers in the last twelve months. Among Russell 3000 Value Index stocks, dividend payers advanced over non-payers.

The portfolio sub-advisor looks to the Russell 3000 Value Index to provide insight into the backdrop for value-focused investors. The shift in interest rate expectations had a clear impact as the two best-performing sectors, Financials and Utilities, are both interest rate-sensitive areas. The only sector in the benchmark that posted a negative result was Energy, which was dragged down by lower commodity prices despite the conflicts in areas that supply oil and gas to global markets.

Factors That Have Affected Performance

From October 1, 2023, to September 30, 2024, NEI U.S. Dividend Fund outperformed the Russell 3000 Value benchmark.

Stock selection was the primary driver of this relative result. Specifically, this was the result of the strong outperformance of the Fund’s holdings in the Information Technology, Energy and Utilities sectors. In the past year, the strong results from Oracle Corp., Corning Inc. and Micron Technology Inc. drove outperforming returns for the Information Technology holdings. The portfolio sub-advisor’s focus on midstream infrastructure rather than the underlying commodities drove the return in Energy versus the decline for the broader sector.

The Fund’s dividend focus added value in the period as well. In addition to steering clear of non-payers, which underperformed, the Fund held a significant overweight allocation to higher-yielding stocks, which outperformed.

The positions with the highest positive contribution to active return in the period were Vistra Corp., The Progressive Corp. and Oracle.

Overall, sector allocation was negative in the period. This was driven in large part by underweight exposures to the Industrials and Financials sectors, offset in part by the overweight exposure to Utilities.

The positions with the largest negative contribution to active return in the period were Comcast Corp., United Parcel Service Inc. and Bristol-Myers Squibb Co.

Portfolio Changes

During the period, the portfolio sub-advisor established 13 new positions and eliminated 12 positions, ending the period with 53 positions, near the low end of the portfolio sub-advisor’s expected range of 50 to 70 holdings.

The two largest changes in relative sector weights during the period were Energy and Industrials.

The Energy sector went from -213 basis points (“bps”) underweight to +248 bps overweight during the period. This increase was driven by both the decision to establish new positions in Delek US Holdings Inc. and EOG Resources Inc. and by the strong outperformance of the holdings in the sector. Specifically, the largest positions in the sector, The Williams Cos. Inc. and Kinder Morgan Inc. both advanced over 40% while the sector was basically flat.

The Fund’s underweight exposure to the Industrials sector went from -486 bps to -817 bps during the period. This change was driven by the decision to reduce the position in Watsco Inc. and the underperformance of United Parcel Service. Partially offsetting these impacts was the addition of Paycom Software Inc. to the portfolio.

Recent Developments

The portfolio sub-advisor's outlook has remained largely unchanged over the period. While the Fed's obvious dovish bias eases our concerns of a catastrophic policy mistake, it is much too early for investors to breathe a sigh of relief. To rein in inflation, Fed officials deliberately set the U.S. economy on a course toward recession and are now hoping they were able thread the needle and generate a smooth, soft landing.

Looking forward, either they pulled it off and economic growth remains strong and inflation stubbornly stays above the Fed’s target, or the economy starts to crack. Unfortunately, the portfolio sub-advisor expects economic stress in the months ahead and fear that will be compounded by the upcoming U.S. presidential election. Fortunately, the portfolio sub-advisor also expects such stress would prompt quick interest rate cuts which would, in turn, drive outperformance for dividend-focused strategies. As such, the portfolio sub-advisor will likely continue to follow value toward cheaper, more defensive areas, like Consumer Staples and Utilities, and tread carefully in more cyclical sectors. The increased scrutiny surrounding dividend sustainability will also play an important role in ensuring that they are aligned with the higher-quality bias that the portfolio sub-advisor believes will be successful in the coming quarters.

On October 23, 2024, unitholders of the NEI U.S. Dividend Fund approved the merger of NEI U.S. Dividend Fund into NEI U.S. Equity RS Fund at a special meeting of unitholders. This merger was effective on November 15, 2024.

