



NEI Canadian Impact Bond 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

The investment objective of NEI Canadian Impact Bond Fund (the "Fund") is to achieve income and long-term total returns by investing in a diversified portfolio consisting primarily of Canadian fixed income securities and related debt and debt like securities that are associated with measurable environmental and/or social impacts. The Fund follows a responsible approach to investing, as described in the simplified prospectus of the Fund.

The Fund will seek to achieve its investment objectives by investing primarily in investment-grade fixed income instruments. They will invest across a range of sectors that are addressing some of the world's major social and environmental challenges while meeting the Portfolio Sub-Advisor's proprietary impact criteria. The Fund's average credit quality is expected to be investment-grade but the Fund may invest up to 20% in below investment-grade rated securities in order to take advantage of market opportunities based on the Portfolio Sub-Advisor's research. The Fund seeks to provide a positive and measurable environmental, social and governance ("ESG") impact, in addition to investment returns. For each of the investments deemed eligible for inclusion in the Fund, the Portfolio Sub-Advisor uses key performance indicators to understand the nature of the impact generated by the issuance, to ensure that the investments are making progress towards the desired impact, and to quantify and measure the impact, as applicable. This includes renewable energy generated and greenhouse gases reduced, or other metrics as may be amended from time to time. The Portfolio Sub-Advisor's approach to impact investing involves a proprietary framework that identifies high-level impact themes that may change over time, such as climate change and community development and underlying impact focus areas within each theme. The Fund integrates ESG factors into its security selection and portfolio construction process. These ESG factors are identified and assessed along with traditional financial analysis to inform investment decisions. This includes ESG factors that are relevant to a specific company, its industry and/or its sector, as outlined in the responsible approach to investing described in the simplified prospectus of The Fund. The Portfolio Sub-Advisor constructs the portfolio through a combination of top-down macro research and bottom-up fundamental credit research.

Risk

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

Results of Operations

The NEI Canadian Impact Bond Fund's Series A units returned 12.5% for the twelve months ended September 30, 2024 compared with a return of 12.9% 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 FTSE Canada Universe Bond Index.

The Fund's net asset value increased by 24.24% during the period, from \$101,752,393 as at September 30, 2023 to \$126,419,841 as at September 30, 2024. This change in net assets is attributed to net unitholder activity of \$9,935,155 and \$14,732,293 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

Economic growth was stable even against the backdrop of current policy rates. The labour market exhibited weaker dynamics. Wage gains and high savings balances supported consumer spending in both Canada and the U.S. Inflation pressure declines in 2024 but achieving central bank targets may prove difficult with an uneven path in the deceleration. Wage inflation remained elevated in Canada and contributed to higher services inflation. Monetary policy in Canada and the U.S. was biased toward easing. Stable growth and inflation uncertainty reduced the urgency for material interest rate decreases. With inflation moderating from its highs, central bank policy shifted focus to economic growth. Inflationary pressures persisted (wages, energy prices, shelter) resulting in pauses to policy easing, a scenario not currently priced into markets. Delayed easing by the U.S. Federal Reserve Board (the "Fed") maintained high real interest rates, which can hurt economic growth and undershoot the inflation target. The Bank of Canada's ("BoC") faster monetary easing, while still facing inflationary growth and wage pressure, could result in reflation risks.

Factors That Have Affected Performance

After persistent inflation caused market interest rates to continue to rise during the end of 2023 and beginning of 2024, yields finally peaked in April. The subsequent months saw Canadian bond yields decline on expectations that inflation had subsided, and monetary policy would soon be easing. More recently, the Fed lowered the target range of its policy rate by 50 basis points ("bps") in September, matching the BoC two 25-bps cuts during the third quarter. Bond yields have followed a downward trend, accelerating in early August before stabilizing in September. The sharper decline in shorter-term interest rates accentuated the steepness of the yield curve.

Similar to bond yields, credit spreads also declined during the period, tightening by approximately 30 bps over the last 12 months. In this environment of declining bond yields and tightening credit spreads, the Fund's performance exceeded that of its benchmark. Consistent with the strategy's investment process, added value was attributable to an overweight allocation to corporate bonds and strong security selection. During the period, the provincial and federal bond exposures were increased while the Fund's corporate bond exposure was decreased, but the Fund continues to hold an overweight allocation in the latter. The Fund maintains a slightly longer duration positioning versus its benchmark.

