

## 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 Global Impact Bond Fund's Series A units returned -5.8% for the six months ended March 31, 2022 compared with a return of -4.9% for the benchmark explained below.

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.

The benchmark for this Fund is the Bloomberg Barclays Global Aggregate Index (C\$ hedged).

The Fund's net asset value increased by 39.92% during the period, from \$293,354,167 as at September 30, 2021 to \$410,468,410 as at March 31, 2022. This change in net assets is attributed to net unitholder activity of \$136,131,833 and -\$19,017,590 to investment operations, including market appreciation (depreciation), income and expenses.

### Factors That Have Affected Performance

Most global fixed income sectors generated negative returns over the six-month period ended 31 March 2022, particularly in the first quarter of 2022, with heightened volatility driven by the war in Ukraine. Sectors more sensitive to changes in interest rates, including higher-rated fixed income sectors and emerging markets debt, were among the worst performers. Sovereign yields across most developed markets rose sharply in the second half of the period as central banks pivoted to tighter monetary policies – including tapering asset purchases – in response to inflationary pressures and energy supply shocks. Global GDP continued to expand, but the growth rate was slower and varied across most countries as supply chain disruptions and labor shortages generally persisted. On an excess return basis, most spread sectors underperformed. Spread movements were limited earlier in the period but widened significantly in second half of the semi-annual period amid expectations of declining economic activity and uncertainty around geopolitical developments. At the start of the period, the Federal Reserve (Fed) accelerated the timeline for tapering its large-scale asset purchase program. By the end of the period, Fed hiked rates for the first time since 2018 and projected several additional rate increases. The European Central Bank ("ECB") committed to ending asset purchases by the third quarter given high inflation rates. The US dollar (USD) ended mixed over the period.

The Fund was positioned with a close to neutral risk posture relative to the benchmark during the period and posted negative total returns, underperforming the Bloomberg Global Aggregate Bond Index (hedged to CAD). Relative underperformance was driven by the Fund's credit positioning, particularly an overweight to municipals and allocation to securitized sectors.

Within the government related sector, the Fund continued to be positioned with an underweight to traditional sovereign debt and overweight to government related issuers such as international development banks and foreign local agencies. Overall, this positioning had a positive impact on relative performance. Exposure to emerging markets debt also helped relative returns despite some heightened volatility driven by the war in Ukraine.

Overall, shorter duration and yield curve positioning relative to the benchmark was a positive contributor to results amid a sharp rise in global sovereign yields.

The Fund maintained exposure to securitized sectors, including agency mortgage-backed securities ("MBS") and commercial mortgage-backed securities ("CMBS"). Positioning in agency MBS passthroughs, in support of the Affordable Housing theme, hurt relative results following the shift to tighter Fed policy including expected balance sheet normalization. An allocation to CMBS, backed by green buildings advancing the Fund's "Resource Efficiency" impact theme, detracted from performance as the sector came under pressure from the sell-off in the beginning of the first quarter of 2022.

Within corporates, the negative impact from an allocation to high yield was partially offset by positive results from an underweight to investment grade corporates. This allocation includes global green bonds exposure to issuers raising capital for projects that support the "Alternative Energy and Resource Efficiency" impact themes, in addition to issuers advancing the "Financial Inclusion, Safety & Security, and Health" themes. Within the Fund's "Health" theme, it invested in companies conducting research into COVID-19 treatments.

US taxable municipals, the Fund's largest overweight, detracted from relative results during the period amid heightened volatility and higher-rate environment. Within the taxable municipal sector, issuers within select universities supporting the "Education & Job Training" impact theme, and non-profit hospitals supporting the "Health" theme detracted the most.

## Recent Developments

The portfolio sub-advisor believes that growth will moderate from elevated level as fiscal and monetary support wane; high savings and relatively low interest rates are still supportive of consumer spending and help soften the impact of persistent inflation pressures. The Fund has close to neutral risk posture, with a short duration bias.

The Fund is positioned with a moderate overweight to credit sectors, focused on identifying inefficiencies in the pricing of risk. The Fund holds select green bonds supporting resource efficiency projects. The Fund is tilted toward higher-yielding credit sectors with select allocations to below investment grade and emerging markets corporates and underweights to government and government related issuers.

The portfolio sub-advisor believes that taxable municipal bond spreads are attractive relative to corporates and offer diversification benefits; thus the Fund is positioned with an overweight to select taxable municipals, focusing on preferred revenue bonds, including transportation and not-for-profit hospitals.

