

## Semi-annual Management Report of Fund Performance

### As at March 31, 2022

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

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

## Management Discussion of Performance

### Results of Operations

The NEI Canadian Equity Fund's Series A units returned 1.3% for the six months ended March 31, 2022 compared with a return of 9.3% 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 blended benchmark is composed of 80% S&P/TSX Composite TR Index and 20% S&P 500 Index (C\$).

The Fund's net asset value decreased by 3.63% during the period, from \$175,301,300 as at September 30, 2021 to \$168,932,661 as at March 31, 2022. This change in net assets is attributed to net unitholder activity of -\$9,421,218 and \$3,052,579 to investment operations, including market appreciation (depreciation), income and expenses.

### Factors That Have Affected Performance

Rising inflation, due to continued supply chain disruptions and the Russian invasion of Ukraine, resulted in rising interest rates and expectations for quantitative tightening. Even with that challenging economic environment the North American equity markets posted positive gains over the reporting period, driven primarily from energy and materials companies.

Approaching the Russian invasion of Ukraine, the price of oil, certain industrial commodities, and wheat have shot up. For the moment, concerns about rising prices dominate the global economy and financial markets. While the portfolio sub-advisor cannot predict the future, and therefore, does not make forecasts of the economy or the equity markets when making investment decisions, there is certainly much to be concerned about. They are focused on these issues but remain confident that the companies held within the Fund will increase shareholder value over the coming years. Having come through the pandemic with stronger and more resilient operations, the Fund's holdings are well situated for the current environment. The largest positive contributor to performance during the reporting period was the Fund's investment in TD Bank. During the period the bank delivered quarterly results ahead of expectations but more importantly agreed to acquire First Horizon. This accretive acquisition will expand TD's US operations into newer markets, while also offering new vertical capabilities. Other significant contributors were Genovus Energy, First Quantum, Telus and Bank of Nova Scotia.

From a sector perspective a major detractor of performance during the reporting period was the Fund's relative underweight allocation to energy and materials. The portfolio sub-advisor's investment process focuses on non-commodity, quality businesses. The largest detractor of performance during the reporting period was the Fund's holding in auto supplier Magna International. The continued semiconductor shortage continues to negatively impact production across the automotive supply chain which has directly impacted Magna's operations. Given robust pent-up automobile demand the portfolio sub-advisor believes Magna is well positioned to rebound as supply chain issues are addressed. Other detractors during the reporting period include Citigroup, FirstService, GFL Environmental, and Meta Platforms.

## Recent Developments

The portfolio sub-advisor acquired several high-quality positions during the reporting period at prices that did not reflect value expected to be realized in the coming years.

The Fund acquired shares in Canadian Pacific. CP's acquisition of Kansas City Southern railroad gives it the only Canada, US and Mexico connected railroad. That strategic advantage is even more compelling when combined with CP's leadership team, which has a long history of excellence. It is led by Keith Creel who worked with industry legend Hunter Harrison to transform CP into one of North America's most prosperous and respected railroad business. The portfolio sub-advisor believes CP will be successful in cutting costs and building on the unique transport routes resulting from this acquisition.

Following a sharp decline in the stock price, Peloton Interactive was added to the Fund. Peloton essentially reinvented the fitness industry by developing a first-of-its-kind subscription platform that seamlessly combines equipment, proprietary networked software, and world-class streaming digital fitness and wellness content. The company had been a high-flyer during the COVID period but the business hit a snag as growth exceeded their manufacturing capabilities. The new management is focused on the strength of the brand and fixing the manufacturing issues. The portfolio sub-advisor is confident that the business will continue to build on its strengths, and the value of its subscription operations will add shareholder value over the coming years.

Additionally, shares of recently listed property and casualty insurance company Definity were added to the Fund. The business has multiple avenues and a strategy to deploy capital at attractive rates of return. The portfolio sub-advisor initiated the Fund's position at a price that did not reflect the company's value enhancing plan.

During the period, the portfolio sub-advisor exited investments in copper miner First Quantum as the stock price adequately reflected fair value. Additionally, the Fund's position in Las Vegas Sands was divested due to ESG considerations.

