



Annual Management Report of Fund Performance

As at September 30, 2021

This 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.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

Investment Objective and Strategies

The Fund's investment objective is to achieve long-term capital growth by investing primarily in equity and equity-related securities of companies located globally.

The Fund follows a responsible approach to investing, as described in Part A of the Simplified Prospectus.

Risk

The risks associated with investing in the Fund remain as discussed in the Simplified Prospectus. The Fund is suitable for investors investing for the long term, with a medium tolerance for risk. Any changes in the Fund have not affected the overall level of risk of the Fund.

Results of Operations

The NEI Environmental Leaders Fund's Series A units returned 20.4% for the twelve months ended September 30, 2021 compared with a return of 20.9% 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 benchmark for this Fund is the MSCI ACWI NR Index (C\$).

The Fund's net asset value increased by 103.32% during the period, from \$676,872,052 as at September 30, 2020 to \$1,376,241,910 as at September 30, 2021. This change in net assets is attributed to net unitholder activity of \$519,858,801 and \$179,511,057 to investment operations, including market appreciation (depreciation), income and expenses.

Factors That Have Affected Performance

During the period, the arrival of Covid-19 vaccines and continued strong fundamental economic recovery supported global equity markets. The prospect of more normalized levels of economic activity, backed by supportive monetary and fiscal policies, led to global equity markets posting strong gains over the 12-month horizon. In addition, end markets for business models addressing structural deficits in the transition to a more sustainable economy continue to grow and generate healthy demand, in some cases amplified by consequences of the pandemic. Earnings growth has been strong and has generally surprised on the upside.

This relatively fast economic recovery also resulted in elevated levels of inflation, some labor shortages, and periods of rising bond yields and commodity prices. Ongoing supply chain disruptions look to last longer than originally expected. These factors increase uncertainty, triggering periods of higher interest rates, and market preference changes between growth vs value, and cyclical vs defensive stocks, with concerns about slower economic growth and discussions about the nature of earnings going forward. Central banks are discussing pulling back some of the post-pandemic monetary and fiscal stimulus. Still, corporate earnings have remained encouraging to date and ‘build back greener’ and ‘better’ remain strong themes discussed by governments regionally and globally.

Industrials, Technology, and Health Care holdings contributed most to returns. Among others, Verisk (Industrials/Environmental Consultancies, US) enjoyed a strong quarter as shares continued to recover from the softness earlier in 2021 when there was an investor preference for cyclical stocks. The current focus on lower but dependable growth and defensive business models, along with a recovery after the market overreacted to weak results in the first quarter, has also benefitted the company’s share price. The company is a leader in risk assessment and data analytics for insurance and some other end markets.

Mettler Toledo International (Health Care/Environmental Testing & Gas Sensing, US) set new highs with management teams announcing good results and optimistic guidance for the near term. This company is active in precision instruments for food including for food safety. From a thematic point of view, the Energy Efficiency, Water, and Food subsectors were the biggest contributors to return.

Detracting from returns during the period was a holding in the Consumer Staples sector, Vitasoy (Consumer Staples/Sustainable & Efficient Agriculture, China). The company is a leader in alternative soy-based drinks but faced headwinds from raw materials price increases and a loss of sales mid-year due to an employee controversy. Thematically, Renewables saw more subdued returns with mixed performance. Orsted (Renewable Energy Developers & IPPs/Utilities, Denmark), one of the biggest players in offshore wind, has experienced share price volatility in 2021 after strong price appreciation in 2020, in part due to elevated, and perhaps outsized, expectations from investors.

Recent Developments

Improving fundamental global economic data has broadly been supportive for equity markets. Earnings announcements have been largely positive with demonstrated above-market growth and generally constructive outlooks for the remainder of 2021 and beyond. In some cases, the demand environment has rarely been better. That said, many valuations in the market generally are priced for optimal conditions and can be challenging, particularly when framed against a macroeconomic backdrop of inflation, higher raw materials prices, decelerating growth, and persistent supply chain bottlenecks.

For the Fund, stock selection remains the key driver for outperformance. During sharp sector or style rotations, the inherently more cyclical nature of the thematic universe for the Fund can be a detractor – however for this reason the portfolio sub-advisor carefully balances the Fund not only in terms of environmental themes and their respective end markets, but importantly also between more cyclical versus defensive business models. They look for above average predictability of revenues, attractive free cash flow and strong balance sheets – in combination with the strong secular thematic drivers, these quality characteristics enable positive stock selection and overall Fund resilience during more volatile market conditions.

Independent Review Committee

The term of William Woods ended on September 30, 2021. Mr. Woods had served with distinction on the Independent Review Committee ("IRC") since October 2015. After consulting with the Manager and obtaining the Manager's consent, the IRC re-appointed Mr. Woods for a further period of three years.

