

## Semi-annual Management Report of Fund Performance

### As at March 31, 2024

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.sedarplus.ca](http://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

### Results of Operations

The NEI Canadian Equity Fund's Series A units returned 11.8% for the six-month period ended March 31, 2024 compared with a return of 16.9% 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 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 20.96% during the period, from \$118,434,802 as at September 30, 2023 to \$93,606,234 as at March 31, 2024. This change in net assets is attributed to net unitholder activity of -\$36,189,629 and \$11,361,061 to investment operations, including market appreciation (depreciation), income and expenses.

### Market Overview

Consensus forecasts of a sharp economic downturn did not materialize in 2023. Instead, global real gross domestic product (GDP) advanced by a healthy 3.1%. Entering the second quarter of 2024, broad-based macroeconomic resilience and steady progress on inflation continue to bolster the likelihood of an economic "soft landing".

The International Monetary Fund projects that global real GDP growth will remain constant at 3.1% in 2024. The portfolio sub-advisor's forecast is for softer growth in the U.S. and Canada and for activity to remain stagnant in Europe. On balance, the portfolio sub-advisor anticipates global real GDP to advance 2.8% in 2024. In Canada, real GDP increased by 0.2% quarter-on-quarter in the fourth quarter of 2023. Expansions in consumer spending and exports were partially offset by continued declines in housing and business investment. On the year, real GDP growth slowed in 2023 from the previous year. The Bank of Canada's steep rate hiking cycle has cooled the economy over the past several months and there is increasing evidence that inflation is on a downward track. In February, headline inflation fell to an eight-month low of 2.8% year-on-year from 3.4% at year-end. On a three-month annualized basis – a measure that reflects the underlying trend – inflation moderated to just 1.8% in the same period, less than the central bank's 2% target.

### Factors That Have Affected Performance

The Fund benefited from Financials, its heaviest-weighted sector, which generated strong returns. Citigroup Inc., Manulife Financial Corp., and Canadian Imperial Bank of Commerce performed very well. Manulife in particular saw core earnings growth in all segments, including Asia, the U.S., Canada, and global wealth and asset management. Improved insurance experience, a strong Hong Kong recovery, and higher fee spreads for asset management contributed to earnings growth within those segments.

The holdings from the Consumer Staples sector detracted from returns with lackluster performance. Maple Leaf Foods Inc., the second-largest position in the sector, in particular struggled. The company reported modest sales growth and was negatively impacted by the oversupply of pork in the market. However, during the period, two new facilities were opened, a poultry plant in London, Ontario and a bacon facility in Winnipeg, Manitoba. These facilities are expected to contribute to earnings growth, and leverage which rose due to these capital projects is expected to decline.

Areas of strength on account of stock selection include Hudbay Minerals Inc., Lundin Mining Corp., Celestica Inc., and Tenet Healthcare Corp. Hudbay Minerals is a Canadian low-cost miner operating in Manitoba, British Columbia and Peru. The portfolio sub-advisor views Hudbay Minerals as an appealing investment opportunity on account of its attractive valuation, near-term gold production growth, and constant success in adding reserves. Lundin is a diversified, middle cost structure miner with potential to reduce costs. The company is currently working to integrate the Caserone mine, which is expected to increase copper production in the short term. Celestica continued to perform exceptionally well, and the position was reduced on price strength to crystalize gains. The company builds products for large, well-known electronics brands who do not have their own manufacturing capabilities. Celestica has been seeking higher-margin markets that have not traditionally been served by electronic manufacturing services providers, including semiconductor capital equipment and medical devices. Tenet Healthcare reported strong fourth-quarter 2023 results, both on patient volume and pricing. The company has been able to better manage the nursing shortage in the U.S. and has reduced contract nursing time. Further, the company announced the sale of four hospitals located in California, the proceeds from which will be used to lower debt levels.

### Portfolio Changes

During the period, the portfolio sub-advisor made several purchases and sales to build up the Fund per the investment policy statement. The three largest purchases were Carrefour Sa, Sanofi SA, and Valeo SA. The position in iShares MSCI EAFE Index Fund was liquidated. The positions in Manulife Financial and Bank of Nova Scotia were trimmed to reduce weight.

### 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's Responsible Investing team voted against management on 26% of the proxy items at five annual general meetings and/or special meetings. There were no shareholder resolutions on the ballots.

### Recent Developments

Consensus forecasts of a sharp economic downturn did not materialize in 2023. Instead, activity held up and global real GDP advanced a healthy 3.1%. Entering the second quarter of 2024, broad-based macroeconomic resilience and steady progress on inflation continue to bolster the likelihood of a soft landing.