The portfolio sub-advisor believes that the collection of businesses held within the Fund should continue to produce satisfactory returns independent of the broader equity markets. Staying invested for the long term continues to be a prudent approach.

## Related Party Transactions

Northwest & Ethical Investments L.P. ("NEI LP") 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 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 wholly-owned subsidiary of the Fédération.

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

The Fund is distributed through Credential Asset Management Inc., Credential Qtrade Securities Inc., and members of the Desjardins group 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 six-month period ending March 31, 2022 and the past five fiscal years or for the periods since inception, as applicable.

### Net Assets per Unit (\$) <sup>(1)</sup>

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 <sup>(2)</sup>	From Income (Excluding Dividends)	From Dividends	From Underlying Funds	From Capital Gains	Return of Capital		Total Distributions <sup>(3)(4)</sup>
A	Mar. 2022	29.87	0.32	-0.41	1.94	-1.38	0.47	0.00	0.00	0.00	0.00	0.00	0.00	30.25
	Sept. 2021	21.78	0.62	-0.75	8.13	1.04	9.04	0.00	0.37	0.00	0.00	0.00	0.37	29.87
	Sept. 2020	25.06	0.72	-0.64	0.09	-3.49	-3.32	0.00	0.00	0.00	0.00	0.00	0.00	21.78
	Sept. 2019	25.09	0.30	-0.34	-0.08	-6.18	-6.30	0.00	0.00	0.00	0.00	0.00	0.00	25.06
	Sept. 2018	23.18	0.30	-0.34	-0.08	-6.18	-6.30	0.00	0.00	0.00	0.00	0.00	0.00	25.09
	Sept. 2017	20.24	0.30	-0.34	-0.08	-6.18	-6.30	0.00	0.00	0.00	0.00	0.00	0.00	23.18
F	Mar. 2022	33.78	0.37	-0.23	2.20	-1.65	0.69	0.00	0.00	0.00	0.00	0.00	0.00	34.44
	Sept. 2021	24.58	0.70	-0.43	9.16	1.22	10.65	0.00	0.75	0.00	0.00	0.00	0.75	33.78
	Sept. 2020	28.17	0.82	-0.37	0.11	-3.87	-3.31	0.00	0.28	0.00	0.00	0.00	0.28	24.58
	Sept. 2019	27.95	0.85	-0.35	0.89	-2.51	-1.12	0.00	0.11	0.00	0.00	0.00	0.11	28.17
	Sept. 2018	25.70	0.69	-0.38	1.44	0.60	2.35	0.00	0.21	0.00	0.00	0.00	0.21	27.95
	Sept. 2017	22.25	0.62	-0.36	1.06	2.01	3.33	0.00	0.10	0.00	0.00	0.00	0.10	25.70
I	Mar. 2022	29.75	0.35	-0.01	1.95	-1.51	0.78	0.00	0.00	0.00	0.00	0.00	0.00	30.52
	Sept. 2021	26.37	0.72	-0.04	9.06	9.70	19.44	0.00	1.32	0.00	6.16	0.00	7.48	29.75
	Sept. 2020	30.09	0.84	-0.05	0.11	-3.00	-2.10	0.00	0.54	0.00	0.00	0.00	0.54	26.37
	Sept. 2019	29.59	0.89	-0.03	0.95	-0.58	1.23	0.00	0.20	0.00	0.00	0.00	0.20	30.09
	Sept. 2018	27.21	0.73	-0.03	1.52	0.60	2.82	0.02	0.59	0.00	0.00	0.00	0.61	29.59
	Sept. 2017	23.33	0.64	-0.03	1.11	2.22	3.94	0.00	0.18	0.00	0.00	0.00	0.18	27.21
O	Mar. 2022	12.43	0.13	-0.01	0.81	-0.60	0.33	0.00	0.00	0.00	0.00	0.00	0.00	12.74
	Sept. 2021	9.02	0.25	-0.02	3.37	0.29	3.89	0.00	0.37	0.00	0.00	0.00	0.37	12.43
	Sept. 2020	10.28	0.29	-0.02	0.04	-1.27	-0.96	0.00	0.18	0.00	0.00	0.00	0.18	9.02
	Sept. 2019	10.08	0.30	-0.01	0.33	1.43	2.05	0.00	0.04	0.00	0.00	0.00	0.04	10.28
	Sept. 2018	10.00	0.07	-0.01	0.54	-0.52	0.08	0.00	0.00	0.00	0.00	0.00	0.00	10.08
P	Mar. 2022	12.73	0.14	-0.15	0.83	-0.62	0.20	0.00	0.00	0.00	0.00	0.00	0.00	12.92
	Sept. 2021	9.29	0.26	-0.27	3.50	0.10	3.59	0.00	0.21	0.00	0.00	0.00	0.21	12.73
	Sept. 2020	10.67	0.31	-0.24	0.04	-1.84	-1.73	0.00	0.02	0.00	0.00	0.00	0.02	9.29
	Sept. 2019	10.00	0.26	-0.20	0.34	1.13	1.53	0.00	0.00	0.00	0.00	0.00	0.00	10.67
PF	Mar. 2022	13.00	0.14	-0.08	0.85	-0.62	0.29	0.00	0.00	0.00	0.00	0.00	0.00	13.26
	Sept. 2021	9.43	0.27	-0.14	3.58	-0.23	3.48	0.00	0.28	0.00	0.00	0.00	0.28	13.00
	Sept. 2020	10.77	0.31	-0.12	0.04	-1.76	-1.53	0.00	0.09	0.00	0.00	0.00	0.09	9.43
	Sept. 2019	10.00	0.25	-0.10	0.35	0.98	1.48	0.00	0.00	0.00	0.00	0.00	0.00	10.77