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 of Distributions ⁽³⁾⁽⁴⁾ | |
| A | Sept. 2024 | 10.38 | 0.39 | -0.32 | 1.01 | 1.91 | 2.99 | 0.00 | 0.07 | 0.00 | 0.00 | 0.59 | 0.66 | 12.72 |
| | Sept. 2023 | 11.11 | 0.42 | -0.32 | 0.44 | -0.51 | 0.03 | 0.00 | 0.10 | 0.00 | 0.00 | 0.62 | 0.72 | 10.38 |
| | Sept. 2022 | 11.71 | 0.37 | -0.34 | 1.05 | -0.87 | 0.21 | 0.00 | 0.03 | 0.00 | 0.00 | 0.69 | 0.72 | 11.11 |
| | Sept. 2021 | 10.41 | 0.40 | -0.33 | 2.39 | -0.31 | 2.15 | 0.00 | 0.07 | 0.00 | 0.00 | 0.61 | 0.68 | 11.71 |
| | Sept. 2020 | 12.37 | 0.46 | -0.34 | -0.33 | -1.05 | -1.26 | 0.00 | 0.12 | 0.00 | 0.18 | 0.44 | 0.74 | 10.41 |
| F | Sept. 2024 | 18.40 | 0.69 | -0.36 | 1.79 | 3.40 | 5.52 | 0.00 | 0.32 | 0.00 | 0.00 | 0.85 | 1.17 | 22.79 |
| | Sept. 2023 | 19.48 | 0.73 | -0.36 | 0.77 | -1.02 | 0.12 | 0.00 | 0.37 | 0.00 | 0.00 | 0.88 | 1.25 | 18.40 |
| | Sept. 2022 | 20.31 | 0.65 | -0.38 | 1.82 | -1.72 | 0.37 | 0.00 | 0.27 | 0.00 | 0.00 | 0.99 | 1.26 | 19.48 |
| | Sept. 2021 | 17.87 | 0.69 | -0.36 | 4.09 | 0.04 | 4.46 | 0.00 | 0.34 | 0.00 | 0.00 | 0.84 | 1.18 | 20.31 |
| | Sept. 2020 | 21.00 | 0.80 | -0.38 | -0.56 | -1.48 | -1.62 | 0.00 | 0.42 | 0.00 | 0.27 | 0.56 | 1.25 | 17.87 |
| I | Sept. 2024 | 20.21 | 0.80 | -0.11 | 2.05 | 3.98 | 6.72 | 0.00 | 0.66 | 0.00 | 0.00 | 0.00 | 0.66 | 26.12 |
| | Sept. 2023 | 20.51 | 0.81 | -0.11 | 0.83 | -0.17 | 1.36 | 0.00 | 0.71 | 0.00 | 0.00 | 0.00 | 0.71 | 20.21 |
| | Sept. 2022 | 20.52 | 0.68 | -0.11 | 1.88 | -1.43 | 1.02 | 0.00 | 0.69 | 0.00 | 0.00 | 0.00 | 0.69 | 20.51 |
| | Sept. 2021 | 18.50 | 0.73 | -0.11 | 4.20 | 1.02 | 5.84 | 0.00 | 0.57 | 0.00 | 1.46 | 0.00 | 2.03 | 20.52 |
| | Sept. 2020 | 21.07 | 0.83 | -0.13 | -0.56 | -1.39 | -1.25 | 0.00 | 0.66 | 0.00 | 0.28 | 0.00 | 0.94 | 18.50 |
| O | Sept. 2024 | 10.78 | 0.41 | -0.06 | 1.08 | 2.07 | 3.50 | 0.00 | 0.35 | 0.00 | 0.00 | 0.00 | 0.35 | 13.94 |
| | Sept. 2023 | 10.92 | 0.42 | -0.06 | 0.44 | -0.60 | 0.20 | 0.00 | 0.34 | 0.00 | 0.00 | 0.00 | 0.34 | 10.78 |
| | Sept. 2022 | 10.88 | 0.36 | -0.06 | 1.00 | -0.96 | 0.34 | 0.00 | 0.31 | 0.00 | 0.00 | 0.00 | 0.31 | 10.92 |
| | Sept. 2021 | 9.16 | 0.36 | -0.06 | 2.18 | -0.48 | 2.00 | 0.00 | 0.30 | 0.00 | 0.00 | 0.00 | 0.30 | 10.88 |
| | Sept. 2020 | 10.44 | 0.40 | -0.07 | -0.28 | -0.84 | -0.79 | 0.00 | 0.33 | 0.00 | 0.14 | 0.00 | 0.47 | 9.16 |
| P | Sept. 2024 | 12.16 | 0.45 | -0.35 | 1.19 | 2.20 | 3.49 | 0.00 | 0.10 | 0.00 | 0.00 | 0.68 | 0.78 | 14.92 |
| | Sept. 2023 | 12.99 | 0.49 | -0.36 | 0.51 | -0.60 | 0.04 | 0.00 | 0.13 | 0.00 | 0.00 | 0.71 | 0.84 | 12.16 |
| | Sept. 2022 | 13.67 | 0.44 | -0.37 | 1.22 | -1.09 | 0.20 | 0.00 | 0.06 | 0.00 | 0.00 | 0.79 | 0.85 | 12.99 |
| | Sept. 2021 | 12.14 | 0.46 | -0.36 | 2.80 | -0.58 | 2.32 | 0.00 | 0.09 | 0.00 | 0.00 | 0.71 | 0.80 | 13.67 |
| | Sept. 2020 | 14.39 | 0.54 | -0.37 | -0.38 | -1.56 | -1.77 | 0.00 | 0.17 | 0.00 | 0.21 | 0.48 | 0.86 | 12.14 |
| PF | Sept. 2024 | 12.96 | 0.49 | -0.22 | 1.27 | 2.37 | 3.91 | 0.00 | 0.28 | 0.00 | 0.00 | 0.55 | 0.83 | 16.09 |
| | Sept. 2023 | 13.68 | 0.52 | -0.22 | 0.54 | -0.67 | 0.17 | 0.00 | 0.31 | 0.00 | 0.00 | 0.57 | 0.88 | 12.96 |
| | Sept. 2022 | 14.22 | 0.46 | -0.22 | 1.28 | -1.15 | 0.37 | 0.00 | 0.24 | 0.00 | 0.00 | 0.65 | 0.89 | 13.68 |
| | Sept. 2021 | 12.48 | 0.47 | -0.21 | 2.92 | -1.08 | 2.10 | 0.00 | 0.26 | 0.00 | 0.00 | 0.57 | 0.83 | 14.22 |
| | Sept. 2020 | 14.61 | 0.57 | -0.22 | -0.39 | -1.41 | -1.45 | 0.00 | 0.34 | 0.00 | 0.17 | 0.36 | 0.87 | 12.48 |