Inflation is converging toward target levels in most large economies. The prospect of central bank rate cuts is now on the horizon. However, the portfolio sub-advisor cautions against overlooking the lagged effect of monetary tightening that occurred between 2022 and 2023. They expect the growth to trend lower and unemployment to move higher in 2024 as the impact of higher interest rates is fully reflected in economic conditions.

Effective November 21, 2023, the Fund was no longer sub-advised by Kingwest & Company and Letko, Brosseau & Associates Inc. became the Portfolio Sub-Advisor.

## 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 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 six-month period ended March 31, 2024 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. 2024	25.19	0.32	-0.31	5.99	-3.65	2.35	0.00	0.11	0.00	8.17	0.00	8.28	19.47
	Sept. 2023	24.82	0.76	-0.71	2.58	-0.11	2.52	0.00	0.00	0.00	1.89	0.00	1.89	25.19
	Sept. 2022	29.87	0.64	-0.79	3.01	-7.45	-4.59	0.00	0.00	0.00	0.00	0.00	0.00	24.82
	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	0.76	-0.64	0.80	-1.84	-0.92	0.00	0.00	0.00	0.00	0.00	0.00	25.06
F	Mar. 2024	28.94	0.34	-0.20	6.90	-4.31	2.73	0.00	0.82	0.00	9.51	0.00	10.33	21.69
	Sept. 2023	28.45	0.86	-0.41	2.95	0.04	3.44	0.00	0.30	0.00	2.16	0.00	2.46	28.94
	Sept. 2022	33.78	0.74	-0.45	3.38	-9.47	-5.80	0.00	0.00	0.00	0.00	0.00	0.00	28.45
	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
I	Mar. 2024	25.80	0.26	-0.02	6.01	-3.57	2.68	0.00	0.74	0.00	8.40	0.00	9.14	19.56
	Sept. 2023	25.37	0.68	-0.01	2.62	-0.44	2.85	0.00	0.58	0.00	1.94	0.00	2.52	25.80
	Sept. 2022	29.75	0.68	-0.03	3.02	-8.04	-4.37	0.00	0.00	0.00	0.00	0.00	0.00	25.37
	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
O	Mar. 2024	10.77	0.11	-0.02	2.68	-1.63	1.14	0.00	0.43	0.00	3.51	0.00	3.94	8.02
	Sept. 2023	10.59	0.32	-0.02	1.09	-0.04	1.35	0.00	0.24	0.00	0.81	0.00	1.05	10.77
	Sept. 2022	12.43	0.27	-0.02	1.26	-3.30	-1.79	0.00	0.00	0.00	0.00	0.00	0.00	10.59
	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
P	Mar. 2024	10.80	0.13	-0.11	2.55	-1.57	1.00	0.00	0.08	0.00	3.62	0.00	3.70	8.21
	Sept. 2023	10.62	0.32	-0.26	1.10	-0.15	1.01	0.00	0.02	0.00	0.81	0.00	0.83	10.80
	Sept. 2022	12.73	0.27	-0.29	1.28	-3.26	-2.00	0.00	0.00	0.00	0.00	0.00	0.00	10.62
	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. 2024	11.14	0.13	-0.07	2.63	-1.61	1.08	0.00	0.33	0.00	3.71	0.00	4.04	8.29
	Sept. 2023	10.97	0.32	-0.13	1.13	-0.14	1.18	0.00	0.15	0.00	0.85	0.00	1.00	11.14
	Sept. 2022	13.00	0.28	-0.15	1.32	-3.43	-1.98	0.00	0.00	0.00	0.00	0.00	0.00	10.97
	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 2024 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, 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 (%) <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. 2024	45,006	2,312	2.58	2.58	0.31	100.09	19.47
	Sept. 2023	48,266	1,916	2.58	2.58	0.08	25.76	25.19
	Sept. 2022	56,216	2,265	2.58	2.58	0.05	16.04	24.82
	Sept. 2021	84,187	2,819	2.59	2.59	0.05	18.77	29.87
	Sept. 2020	79,177	3,636	2.60	2.60	0.06	24.13	21.78
	Sept. 2019	106,311	4,243	2.58	2.58	0.02	13.83	25.06
F	Mar. 2024	13,546	625	1.24	1.24	0.31	100.09	21.69
	Sept. 2023	22,604	781	1.24	1.24	0.08	25.76	28.94
	Sept. 2022	27,898	981	1.24	1.24	0.05	16.04	28.45
	Sept. 2021	25,496	755	1.24	1.24	0.05	18.77	33.78
	Sept. 2020	24,007	977	1.25	1.25	0.06	24.13	24.58
	Sept. 2019	26,580	943	1.24	1.24	0.02	13.83	28.17
I	Mar. 2024	1	-	N/A	N/A	0.31	100.09	19.56
	Sept. 2023	1	-	N/A	N/A	0.08	25.76	25.80
	Sept. 2022	1	-	N/A	N/A	0.05	16.04	25.37
	Sept. 2021	1	-	N/A	N/A	0.05	18.77	29.75
	Sept. 2020	86,244	3,270	N/A	N/A	0.06	24.13	26.37
	Sept. 2019	84,530	2,809	N/A	N/A	0.02	13.83	30.09
O	Mar. 2024	543	68	0.05	0.05	0.31	100.09	8.02
	Sept. 2023	2,350	218	0.05	0.05	0.08	25.76	10.77
	Sept. 2022	2,666	252	0.05	0.05	0.05	16.04	10.59
	Sept. 2021	3,284	264	0.05	0.05	0.05	18.77	12.43
	Sept. 2020	2,643	293	0.05	0.05	0.06	24.13	9.02
	Sept. 2019	3,071	299	0.05	0.05	0.02	13.83	10.28
P	Mar. 2024	16,606	2,023	2.18	2.18	0.31	100.09	8.21
	Sept. 2023	19,064	1,765	2.18	2.18	0.08	25.76	10.80
	Sept. 2022	18,715	1,762	2.18	2.18	0.05	16.04	10.62
	Sept. 2021	26,254	2,062	2.19	2.19	0.05	18.77	12.73
	Sept. 2020	18,503	1,992	2.22	2.22	0.06	24.13	9.29
	Sept. 2019	27,557	2,583	2.23	2.23	0.02	13.83	10.67
PF	Mar. 2024	17,905	2,161	1.02	1.02	0.31	100.09	8.29
	Sept. 2023	26,149	2,348	1.02	1.02	0.08	25.76	11.14
	Sept. 2022	26,907	2,452	1.02	1.02	0.05	16.04	10.97
	Sept. 2021	36,080	2,776	1.02	1.02	0.05	18.77	13.00
	Sept. 2020	20,033	2,123	1.03	1.03	0.06	24.13	9.43
	Sept. 2019	19,718	1,830	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 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.