Portfolio Changes

During the period, several new impact issues were added to the Fund, including, but not limited to, a First Nations Finance Authority bond with the proceeds going towards affordable housing in Enoch, Alberta and upgrades to a water treatment facility in Scugog Island, Ontario; a green bond issued by FortisBC; and AIMCo Realty Investors L.P. green bonds with the proceeds going towards energy efficiency for properties in British Columbia and Ontario. As of September 30, 2024, approximately 60% of the Fund was invested in the climate change impact theme, with various investments in the renewable energy, clean transportation and energy efficiency focus areas.

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.

During the calendar year 2023, bonds issued by CPPIB Capital Inc., Algonquin Power & Utilities Corp., National Bank of Canada, Brookfield Renewable Partners L.P. and Fédération des Caisses Desjardins du Québec financed the creation of 10,699 megawatts of renewable energy generation capacity. Bonds issued by Choice Properties REIT and RioCan REIT financed 1.5 million square feet of certified green building space.*

*This is a non-exhaustive list of impact metrics. Impact metrics for the Fund are the latest metrics available. They do not necessarily align with the 12-month period covered in this Management Report of Fund Performance, due to the length of time required to collect and prepare impact data for reporting purposes. The impact metrics are based on the full value of the bond issuance and do not reflect the proportional investment of the Fund.

Recent Developments

On June 28, 2024, the following exclusionary screens were removed from the Fund: gambling, nuclear power, and the extraction and production of fossil fuel or owning fossil fuel reserves.

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	9.54	0.39	-0.13	0.09	0.66	1.01	0.25	0.00	0.00	0.00	0.16	0.41	10.31
	Sept. 2023	10.00	0.07	-0.03	-0.01	-0.39	-0.36	0.05	0.00	0.00	0.00	0.05	0.10	9.54
F	Sept. 2024	9.56	0.39	-0.07	0.09	0.71	1.12	0.31	0.00	0.00	0.00	0.10	0.41	10.39
	Sept. 2023	10.00	0.08	-0.01	-0.01	-0.32	-0.26	0.06	0.00	0.00	0.00	0.04	0.10	9.56
I	Sept. 2024	9.60	0.39	0.00	0.09	0.84	1.32	0.39	0.00	0.00	0.00	0.00	0.39	10.54
	Sept. 2023	10.00	0.07	0.00	-0.01	-0.40	-0.34	0.06	0.00	0.00	0.00	0.00	0.06	9.60
O	Sept. 2024	9.66	0.38	0.00	0.09	0.85	1.32	0.45	0.00	0.00	0.00	0.00	0.45	10.54
	Sept. 2023	10.00	0.07	0.00	-0.01	-0.40	-0.34	0.00	0.00	0.00	0.00	0.00	0.00	9.66
P	Sept. 2024	9.55	0.38	-0.11	0.09	0.64	1.00	0.26	0.00	0.00	0.00	0.15	0.41	10.34
	Sept. 2023	10.00	0.07	-0.02	-0.01	-0.39	-0.35	0.06	0.00	0.00	0.00	0.04	0.10	9.55
PF	Sept. 2024	9.56	0.39	-0.06	0.09	0.81	1.23	0.32	0.00	0.00	0.00	0.09	0.41	10.40
	Sept. 2023	10.00	0.08	-0.01	-0.01	-0.32	-0.26	0.06	0.00	0.00	0.00	0.04	0.10	9.56

(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	1,502	146	1.25	1.25	0.00	58.71	10.31
	Sept. 2023	145	15	1.26	1.26	0.00	4.53	9.54
F	Sept. 2024	806	78	0.68	0.68	0.00	58.71	10.39
	Sept. 2023	2	-	0.69	0.69	0.00	4.53	9.56
I	Sept. 2024	118,141	11,209	N/A	N/A	0.00	58.71	10.54
	Sept. 2023	101,594	10,581	N/A	N/A	0.00	4.53	9.60
O	Sept. 2024	1	-	0.05	0.05	0.00	58.71	10.54
	Sept. 2023	1	-	0.05	0.05	0.00	4.53	9.66
P	Sept. 2024	1,412	137	1.13	1.13	0.00	58.71	10.34
	Sept. 2023	1	-	1.15	1.15	0.00	4.53	9.55
PF	Sept. 2024	4,559	438	0.54	0.54	0.00	58.71	10.40
	Sept. 2023	10	1	0.57	0.57	0.00	4.53	9.56