(1) All per unit figures presented in 2022 are referenced to net assets determined in accordance with IFRS and are derived from the Fund's semi-annual financial statements for the period ended March 31, 2022.

(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 (%) <sup>(1)</sup>	Management Expense Ratio before Waivers and Absorptions (%)	Trading Expense Ratio (%) <sup>(2)</sup>	Portfolio Turnover Rate (%) <sup>(3)(4)</sup>	Net Asset Value per Unit (\$)
A	Mar. 2022	78,623.11	2,599.20	2.59	2.59	0.03	7.59	30.25
	Sept. 2021	84,187.17	2,818.60	2.59	2.59	0.05	18.77	29.87
	Sept. 2020	79,176.63	3,635.91	2.60	2.60	0.06	24.13	21.78
	Sept. 2019	106,310.86	4,242.86	2.58	2.58	0.02	13.83	25.06
	Sept. 2018	148,016.74	5,900.38	2.59	2.59	0.02	9.64	25.09
	Sept. 2017	142,316.97	6,140.60	2.62	2.62	0.13	87.26	23.18
F	Mar. 2022	25,816.87	749.63	1.24	1.24	0.03	7.59	34.44
	Sept. 2021	25,495.68	754.82	1.24	1.24	0.05	18.77	33.78
	Sept. 2020	24,007.42	976.54	1.25	1.25	0.06	24.13	24.58
	Sept. 2019	26,580.45	943.50	1.24	1.24	0.02	13.83	28.17
	Sept. 2018	38,136.91	1,364.26	1.28	1.32	0.02	9.64	27.95
	Sept. 2017	26,305.87	1,023.72	1.34	1.39	0.13	87.26	25.70
I	Mar. 2022	1.08	0.04	N/A	N/A	0.03	7.59	30.52
	Sept. 2021	1.06	0.04	N/A	N/A	0.05	18.77	29.75
	Sept. 2020	86,244.48	3,270.06	N/A	N/A	0.06	24.13	26.37
	Sept. 2019	84,529.57	2,809.20	N/A	N/A	0.02	13.83	30.09
	Sept. 2018	67,324.49	2,275.60	N/A	N/A	0.02	9.64	29.59
	Sept. 2017	77,682.28	2,854.70	N/A	N/A	0.13	87.26	27.21
O	Mar. 2022	3,281.45	257.50	0.05	0.05	0.03	7.59	12.74
	Sept. 2021	3,283.51	264.27	0.05	0.05	0.05	18.77	12.43
	Sept. 2020	2,642.69	293.10	0.05	0.05	0.06	24.13	9.02
	Sept. 2019	3,070.96	298.67	0.05	0.05	0.02	13.83	10.28
	Sept. 2018	205.01	20.33	0.05	0.05	0.02	9.64	10.08
P	Mar. 2022	25,515.28	1,975.23	2.18	2.18	0.03	7.59	12.92
	Sept. 2021	26,254.04	2,062.39	2.19	2.19	0.05	18.77	12.73
	Sept. 2020	18,503.46	1,991.78	2.22	2.22	0.06	24.13	9.29
	Sept. 2019	27,556.53	2,582.89	2.23	2.23	0.02	13.83	10.67
PF	Mar. 2022	35,694.87	2,690.98	1.02	1.02	0.03	7.59	13.26
	Sept. 2021	36,079.84	2,776.19	1.02	1.02	0.05	18.77	13.00
	Sept. 2020	20,032.98	2,123.30	1.03	1.03	0.06	24.13	9.43
	Sept. 2019	19,718.41	1,830.40	1.03	1.03	0.02	13.83	10.77