(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	57.18	42.82
Series F	0.85	100.00	N/A
Series P	1.65	39.31	60.69
Series PF	0.65	100.00	N/A

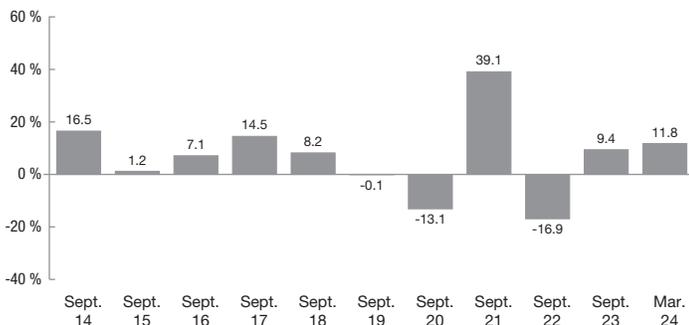
## Past Performance

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.

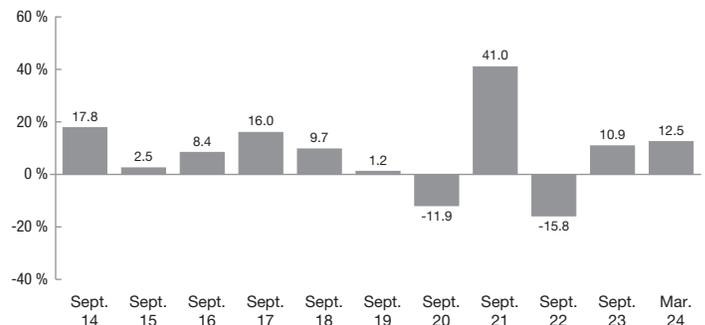
### Year-by-Year Returns

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 2024, which shows the six-month return for the period ended March 31, 2024. 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.