(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 | 9,554 | 751 | 2.33 | 2.33 | 0.03 | 41.80 | 12.72 |
| | Sept. 2023 | 9,532 | 918 | 2.33 | 2.33 | 0.03 | 25.19 | 10.38 |
| | Sept. 2022 | 11,264 | 1,014 | 2.35 | 2.50 | 0.02 | 22.46 | 11.11 |
| | Sept. 2021 | 13,450 | 1,149 | 2.33 | 2.55 | 0.03 | 16.16 | 11.71 |
| | Sept. 2020 | 16,872 | 1,620 | 2.34 | 2.56 | 0.04 | 37.28 | 10.41 |
| F | Sept. 2024 | 4,467 | 196 | 1.30 | 1.30 | 0.03 | 41.80 | 22.79 |
| | Sept. 2023 | 4,877 | 265 | 1.30 | 1.30 | 0.03 | 25.19 | 18.40 |
| | Sept. 2022 | 4,841 | 249 | 1.31 | 1.35 | 0.02 | 22.46 | 19.48 |
| | Sept. 2021 | 5,283 | 260 | 1.31 | 1.37 | 0.03 | 16.16 | 20.31 |
| | Sept. 2020 | 12,844 | 719 | 1.32 | 1.38 | 0.04 | 37.28 | 17.87 |
| I | Sept. 2024 | 25,784 | 987 | N/A | N/A | 0.03 | 41.80 | 26.12 |
| | Sept. 2023 | 12,487 | 618 | N/A | N/A | 0.03 | 25.19 | 20.21 |
| | Sept. 2022 | 23,712 | 1,156 | N/A | N/A | 0.02 | 22.46 | 20.51 |
| | Sept. 2021 | 30,829 | 1,502 | N/A | N/A | 0.03 | 16.16 | 20.52 |
| | Sept. 2020 | 122,326 | 6,612 | N/A | N/A | 0.04 | 37.28 | 18.50 |
| O | Sept. 2024 | 2 | - | 0.05 | 0.05 | 0.03 | 41.80 | 13.94 |
| | Sept. 2023 | 1 | - | 0.05 | 0.05 | 0.03 | 25.19 | 10.78 |
| | Sept. 2022 | 1 | - | 0.05 | 0.05 | 0.02 | 22.46 | 10.92 |
| | Sept. 2021 | 1 | - | 0.05 | 0.05 | 0.03 | 16.16 | 10.88 |
| | Sept. 2020 | 1 | - | 0.05 | 0.05 | 0.04 | 37.28 | 9.16 |
| P | Sept. 2024 | 5,637 | 378 | 2.16 | 2.16 | 0.03 | 41.80 | 14.92 |
| | Sept. 2023 | 3,960 | 326 | 2.17 | 2.17 | 0.03 | 25.19 | 12.16 |
| | Sept. 2022 | 4,481 | 345 | 2.17 | 2.17 | 0.02 | 22.46 | 12.99 |
| | Sept. 2021 | 4,996 | 365 | 2.17 | 2.17 | 0.03 | 16.16 | 13.67 |
| | Sept. 2020 | 4,149 | 342 | 2.18 | 2.18 | 0.04 | 37.28 | 12.14 |
| PF | Sept. 2024 | 10,980 | 682 | 1.02 | 1.02 | 0.03 | 41.80 | 16.09 |
| | Sept. 2023 | 10,814 | 835 | 1.03 | 1.03 | 0.03 | 25.19 | 12.96 |
| | Sept. 2022 | 11,704 | 856 | 1.02 | 1.02 | 0.02 | 22.46 | 13.68 |
| | Sept. 2021 | 11,914 | 838 | 1.02 | 1.02 | 0.03 | 16.16 | 14.22 |
| | Sept. 2020 | 5,968 | 478 | 1.03 | 1.03 | 0.04 | 37.28 | 12.48 |