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

(2) The trading expense ratio represents total commissions and other Fund 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.

(4) At the close of business on October 29, 2018, the OceanRock Canadian Equity Fund was merged into the NEI Canadian Equity Fund. The portfolio turnover rates exclude the value of securities acquired and sold to realign the Fund's holdings.

## Management Fees

The Manager is responsible for the management, supervision and administration of the Fund. The Manager receives from the Fund management fees, before HST, calculated daily 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	1.90	57.14	42.86
Series F	0.85	100.00	N/A
Series P	1.65	39.39	60.61
Series PF	0.65	100.00	N/A

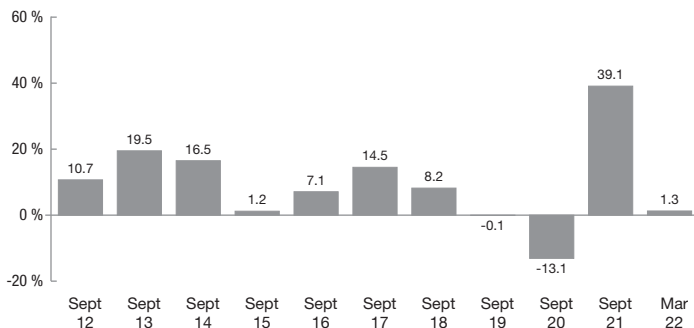
## Past Performance

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.

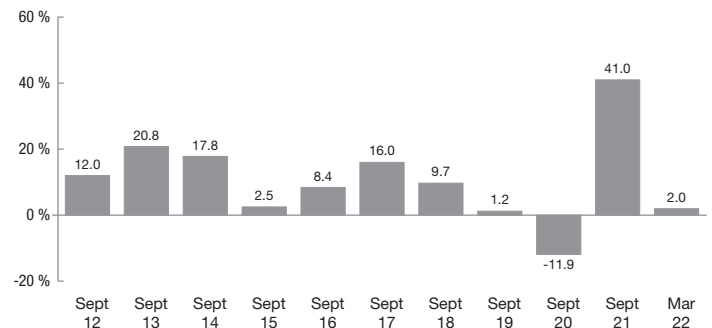
### Year-by-Year Returns

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 with the exception of 2022, which shows the six-month return for the period ended March 31, 2022. 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.