The Fund is positioned with an overweight to agency MBS supporting housing affordability and owns select single-asset single borrower CMBS backed by Leadership in Energy and Environmental Design certified buildings.

By the end of the period, the distribution of outcomes has widened because of the Russia-Ukraine war. Spreads are likely to be volatile during this inflationary environment and the expected weaker technical backdrop; however, the portfolio sub-advisor believes that bouts of market volatility will present opportunities to buy assets at attractive valuations and preserve cash and other liquid instruments to take advantage of future dislocations. They expect issuance of green, social, and sustainability bonds will continue to increase in 2022 and may look to add these instruments selectively to the Fund to take advantage of compelling valuations.

## 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	9.55	0.10	-0.07	0.02	-0.65	-0.60	0.03	0.00	0.00	0.00	0.16	0.19	8.81
	Sept. 2021	9.96	0.12	-0.14	0.17	-0.19	-0.04	0.00	0.00	0.00	0.07	0.37	0.44	9.55
	Sept. 2020	10.00	0.01	-0.03	0.10	-0.09	-0.01	0.00	0.00	0.00	0.00	0.10	0.10	9.96
F	Mar. 2022	9.61	0.10	-0.04	0.02	-0.65	-0.57	0.06	0.00	0.00	0.00	0.14	0.20	8.90
	Sept. 2021	9.97	0.12	-0.09	0.17	-0.18	0.02	0.03	0.00	0.00	0.06	0.35	0.44	9.61
	Sept. 2020	10.00	0.01	-0.02	0.10	-0.11	-0.02	0.00	0.00	0.00	0.00	0.10	0.10	9.97
I	Mar. 2022	9.94	0.11	0.00	0.02	-0.67	-0.54	0.11	0.00	0.00	0.00	0.00	0.11	9.33
	Sept. 2021	10.05	0.12	0.00	0.18	-0.12	0.18	0.15	0.00	0.00	0.13	0.00	0.28	9.94
	Sept. 2020	10.00	0.01	0.00	0.10	-0.03	0.08	0.03	0.00	0.00	0.00	0.00	0.03	10.05
O	Mar. 2022	9.98	0.11	0.00	0.02	-0.87	-0.74	0.07	0.00	0.00	0.00	0.00	0.07	9.39
	Sept. 2021	10.04	0.13	-0.01	0.18	-0.61	-0.31	0.11	0.00	0.00	0.13	0.00	0.24	9.98
	Sept. 2020	10.00	0.00	0.00	0.10	-0.06	0.04	0.00	0.00	0.00	0.00	0.00	0.00	10.04
P	Mar. 2022	9.55	0.10	-0.06	0.02	-0.62	-0.56	0.04	0.00	0.00	0.00	0.15	0.19	8.83
	Sept. 2021	9.95	0.12	-0.12	0.17	-0.16	0.01	0.00	0.00	0.00	0.06	0.38	0.44	9.55
	Sept. 2020	10.00	0.01	-0.03	0.10	-0.06	0.02	0.00	0.00	0.00	0.00	0.10	0.10	9.95
PF	Mar. 2022	9.63	0.10	-0.03	0.02	-0.69	-0.60	0.07	0.00	0.00	0.00	0.13	0.20	8.92
	Sept. 2021	9.96	0.12	-0.07	0.17	-0.17	0.05	0.05	0.00	0.00	0.08	0.31	0.44	9.63
	Sept. 2020	10.00	0.02	-0.02	0.10	-0.09	0.01	0.00	0.00	0.00	0.00	0.10	0.10	9.96

(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)</sup>	Net Asset Value per Unit (\$)
A	Mar. 2022	8,827.13	1,001.63	1.44	1.44	0.00	28.30	8.81
	Sept. 2021	6,515.74	682.41	1.46	1.46	0.00	32.21	9.55
	Sept. 2020	784.59	78.80	1.48	1.48	0.00	18.28	9.96
F	Mar. 2022	14,369.23	1,615.35	0.88	0.88	0.00	28.30	8.90
	Sept. 2021	9,798.17	1,019.53	0.89	0.89	0.00	32.21	9.61
	Sept. 2020	1,127.97	113.17	0.90	0.90	0.00	18.28	9.97
I	Mar. 2022	331,064.66	35,490.79	N/A	N/A	0.00	28.30	9.33
	Sept. 2021	240,897.59	24,232.36	N/A	N/A	0.00	32.21	9.94
	Sept. 2020	121,869.31	12,131.25	N/A	N/A	0.00	18.28	10.05
O	Mar. 2022	1,179.52	125.57	0.05	0.05	0.00	28.30	9.39
	Sept. 2021	577.45	57.89	0.06	0.06	0.00	32.21	9.98
	Sept. 2020	1.00	0.10	0.05	0.05	0.00	18.28	10.04
P	Mar. 2022	9,052.59	1,025.69	1.24	1.24	0.00	28.30	8.83
	Sept. 2021	8,041.50	841.67	1.25	1.25	0.00	32.21	9.55
	Sept. 2020	673.24	67.68	1.31	1.31	0.00	18.28	9.95
PF	Mar. 2022	45,975.29	5,153.18	0.66	0.66	0.00	28.30	8.92
	Sept. 2021	27,523.72	2,858.07	0.67	0.67	0.00	32.21	9.63
	Sept. 2020	6,050.42	607.26	0.69	0.69	0.00	18.28	9.96