(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 | 1.75 | 50.27 | 49.73 |
| Series F | 0.85 | 100.00 | N/A |
| Series P | 1.65 | 39.36 | 60.64 |
| Series PF | 0.65 | 100.00 | N/A |

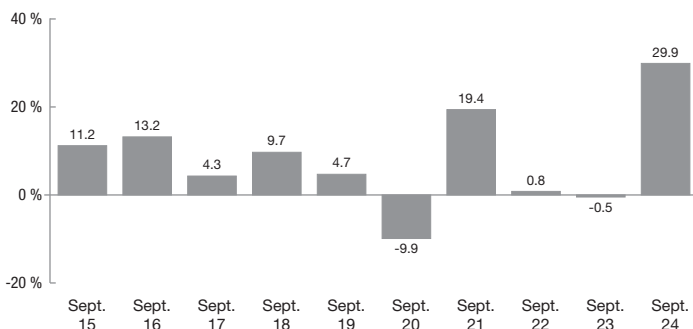
Past Performance

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.

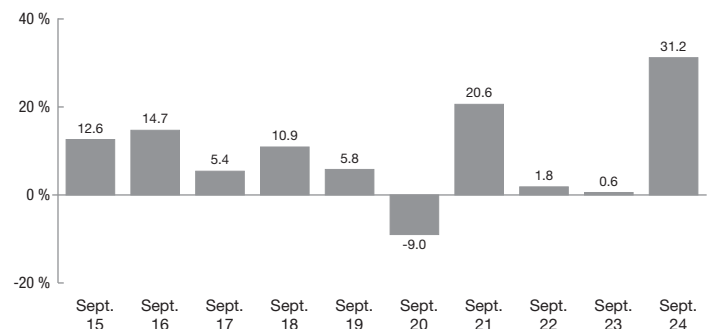
Year-by-Year Returns

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.

