

Semi-annual Management Report of Fund Performance

As at March 31, 2025

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 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

Results of Operations

NEI Balanced Private Portfolio (the "Fund") Series W units returned 1.4% for the six-month period ended March 31, 2025 compared with a return of 3.5% 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 40% FTSE Canada Universe Bond Index, 15% S&P/TSX Composite TR Index and 45% MSCI ACWI NR Index (C\$).

The Fund's net asset value increased by 7.91% during the period, from \$581,517,436 as at September 30, 2024 to \$627,544,362 as at March 31, 2025. This change in net assets is attributed to net unitholder activity of \$37,048,777 and \$8,978,149 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

The final quarter of 2024 delivered strong returns for investors as global financial markets rallied after a brief consolidation in early October. Central banks' signals that the tightening cycle was nearing its end, coupled with expectations of interest rate cuts in 2025, fueled gains across most major asset classes. Equities, in particular, benefited from renewed investor optimism, with broad-based strength in developed and emerging markets.

In the first three months of 2025, global equity markets continued to climb, supported by resilient economic data and confidence in a potential economic "soft landing". The U.S. and European equity markets hit new highs, while emerging markets, especially in Asia, posted robust returns driven by improving growth prospects. Japan remained a standout performer. Fixed income markets, however, faced challenges as persistent inflationary pressures and strong economic activity pushed back expectations for imminent interest rate cuts, leading to higher yields and modest losses for bonds.

Factors That Have Affected Performance

Over the period, asset allocation contributed positively to performance, predominantly because of the Fund's underweight exposure to fixed income. Some of the top contributors to performance were NEI Fixed Income Pool and NEI Global Equity Pool. Some of the detractors included NEI Clean Infrastructure Fund and NEI Managed Asset Allocation Pool.

Portfolio Changes

At the start of 2025, NEI Balanced Private Portfolio underwent its annual strategic asset allocation rebalance. The Fund shifted to a small underweight exposure to equity in favour of high-yield bonds to enhance downside protection while maintaining long-term return expectations. Additional measures to mitigate risk include reallocating from NEI Clean Infrastructure Fund to global equities, including NEI Global Dividend RS Fund, to reduce volatility and tracking error. The Fund also increased its allocation to NEI Global Total Return Bond Fund.

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. The activities are presented in connection with the top five underlying funds by weight that NEI Balanced Private Portfolio invests in, excluding NEI Managed Asset Allocation Pool, which has no ESG-related activities.

NEI Global Equity Pool: NEI completed four ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of the initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

NEI Global Total Return Bond Fund: During the period under review, the ESG score of the Fund remained well above the score of the index, which also dropped slightly. The ESG rating of the Fund was unchanged at a C-rating. Allocation to B-rated bonds marginally moved higher. The total carbon footprint of the Fund decreased over the period, as did the total carbon intensity. NEI completed ten ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of the initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

NEI Fixed Income Pool: The portfolio sub-advisor considers the importance of climate change risks when selecting issuers. In the last quarter, the Fund's carbon footprint was below the average of the FTSE Canada Corporate Bond Index. NEI completed three ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of the initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

NEI Long Short Equity Fund: NEI completed 56 ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of the initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

NEI Global Impact Bond Fund*: NEI completed 12 ESG evaluations on companies that were either already held in the Fund, or that were requested by the portfolio sub-advisor for evaluation as part of the initial investment decision. All companies evaluated were deemed to be eligible for investment in the Fund.

*Impact metrics for the 12-month period ending December 31, 2024, will be reported in the annual Management Report of Fund Performance for the period ending September 30, 2025.

Recent Developments

The global economic environment remains complex, with recent market turmoil in early 2025 highlighting heightened risks. Central banks are navigating a delicate balance, seeking to ensure that inflation stabilizes within target ranges while avoiding prolonged high interest rates that could dampen growth. Persistent inflationary pressures and geopolitical uncertainties have delayed anticipated interest rate cuts, potentially into late 2025 or beyond, increasing volatility across asset classes. This backdrop suggests a more cautious approach to risk assets, as markets remain sensitive to policy shifts and economic data surprises.

While U.S. equities have benefited from strong corporate earnings and leadership in artificial intelligence innovation, elevated valuations and recent bouts of volatility raise concerns about sustainability, particularly relative to international markets where valuations are more attractive. Investors should prioritize diversification across geographies, sectors, and styles to mitigate risks from concentrated exposures. In Canada, economic growth remains subdued, and while anticipated interest rate cuts could provide relief, uncertainty around their timing tempers optimism.

Fixed income markets face near-term challenges due to higher yields and delayed interest rate cuts, but bonds continue to offer compelling yields and a potential hedge against equity volatility, particularly if economic growth falters. Positive real yields enhance the income appeal of bonds, though capital appreciation potential may be limited until interest rate cut expectations solidify. Given recent market turbulence, a balanced portfolio with exposure to high-quality fixed income and selective equity opportunities is prudent to navigate the uncertain path ahead.

Related Party Transactions

Northwest & Ethical Investments L.P. ("NEI LP", "NEI Investments" and the "Manager") 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 and/or reverse repurchase transactions, and Desjardins Trust may act as the Fund's securities lending and repurchase and/or reverse 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.

Where applicable, the amounts paid in commission by the Fund to DSI and amounts received from underlying funds managed by NEI LP during the period are presented.

	March 2025 (\$)	March 2024 (\$)
Amounts received from underlying funds	32,181,215	14,156,548

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.

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, 2025 and 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⁾	
W	Mar. 2025	9.58	0.50	-0.09	-0.03	-0.25	0.13	0.00	0.00	0.08	0.15	0.00	0.23	9.49
	Sept. 2024	8.39	0.34	-0.16	0.09	1.36	1.63	0.00	0.00	0.17	0.00	0.27	0.44	9.58
	Sept. 2023	8.37	0.26	-0.16	-0.24	0.61	0.47	0.00	0.00	0.10	0.00	0.35	0.45	8.39
	Sept. 2022	10.02	0.32	-0.17	-0.01	-1.32	-1.18	0.00	0.00	0.15	0.04	0.32	0.51	8.37
	Sept. 2021	9.81	0.20	-0.18	0.00	0.64	0.66	0.00	0.00	0.02	0.02	0.46	0.50	10.02
	Sept. 2020	9.92	0.14	-0.18	0.00	0.47	0.43	0.00	0.00	0.00	0.00	0.50	0.50	9.81
WF	Mar. 2025	10.13	0.54	-0.04	-0.04	-0.28	0.18	0.00	0.00	0.09	0.16	0.00	0.25	10.08
	Sept. 2024	8.78	0.35	-0.07	0.09	1.44	1.81	0.00	0.00	0.28	0.00	0.18	0.46	10.13
	Sept. 2023	8.66	0.27	-0.07	-0.25	0.60	0.55	0.00	0.00	0.20	0.00	0.27	0.47	8.78
	Sept. 2022	10.25	0.33	-0.07	-0.01	-1.45	-1.20	0.00	0.00	0.26	0.04	0.23	0.53	8.66
	Sept. 2021	9.93	0.21	-0.08	0.00	0.64	0.77	0.00	0.00	0.13	0.02	0.36	0.51	10.25
	Sept. 2020	9.95	0.14	-0.08	0.00	0.41	0.47	0.00	0.00	0.06	0.00	0.44	0.50	9.93

(1) All per unit figures presented in 2025 are referenced to net assets determined in accordance with International Financial Reporting Standards and are derived from the Fund's semi-annual financial statements for the period ended March 31, 2025.

(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⁾⁽⁴⁾	Management Expense Ratio before Waivers and Absorptions (%)	Trading Expense Ratio (%) ⁽²⁾	Portfolio Turnover Rate (%) ⁽³⁾	Net Asset Value per Unit (\$)
W	Mar. 2025	489,706	51,616	2.06	2.06	0.24	14.49	9.49
	Sept. 2024	459,385	47,954	2.13	2.13	0.17	18.51	9.58
	Sept. 2023	373,463	44,496	1.83	1.83	0.03	24.72	8.39
	Sept. 2022	365,803	43,706	1.83	1.83	0.00	2.10	8.37
	Sept. 2021	361,474	36,079	1.83	1.83	0.00	0.38	10.02
	Sept. 2020	196,883	20,075	1.85	1.85	0.08	5.88	9.81
WF	Mar. 2025	137,838	13,668	1.00	1.00	0.24	14.49	10.08
	Sept. 2024	122,132	12,057	1.07	1.07	0.17	18.51	10.13
	Sept. 2023	86,968	9,905	0.77	0.77	0.03	24.72	8.78
	Sept. 2022	75,792	8,755	0.77	0.77	0.00	2.10	8.66
	Sept. 2021	56,496	5,511	0.77	0.77	0.00	0.38	10.25
	Sept. 2020	28,573	2,877	0.79	0.79	0.08	5.88	9.93

(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. The Fund's management expense ratio includes a proportion of the management expense ratio from underlying ETFs held in the Fund's portfolio and a proportion of the performance fee from NEI Long Short Equity Fund during the period. The management expense ratio excluding performance fees from the proportion of the Fund's investment in NEI Long Short Equity Fund for the period ending March 31, 2025 is as follows: Series W: 1.87%, Series WF: 0.81%. 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. The Fund's trading expense ratio includes a proportion of the trading expense ratio from underlying Funds and ETFs held in the Fund's portfolio during the period. The trading expense ratio excluding other portfolio transaction costs from the proportion of the Fund's investment in NEI Long Short Equity Fund for the period ending March 31, 2025 is 0.11%.

(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) The historical management expense ratios, prior to September 2023, have been restated due to a change in methodology to include a proportion of the management expense ratio from underlying ETFs held in the Fund's portfolio.

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 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 WF units of the Fund.

In addition to the fees and expenses directly payable by the Fund, certain fees and expenses may be payable by some underlying funds. The Fund indirectly bears its proportionate share of such fees and expenses. However, the Fund does not pay any management fees, or similar expenses that, in the view of the Manager, to a reasonable person, would duplicate a fee payable by an investor in any underlying fund for the same service.

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 W	1.55	35.57	64.43
Series WF	0.55	100.00	N/A

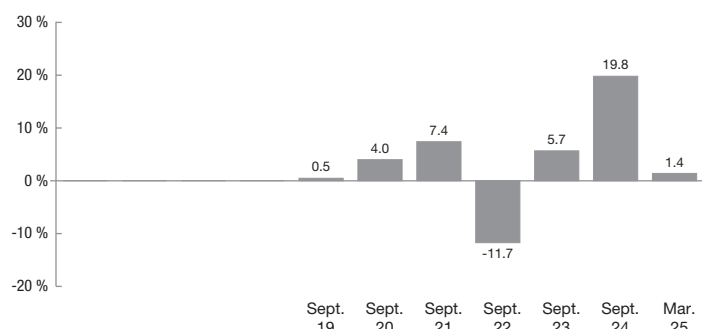
Past Performance

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.

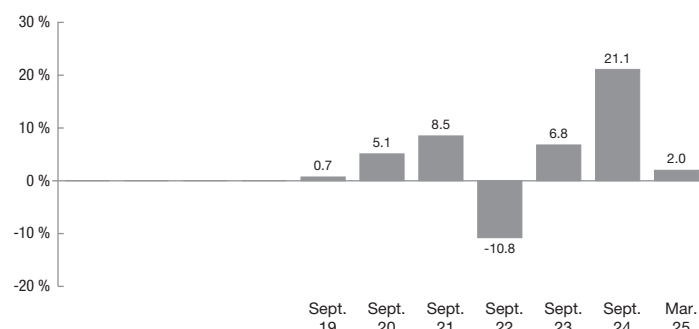
Year-by-Year Returns

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 2025, which shows the six-month return for the period ended March 31, 2025. For a series that has not been in existence for over ten years, the series' first financial year performance is presented since inception until the close of that financial year. 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. For the inception dates of the respective series, please refer to the Fund Facts document.

Series W



Series WF



Summary of Investment Portfolio as at March 31, 2025

Total Net Asset Value: \$627,544,362

Top Holdings	%	Sector Allocation ⁽¹⁾	%
NEI Global Equity Pool, Series I	34.9	Corporate Bonds	14.1
NEI Managed Asset Allocation Pool, Series I	13.9	Financials	11.9
NEI Global Total Return Bond Fund, Series I	12.7	Index-Based Investments	11.6
NEI Fixed Income Pool, Series I	12.1	Information Technology	10.7
NEI Long Short Equity Fund, Series I	8.6	Industrials	7.0
NEI Global Impact Bond Fund, Series I	7.6	Foreign Government Bonds	6.8
NEI Canadian Equity Pool, Series I	7.3	Cash and Equivalents	5.6
NEI Global High Yield Bond Fund, Series I	2.5	Health Care	5.1
Cash and Equivalents	0.4	Consumer Discretionary	4.8
Total	100.0	Federal Bonds	3.2
		Provincial and Crown Corporations Bonds	3.1
		Mortgage-Backed Securities	3.0
		Communication Services	2.9
		Energy	2.7
		Consumer Staples	2.2
		U.S. Government Bonds	1.4
		Materials	1.3
		Utilities	1.2
		Supranational Bonds	0.9
		Real Estate	0.4
		Asset-Backed Securities	0.3
		Municipal Bonds	0.2
		Other	-0.4
		Total	100.0

(1) Table represents an aggregated "look-through" of the top positions and category summaries that are held in the top and underlying fund(s).

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the investment fund. Updates are available quarterly. For the prospectus and other information about the underlying investment fund(s) held in the portfolio, visit www.neiinvestments.com or www.sedarplus.ca.