(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	0.95	54.84	45.16
Series F	0.45	100.00	N/A
Series P	0.85	41.24	58.76
Series PF	0.35	100.00	N/A

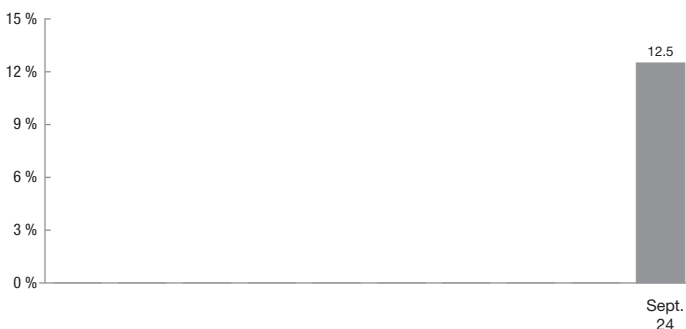
Past Performance

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.

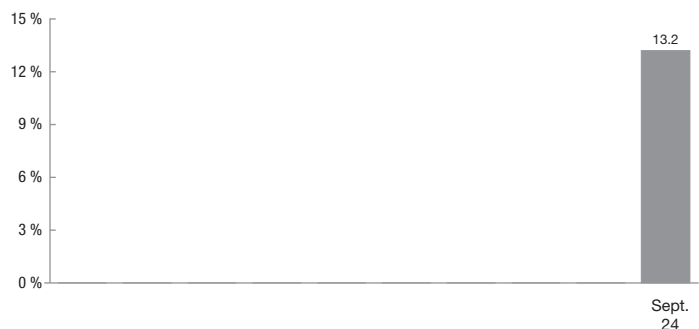
Year-by-Year Returns

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



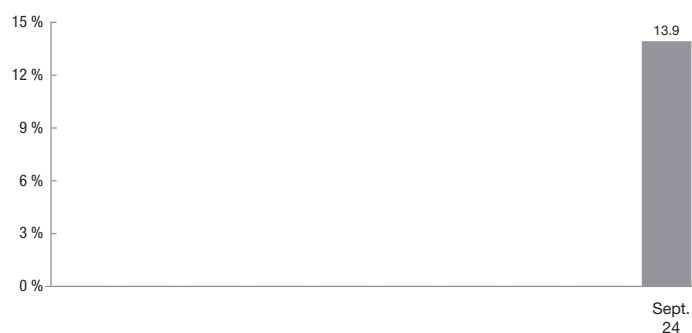
Series F



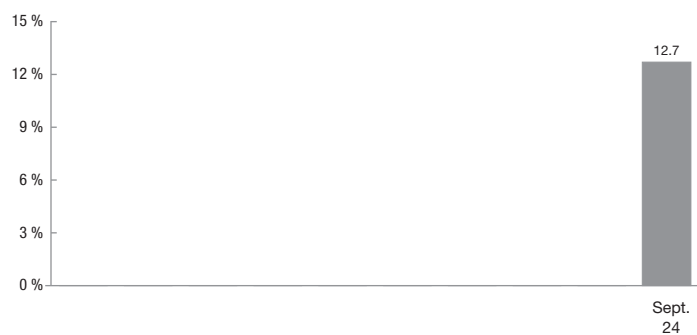
Series I



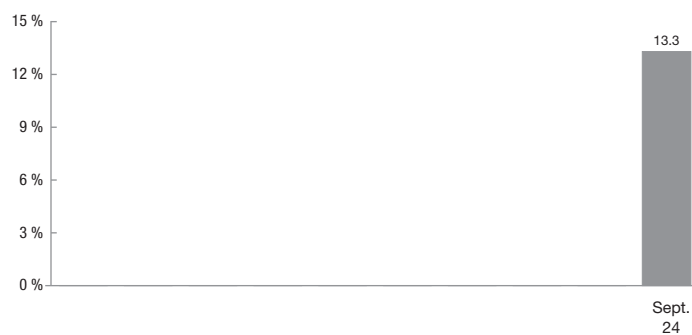
Series O



Series P



Series PF



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 FTSE Canada Universe Bond Index.