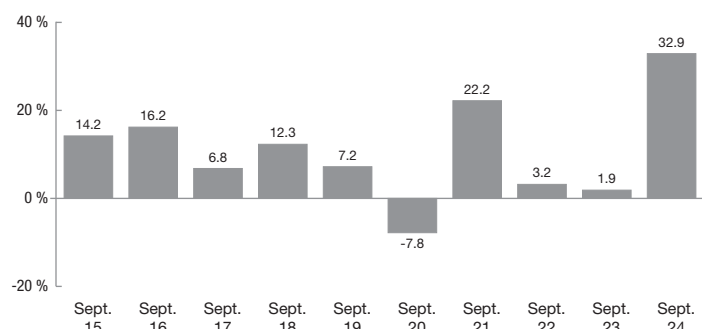
Series A



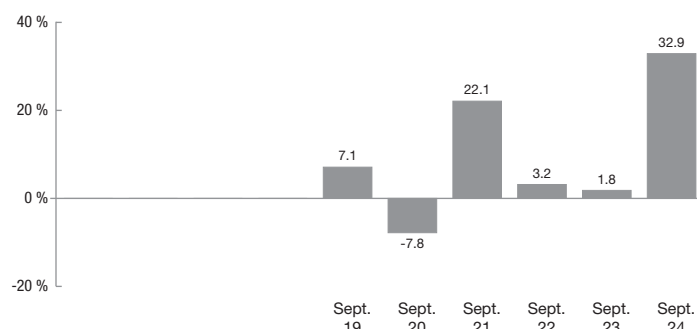
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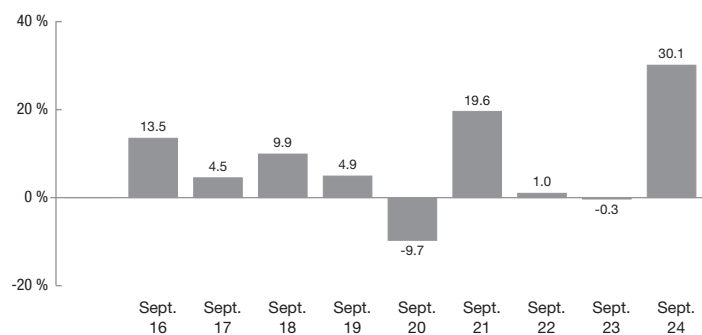
Series I



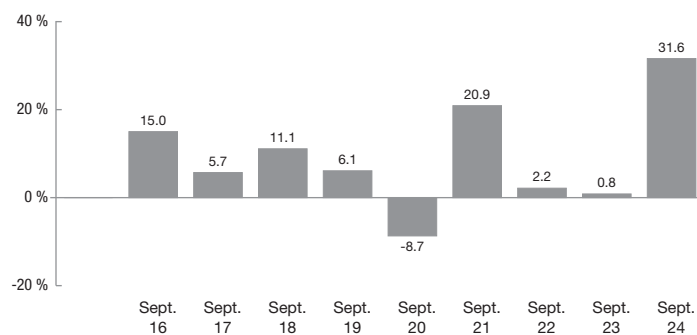
Series O



Series P



Series PF



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 Russell 3000 Value TR Index (C\$).

The Russell 3000 Value Index measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values. The Index is a 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 ^(*) (%) |
|-----------------------------------|----------|-----------|-----------|------------|------------------------------------|
| Russell 3000 Value TR Index (C\$) | 27.6 | 11.1 | 11.1 | 11.3 | ** |
| NEI U.S. Dividend Fund, Series A | 29.9 | 9.2 | 7.0 | 7.8 | N/A |
| NEI U.S. Dividend Fund, Series F | 31.2 | 10.4 | 8.1 | 8.9 | N/A |
| NEI U.S. Dividend Fund, Series I | 32.9 | 11.8 | 9.5 | 10.4 | N/A |
| NEI U.S. Dividend Fund, Series O | 32.9 | 11.7 | 9.5 | N/A | 9.2 |
| NEI U.S. Dividend Fund, Series P | 30.1 | 9.4 | 7.2 | N/A | 6.6 |
| NEI U.S. Dividend Fund, Series PF | 31.6 | 10.7 | 8.4 | N/A | 7.8 |

^(*)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: 10.3%, Series P: 10.4%, Series PF: 10.4%.

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Summary of Investment Portfolio as at September 30, 2024

Total Net Asset Value: \$56,423,430

| Top Holdings | % | Sector Allocation | % |
|--------------------------------|------|---|-------|
| Oracle | 4.8 | Financials | 17.1 |
| Williams Companies | 4.0 | Information Technology | 16.4 |
| Progressive | 3.9 | Consumer Staples | 14.7 |
| Kinder Morgan | 3.6 | Utilities | 11.1 |
| Unilever, ADR | 3.6 | Health Care | 9.7 |
| PNC Financial Services Group | 3.4 | Energy | 9.2 |
| Corning | 3.4 | Communication Services | 8.8 |
| Comcast, Class A | 3.2 | Industrials | 6.4 |
| Cogent Communications Holdings | 3.1 | Real Estate | 4.1 |
| American Tower | 3.1 | Consumer Discretionary | 2.4 |
| AES | 2.9 | Cash and Equivalents | 0.1 |
| Kroger | 2.6 | Total | 100.0 |
| United Parcel Service, Class B | 2.5 | The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly. | |
| Chubb | 2.5 | | |
| U.S. Bancorp | 2.5 | | |
| Micron Technology | 2.4 | | |
| Kimberly-Clark | 2.2 | | |
| Amgen | 2.2 | | |
| Target | 2.1 | | |
| IDACORP | 2.0 | | |
| AXIS Capital Holdings | 2.0 | | |
| Duke Energy | 1.9 | | |
| Royalty Pharma, Class A | 1.9 | | |
| TXNM Energy | 1.6 | | |
| Bristol-Myers Squibb | 1.6 | | |
| Total | 69.0 | | |