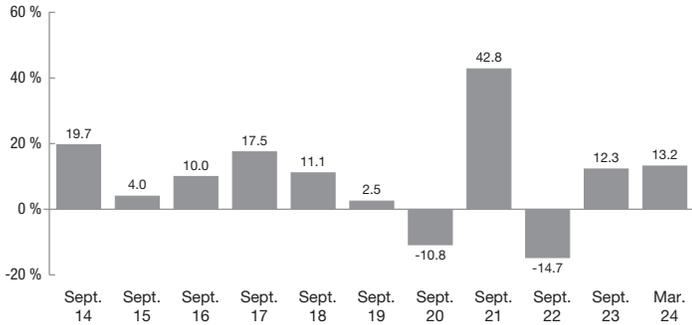
**Series A**



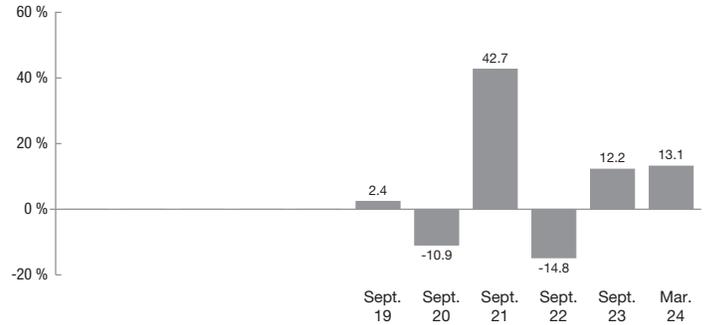
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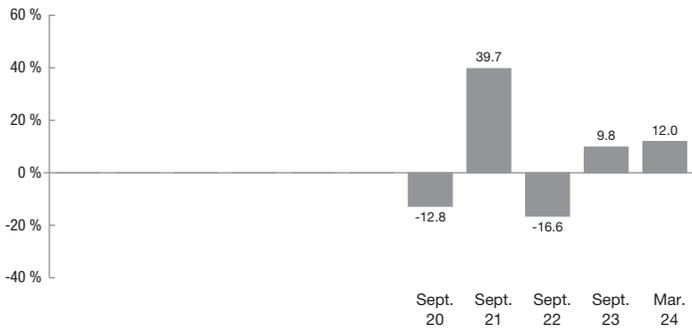
**Series I**



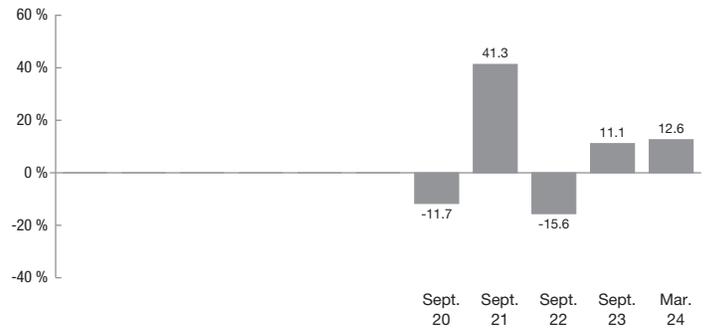
**Series O**



**Series P**



**Series PF**



## Summary of Investment Portfolio as at March 31, 2024

Total Net Asset Value: \$93,606,234

Top Holdings	%
Scotiabank	2.6
Toronto-Dominion Bank	2.6
Canadian Tire Corporation, Class A	2.6
Manulife Financial	2.6
Bank of Montreal	2.5
Linamar	2.5
Royal Bank of Canada	2.4
Magna International, Class A	2.4
Power Corporation of Canada	2.1
Nutrien	2.0
Rogers Communications, Class B	2.0
Air Canada	1.9
Sun Life Financial	1.8
George Weston	1.7
Bombardier, Class B	1.7
Teck Resources, Class B	1.7
Suncor Energy	1.7
Open Text	1.6
Capital Power	1.6
Canadian Imperial Bank of Commerce	1.6
Alphabet Inc.	1.6
Finning International	1.6
West Fraser Timber	1.6
Superior Plus	1.5
BCE	1.5
Total	49.4

Net Asset Value Mix	%
Equity	99.2
Cash and Equivalents	0.8
Total	100.0

Sector Allocation	%
Financials	22.1
Materials	14.5
Communication Services	11.2
Consumer Discretionary	10.4
Industrials	9.4
Energy	7.0
Consumer Staples	6.8
Health Care	6.8
Information Technology	6.4
Utilities	3.9
Cash and Equivalents	0.8
Real Estate	0.7
Total	100.0

Geographic Distribution	%
Canada	73.9
United States	13.6
Other Countries	6.2
France	5.5
Cash and Equivalents	0.8
Total	100.0

"Other Countries" geographic category includes all countries individually representing less than 5% of the Fund's net asset value.

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