(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.

## 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	1.05	52.38	47.62
Series F	0.55	100.00	N/A
Series P	0.90	44.44	55.56
Series PF	0.40	100.00	N/A

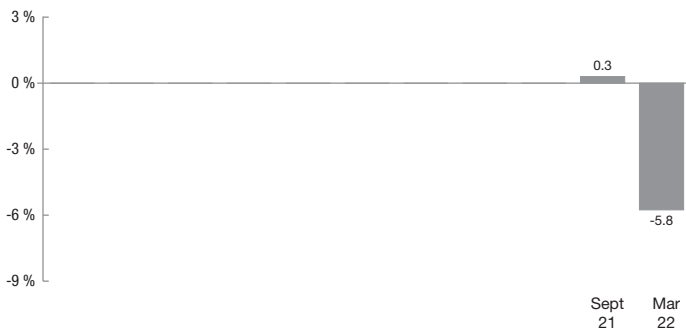
## Past Performance

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.

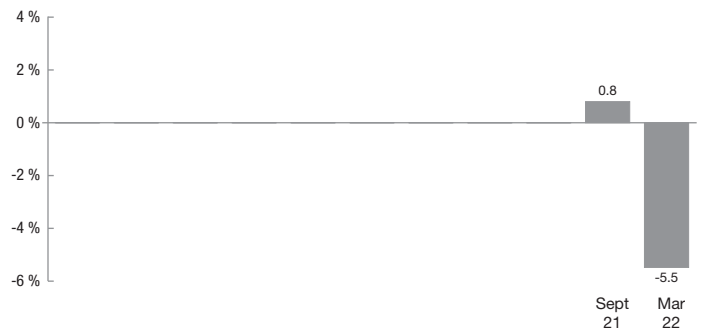
### Year-by-Year Returns

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.