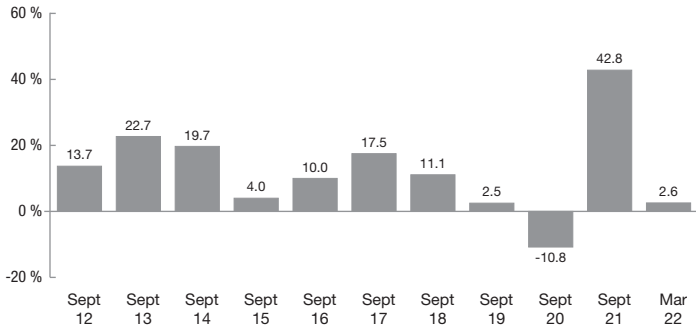
**Series A**



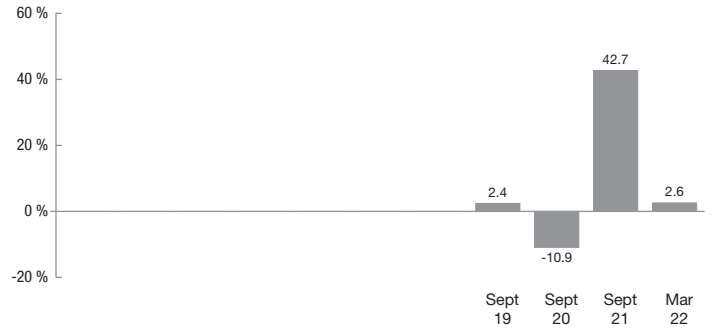
**Series F**



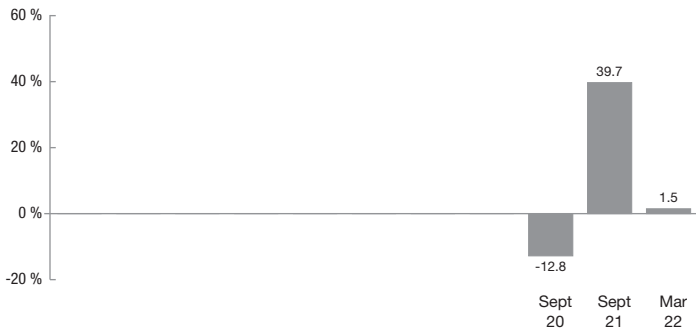
**Series I**



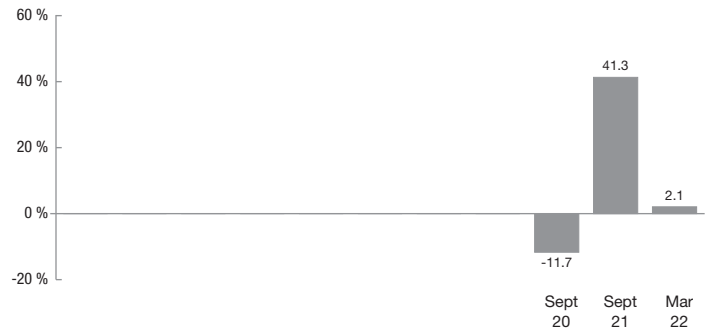
**Series O**



**Series P**



**Series PF**



## Summary of Investment Portfolio as at March 31, 2022

Total Net Asset Value: \$168,932,661

Top Holdings		%	Net Asset Value Mix		%
1	Toronto-Dominion Bank	6.2	Equity		93.1
2	Colliers International Group	5.3	Unit Trust		6.5
3	Scotiabank	3.9	Cash and Equivalents		0.3
4	Empire Company, Class A	3.6	Other		0.1
5	Blackstone	3.5	Total		100.0
6	Brookfield Asset Management, Class A	3.5			
7	TELUS	3.3			
8	GFL Environmental	3.3			
9	Canadian Imperial Bank of Commerce	3.2			
10	TMX Group	3.2			
11	SmartCentres Real Estate Investment Trust	3.1			
12	Magna International, Class A	3.0			
13	Sun Life Financial	3.0			
14	Manulife Financial	2.8			
15	KKR & Co.	2.7			
16	FirstService	2.4			
17	Equitable Group	2.3			
18	Cigna	2.1			
19	Quebecor, Class B	2.1			
20	Air Canada	2.0			
21	Alphabet Inc.	1.9			
22	NorthWest Healthcare Properties Real Estate Investment Trust	1.8			
23	Allegion	1.8			
24	Citigroup	1.8			
25	BCE	1.7			
	Total	73.5			

Sector Allocation		%
Financials		41.5
Communication Services		15.0
Real Estate		13.0
Industrials		12.5
Consumer Discretionary		4.9
Information Technology		3.6
Consumer Staples		3.6
Energy		2.3
Health Care		2.1
Utilities		1.1
Cash and Equivalents		0.3
Other		0.1
Total		100.0

Geographic Distribution		%
Canada		64.4
United States		31.8
Other Countries		3.5
Cash and Equivalents		0.3
Total		100.0

"Unit Trust" includes REITs, ETFs, and other similarly structured investment vehicles.  
 "Other Countries" geographic category includes all countries individually representing less than 5% of the Portfolio's net asset value.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly.