



**Annual Report of the Independent  
Review Committee of the  
NEI Investments Funds**

November 18, 2025

**Independent Review Committee Annual Report to Securityholders in the NEI Investments Funds set out at the end of this report. (the “Funds”)**

Dear Investor:

In accordance with **National Instrument 81-107 *Independent Review Committee for Investment Funds*** (“NI 81-107” or the “Instrument”), the Independent Review Committee (the “IRC”) for all of the Funds managed by NEI Investments<sup>1</sup> (the “Manager”) has functioned in accordance with the applicable securities laws, including the Instrument, which requires that an IRC be composed of at least three individuals, each of whom must be independent of the Funds, the Manager and each entity related to the Manager (as defined in the Instrument).

The IRC is pleased to publish its Annual Report to securityholders, covering the period from October 1, 2024 to September 30, 2025 (the “Reporting Period”).

In accordance with the Instrument, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, to develop written policies and procedures guiding its management of those conflicts and to request input from the IRC on those written policies and procedures.

When a conflict arises, the Manager must refer its proposed course of action in respect of any such conflict-of-interest matter to the IRC for its review. While certain matters require the IRC’s prior approval, in most cases the IRC is to provide a recommendation to the Manager as to whether, in the opinion of the IRC, the Manager’s proposed action provides a fair and reasonable result for the Funds. For recurring conflict-of-interest matters, the IRC can provide the Manager with Standing Instructions (“SIs”) that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is entrusted to represent the best interest of the Funds in any matter where the Manager has referred a conflict-of interest matter to the IRC. In those cases, it has sought to ensure that the Manager’s proposed course of action represents a fair and reasonable result for each of the relevant Funds.

The IRC conducted its annual assessment (the “Annual Assessment”), at which the IRC reviewed its independence, compensation and effectiveness. At the Annual Assessment, the IRC also reviewed the Written Charter, SIs and the Manager’s Conflict of Interest Manual and when appropriate, made recommendations for amendments. The IRC confirmed that the committee as a whole was functioning in a positive and effective manner.

This report is available on the Manager’s website at [NEIinvestments.com](https://www.neiinvestments.com) or you may request a copy, at no cost to you, by contacting the Manager at (416) 594-6633 or 1-888-809-3333 or by emailing the Manager at [clientservice@NEIinvestments.com](mailto:clientservice@NEIinvestments.com). This document and other information about the NEI Funds are available on [www.sedarplus.com](https://www.sedarplus.com).

Yours truly,

*“Michele McCarthy”*

Michele McCarthy, Chair

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<sup>1</sup> Northwest & Ethical Investments L.P., operating through its general partner, Northwest & Ethical Investments Inc., carrying on business as NEI Investments.

## Composition of the IRC

The current members of the IRC, and their principal occupations, are as follows:

Michele McCarthy, Toronto, Ontario	President, McCarthy Law Professional Corp., and President Independent Review Inc.	Initial appointment effective November 6, 2019. Renewed to September 30, 2026
Jean Morissette, Montreal Quebec	Retired Senior executive in the financial services industry	Initial appointment effective October 1, 2024 for one year. Renewed to December 31, 2027
Caroline Cathcart, Toronto, Ontario	Consultant, Independent Director	Initial appointment effective October 1, 2023 Renewed until September 30, 2027.

The Manager consented to Michele McCarthy's re-appointment for one year to September 30, 2026.

Jean Morissette was re-appointed by the IRC to December 31, 2027.

## Compensation and Indemnification

### Members' Fees

During the Reporting Period, the members of the IRC were paid \$90,000 in aggregate.

### IRC Cost Allocation

1. IRC Fees are not allocated to Funds of Funds (Select Portfolios, Private Portfolios, Yield Portfolios) as they already pay those fees through their holdings in the underlying NEI Funds.
2. For the remaining stand-alone Funds, IRC fees are allocated on a pro-rata basis of, net assets less any internal underlying funds' assets.

### Review of Compensation

At least annually, the IRC reviews its compensation considering the following:

- I. the best interests of the Funds;
- II. that compensation paid to the IRC by the Funds should fairly and reasonably reflect the general and specific benefits accruing to that Fund;
- III. the nature and extent of the workload of each member of the IRC; and,
- IV. industry best practices including industry averages and surveys on IRC compensation.

The IRC determined that no changes were required in its compensation.

### Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity to the fullest extent permitted by NI 81-107. No indemnities were paid to any IRC Member by the Funds or the Manager during the Reporting Period.

### Disclosure of IRC Members' Holdings

As of September 30, 2025, the IRC Members did not beneficially own, directly or indirectly investments in:

- any units in any of the Funds;
- any interest in the Manager; or,
- any interest in a company or person that provides services to the Manager or to the Funds to the best of their knowledge.

### Recommendations and Approvals

**On May 30, 2025** - The Manager proposed the creation of new trust Series M, for twelve NEI funds.

The new M Series embedded the management fee and administration fee, charged no trailer, switch or short-term-trading fees inside a qualifying dealers' discretionary program. This new series corrected several operational issues regarding additional trading costs leading to a less than ideal client experience.

The M Series is restricted to the dealers' third-party discretionary models-based programs such as Unified Managed Accounts and other dealer-sponsored, model-driven separately managed account ("SMA") platforms.

After reviewing the material presented by the Manager and after reasonable enquiry, the IRC determined that the Manager's course of action establishing the M Series for the twelve funds above-noted, provided a fair and reasonable result for each of the funds.

### Standing Instructions Approved

The IRC has approved seven Standing Instructions (SIs), which constitute a written approval or recommendation from the IRC. The SIs permit the Manager to proceed with the specific action(s) set out in the SIs on an ongoing basis, without having to refer the conflict-of-interest matter or its proposed action to the IRC. The Manager can do so provided that it complies with the terms and conditions of the SI. In each case, the SIs require the Manager to comply with its related policy and procedures and to report periodically to the IRC.

**Standing Instruction No. 1: Omnibus.**

This SI deals with several conflicts-of-interest matters including:

1. Charging (or increasing the charge to) a Fund for the costs of services provided or arranged for by the Manager, in addition to charging the Fund a management fee.
2. Allocating shared expenses among different Funds within the same Fund family.
3. Charging a short-term trading fee or redemption penalty where units purchased are redeemed within a specified period of time after purchase.
4. Allocation of investments between Funds in a Fund family and among Funds and other accounts managed by the Manager.
5. Correcting Portfolio NAV errors.
6. Correcting other material securityholder transaction errors.
7. Seeking best execution for the portfolios of the Funds.
8. Soft Dollars Arrangements.
9. Favouring certain investors to obtain or maintain their investment in the Fund.
10. Voting proxies or taking other corporate action on securities held by a Fund.
11. Bringing portfolio management of a Fund in-house or to a party related to the Manager if it was previously done by an independent third-party service provider
12. Changing Sub-advisors.
13. The Manager monitors how a portfolio advisor/sub-advisor handles its own conflicts of interest when providing services to a Fund.
14. The terms, fees and service levels of outsourced services where the Manager stands to benefit financially from any proposed changes to the detriment of a Fund.
15. Personal Trading by the Manager's staff and accepting gifts.
16. Individual portfolio managers investing in the same securities as a Fund.
17. Short-term trading and market timing.
18. Services provided to a Fund by entities which are related to the Manager.

The Manager relied on SI No. 1 during the Reporting Period.

**Standing Instruction No. 2:**

*Portfolio Pricing Issues: Fair Valuing Securities.*

The Manager relied on SI No. 2 during the Reporting Period.

**Standing Instruction No. 3:**

*Related Party Issues: A Fund Purchases Securities Underwritten by a Company Related to the Manager or to a Sub-Advisor.*

The Manager did not rely on SI No. 3 during the Reporting Period.

**Standing Instruction No. 4:**

*Related Party Issues: Inter-fund Trades.*

The Manager did not rely on SI No. 4 during the Reporting Period.

**Standing Instruction No. 5:**

*A Fund Purchases Securities (Whether Debt or Equity) Issued by a Company Related to the Manager or a Sub-advisor*

The Manager relied on SI No. 5 during the Reporting Period.

**Standing Instruction No. 6:**

*Related Party Issues: A Fund Uses Brokers Related to the Manager or Brokers Related to its Sub-advisors for Brokerage Services*

The Manager relied on SI No. 6 during the Reporting Period.

**Standing Instruction No. 7:**

*Invesco Agreements*

The Manager relied on SI No. 7 during the Reporting Period.

**The members of the IRC served on the investment funds listed below during the Reporting Period.**

Michèle McCarthy: Addenda Capital Inc., EHP Funds Inc., Global X Investments (Canada) Inc., PIMCO Canada Corp.

Caroline Cathcart: C.S.T. Spark Inc. and C.S.T. Savings Inc.

## **List of NEI Investments Funds as at September 30, 2025**

### **Money Market**

- 1 NEI Money Market Fund (Series A, F, I, O, P and PF units)

### **Fixed income**

- 2 NEI Canadian Bond Fund (Series A, F, I, O, P and PF units)
- 3 NEI Canadian Impact Bond Fund (Series A, F, I, M, O, P and PF units)
- 4 NEI Global Impact Bond Fund (Series A, C, F, I, M, O, P and PF units)
- 5 NEI Global Total Return Bond Fund (Series A, C, F, I, M, O, P and PF units)
- 6 NEI Global High Yield Bond Fund (Series A, F, I, M, O, P and PF units)

### **Asset Allocation**

- 7 NEI Conservative Yield Portfolio (Series A, F, I, O, P and PF units)
- 8 NEI Balanced Yield Portfolio (Series A, F, I, O, P and PF units)
- 9 NEI Global Sustainable Balanced Fund (Series A, F, I, O, P and PF units)
- 10 NEI Growth & Income Fund (Series A, F, I, O, P and PF units)

### **Equity Funds**

#### **North American Equity Funds**

- 11 NEI Canadian Dividend Fund (Series A, F, I, O, P and PF units)
- 12 NEI Canadian Equity RS Fund (Series A, F, I, M, O, P and PF units)
- 13 NEI Canadian Equity Fund (Series A, F, I, O, P and PF units)
- 14 NEI ESG Canadian Enhanced Index Fund (Series A, F, I, O, P and PF units)
- 15 NEI U.S. Equity RS Fund (Series A, F, I, M, O, P and PF units)
- 16 NEI Canadian Small Cap Equity RS Fund (Series A, F, I, O, P and PF units)
- 17 NEI Canadian Small Cap Equity Fund (Series A, F, I, O, P and PF units)

#### **Global & International Equity Fund**

- 18 NEI Global Dividend RS Fund (Series A, F, I, M, O, P and PF units)
- 19 NEI Global Value Fund (Series A, F, I, O, P and PF units)
- 20 NEI Global Equity RS Fund (Series A, F, I, M, O, P and PF units)
- 21 NEI Global Growth Fund (Series A, F, I, O, P and PF units)
- 22 NEI Environmental Leaders Fund (Series A, F, I, M, O, P and PF units)
- 23 NEI Global Corporate Leaders Fund (Series A, C, F, I, M and O units)
- 24 NEI Clean Infrastructure Fund (Series A, F, I, M, O, P and PF units)
- 25 NEI International Equity RS Fund (Series A, F, I, O, P and PF units)
- 26 NEI Emerging Markets Fund (Series A, F, I, O, P and PF units)

### **Managed Portfolios**

- 27 NEI Select Income RS Portfolio (Series A, F, I, O, P and PF units)
- 28 NEI Select Income & Growth RS Portfolio (Series A, F, I, O, P and PF units)
- 29 NEI Select Balanced RS Portfolio (Series A, F, I, O, P and PF units)
- 30 NEI Select Growth & Income RS Portfolio (Series A, F, I, O, P and PF units)
- 31 NEI Select Growth RS Portfolio (Series A, F, I, O, P and PF units)
- 32 NEI Select Maximum Growth RS Portfolio (Series A, F, I, O, P and PF units)
- 33 NEI Impact Conservative Portfolio (Series A, F, and O units)
- 34 NEI Impact Balanced Portfolio (Series A, F, and O units)
- 35 NEI Impact Growth Portfolio (Series A, F, and O units)

### **Private Portfolios**

- 36 NEI Income Private Portfolio (Series W and WF units)
- 37 NEI Income & Growth Private Portfolio (Series W and WF units)
- 38 NEI Balanced Private Portfolio (Series W and WF units)
- 39 NEI Growth Private Portfolio (Series W and WF units)

### **Pools**

- 40 NEI Fixed Income Pool (Series I units)
- 41 NEI Canadian Equity Pool (Series I units)
- 42 NEI Global Equity Pool (Series I units)
- 43 NEI Managed Asset Allocation Pool (Series I units)

### **Alternative Mutual Fund**

- 44 NEI Long Short Equity Fund (Series A, C, F, I, M and O units)