The FTSE Canada Universe Bond Index is designed to be a broad measure of the Canadian investment grade fixed income market. Returns are calculated daily, and are weighted by market capitalization, so that the return on a bond influences the return on the index in proportion to the bond's market value. There are four main credit or borrower categories: bonds issued by the Government of Canada (including Crown Corporations), provincial bonds (including provincially guaranteed securities), municipal bonds, and corporate bonds.

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 ^(*) (%)
FTSE Canada Universe Bond Index	12.9	N/A	N/A	N/A	**
NEI Canadian Impact Bond Fund, Series A	12.5	N/A	N/A	N/A	7.0
NEI Canadian Impact Bond Fund, Series F	13.2	N/A	N/A	N/A	7.6
NEI Canadian Impact Bond Fund, Series I	14.0	N/A	N/A	N/A	8.3
NEI Canadian Impact Bond Fund, Series O	13.9	N/A	N/A	N/A	8.3
NEI Canadian Impact Bond Fund, Series P	12.7	N/A	N/A	N/A	7.2
NEI Canadian Impact Bond Fund, Series PF	13.3	N/A	N/A	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 A: 7.0%, Series F: 7.0%, Series I: 7.0%, Series O: 7.0%, Series P: 7.0%, Series PF: 7.0%.

FTSE Global Debt Capital Markets Inc ("FDCM"), FTSE International Limited ("FTSE"), and the London Stock Exchange Group companies (the "Exchange", and together with FDCM and FTSE, the "Licensor Parties") make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Canada Universe Bond ("the Index") and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FDCM and all copyright in the Index values and constituent lists vests in FDCM. The Licensor Parties shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Licensor Parties shall not be under any obligation to advise any person of any error therein.

"FTSE®" is a trade mark of the FTSE International Limited in Canada and Taiwan, and the London Stock Exchange Group of companies in the rest of the world and is used by FDCM under license.

Summary of Investment Portfolio as at September 30, 2024

Total Net Asset Value: \$126,419,841

Top Holdings	%	Sector Allocation	%
Government of Canada, 3.500%, 2034-03-01	6.4	Corporate Bonds	38.8
Province of Québec, 3.650%, 2032-05-20	5.7	Provincial and Crown Corporations Bonds	30.3
Province of Ontario, 4.050%, 2032-02-02	5.2	Federal Bonds	16.1
Province of Ontario, 1.550%, 2029-11-01	3.9	Municipal Bonds	10.7
Province of Ontario, 4.100%, 2033-03-04	3.7	Supranational Bonds	2.6
PSP Capital, Series G-13, 4.400%, 2030-12-02	3.6	Cash and Equivalents	1.5
First Nations Finance Authority, 4.100%, 2034-06-01	2.8	Total	100.0
National Bank of Canada, 4.968%, 2026-12-07	2.5	The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly.	
Algonquin Power & Utilities, 4.600%, 2029-01-29	2.2		
55 School Board Trust, 5.900%, 2033-06-02	2.2		
Hydro-Québec, 4.000%, 2055-02-15	2.1		
Fédération des caisses Desjardins du Québec, 5.467%, 2028-11-17	2.0		
Canada Pension Plan Investment Board, 3.000%, 2028-06-15	1.9		
Central 1 Credit Union, 2.391%, floating rate from 2026-06-30, 2031-06-30	1.9		
Province of Ontario, 4.150%, 2054-12-02	1.8		
Ottawa Hospital, 4.638%, 2063-06-14	1.6		
Canadian National Railway Company, 4.600%, 2029-05-02	1.6		
Choice Properties Real Estate Investment Trust, Series Q, 2.456%, 2026-11-30	1.6		
Cash and Equivalents	1.5		
Dream Industrial Real Estate Investment Trust, Series E, 3.968%, 2026-04-13	1.5		
FortisBC Energy, 2.540%, 2050-07-13	1.4		
Asian Development Bank, 1.500%, 2028-05-04	1.4		
Canada Housing Trust, Series 118, 4.250%, 2034-03-15	1.4		
Brookfield Renewable Partners, Series 11, 4.250%, 2029-01-15	1.3		
TCHC Issuer Trust, Series A, 4.877%, 2037-05-11	1.3		
Total	62.5		