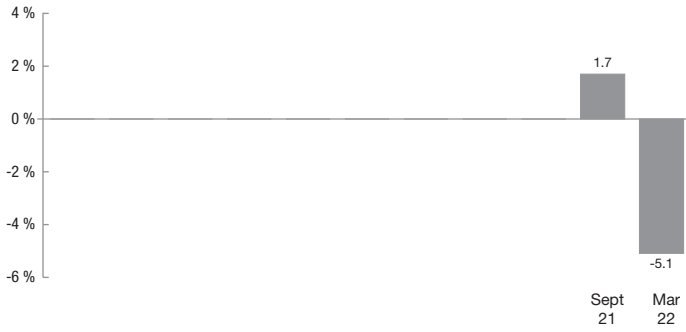
**Series A**



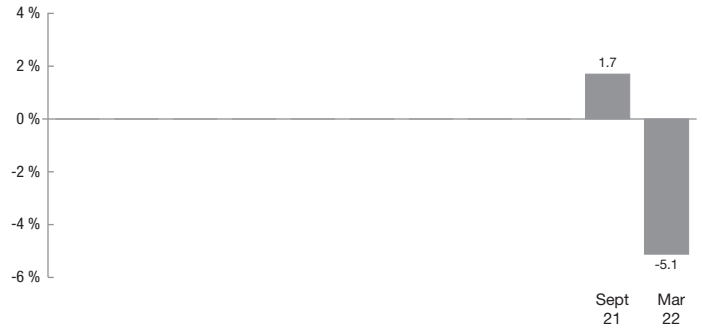
**Series F**



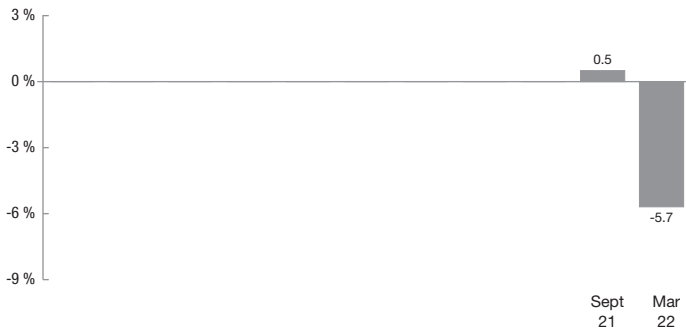
**Series I**



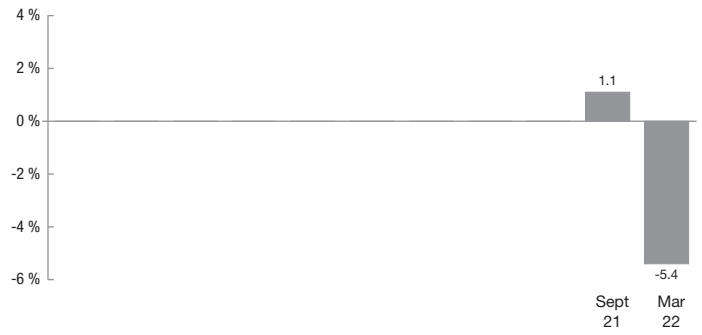
**Series O**



**Series P**



**Series PF**



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

Total Net Asset Value: \$410,468,410

Top Holdings		%
1	Cash and Equivalents	25.3
2	United Kingdom Government, 0.875%, 2033-07-31	1.5
3	Federal Republic of Germany, Series G, 0.000%, 2031-08-15	1.5
4	Fannie Mae, 3.000%, 2052-02-01	1.4
5	Fannie Mae, 2.000%, 2052-03-01	1.3
6	Fannie Mae, 2.000%, 2052-02-01	1.2
7	Asian Development Bank, 1.500%, 2031-03-04	1.1
8	Inter-American Development Bank, 1.125%, 2031-01-13	1.1
9	Fannie Mae, 2.500%, 2051-12-01	0.8
10	Fannie Mae, 3.000%, 2052-01-01	0.8
11	Unédic, 0.010%, 2031-05-25	0.8
12	Asian Development Bank, 1.875%, 2030-01-24	0.7
13	Kingdom of Belgium, Series 86, 1.250%, 2033-04-22	0.7
14	Federal Republic of Germany, Series G, 0.000%, 2025-10-10	0.7
15	Thomas Jefferson University, 3.847%, 2057-11-01	0.6
16	Fannie Mae, 3.500%, 2050-02-01	0.6
17	Crédit Mutuel Arkéa, 1.250%, floating rate from 2028-06-11, 2029-06-11	0.6
18	Inter-American Development Bank, 0.875%, 2027-08-27	0.6
19	BNP Paribas, 0.500%, floating rate from 2027-05-30, 2028-05-30	0.6
20	Global Payments, 2.900%, 2030-05-15	0.6
21	KfW, 0.125%, 2026-12-30	0.6
22	JP Morgan Chase Commercial Mortgage Securities Trust, Private Placement, Series 2022-OPO, Class A, Sequential Pay Class, 3.024%, 2039-01-05	0.5
23	Crédit Agricole, 0.500%, floating rate from 2028-09-21, 2029-09-21	0.5
24	United Kingdom Government, 1.500%, 2053-07-31	0.5
25	Fannie Mae, 2.500%, 2051-12-01	0.5
	Total	45.1

Net Asset Value Mix		%
Fixed Income	57.0	
Cash and Equivalents	25.3	
Mortgage-Backed Securities	15.5	
Other	1.7	
Asset-Backed Securities	0.3	
Equity	0.2	
Total	100.0	

Sector Allocation		%
Corporate Bonds	31.4	
Cash and Equivalents	25.3	
Mortgage-Backed Securities	15.5	
Foreign Government Bonds	13.2	
Supranational Bonds	7.2	
Municipal Bonds	4.2	
Other	1.7	
U.S. Government Bonds	0.8	
Asset-Backed Securities	0.3	
Health Care	0.2	
Provincial and Crown Corporations Bonds	0.2	
Total	100.0	

Geographic Distribution		%
United States	30.3	
Cash and Equivalents	25.3	
Other Countries	20.9	
Supra National	7.2	
United Kingdom	5.7	
Germany	5.4	
France	5.2	
Total	100.0	

"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.