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, 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 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 Distributions ⁽³⁾⁽⁴⁾		
A	Sept. 2021	15.03	0.33	-0.48	0.84	2.22	2.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.09
	Sept. 2020	12.73	0.26	-0.38	-0.19	2.60	2.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.03
	Sept. 2019	12.51	0.26	-0.35	0.16	0.29	0.36	0.00	0.00	0.00	0.09	0.00	0.09	0.00	12.73
	Sept. 2018	11.78	0.28	-0.35	0.13	0.42	0.48	0.00	0.00	0.00	0.05	0.00	0.05	0.00	12.51
	Sept. 2017	10.72	0.18	-0.33	0.32	0.81	0.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.78
F	Sept. 2021	15.78	0.34	-0.30	0.89	2.26	3.19	0.00	0.10	0.00	0.00	0.00	0.10	0.00	19.10
	Sept. 2020	13.21	0.27	-0.23	-0.20	2.72	2.56	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.78
	Sept. 2019	12.85	0.26	-0.22	0.17	0.29	0.50	0.00	0.02	0.00	0.09	0.00	0.11	0.00	13.21
	Sept. 2018	12.03	0.28	-0.21	0.13	0.38	0.58	0.00	0.07	0.00	0.05	0.00	0.12	0.00	12.85
	Sept. 2017	10.82	0.19	-0.20	0.33	0.81	1.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.03
I	Sept. 2021	16.67	0.42	-0.04	0.96	1.93	3.27	0.00	0.16	0.00	0.00	0.00	0.16	0.00	20.42
	Sept. 2020	13.75	0.31	-0.04	-0.22	5.88	5.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16.67
	Sept. 2019	13.24	0.27	-0.04	0.18	0.27	0.68	0.00	0.07	0.00	0.09	0.00	0.16	0.00	13.75
	Sept. 2018	12.28	0.29	-0.04	0.14	0.71	1.10	0.00	0.13	0.00	0.06	0.00	0.19	0.00	13.24
	Sept. 2017	10.92	0.20	-0.04	0.33	1.25	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.28
O	Sept. 2021	13.01	0.30	-0.04	0.74	1.81	2.81	0.00	0.19	0.00	0.00	0.00	0.19	0.00	15.85
	Sept. 2020	10.74	0.24	-0.03	-0.16	2.11	2.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.01
	Sept. 2019	10.32	0.27	-0.04	0.14	0.01	0.38	0.00	0.02	0.00	0.07	0.00	0.09	0.00	10.74
	Sept. 2018	10.00	0.03	-0.02	0.11	0.20	0.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.32
P	Sept. 2021	15.28	0.34	-0.43	0.86	2.03	2.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18.45
	Sept. 2020	12.90	0.27	-0.34	-0.20	2.61	2.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.28
	Sept. 2019	12.63	0.27	-0.31	0.17	0.28	0.41	0.00	0.00	0.00	0.09	0.00	0.09	0.00	12.90
	Sept. 2018	11.84	0.28	-0.32	0.13	0.71	0.80	0.00	0.01	0.00	0.05	0.00	0.06	0.00	12.63
	Sept. 2017	10.75	0.20	-0.30	0.32	0.86	1.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.84
PF	Sept. 2021	15.96	0.35	-0.24	0.90	2.24	3.25	0.00	0.13	0.00	0.00	0.00	0.13	0.00	19.35
	Sept. 2020	13.32	0.28	-0.19	-0.20	2.69	2.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.96
	Sept. 2019	12.92	0.26	-0.18	0.17	0.16	0.41	0.00	0.02	0.00	0.09	0.00	0.11	0.00	13.32
	Sept. 2018	12.08	0.28	-0.18	0.13	0.41	0.64	0.00	0.08	0.00	0.05	0.00	0.13	0.00	12.92
	Sept. 2017	10.84	0.18	-0.17	0.33	0.81	1.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12.08

(1) All per unit figures presented in 2021 are referenced to net assets determined in accordance with IFRS and are derived from the Fund's audited annual financial statements for the period ended September 30, 2021.

(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⁾	Management Expense Ratio before Waivers and Absorptions (%)	Trading Expense Ratio (%) ⁽²⁾	Portfolio Turnover Rate (%) ⁽³⁾	Net Asset Value per Unit (\$)
A	Sept. 2021	349,330.81	19,306.27	2.58	2.64	0.10	18.11	18.09
	Sept. 2020	212,582.66	14,143.18	2.59	2.65	0.07	29.60	15.03
	Sept. 2019	163,097.99	12,812.09	2.57	2.63	0.05	17.33	12.73
	Sept. 2018	133,998.83	10,710.78	2.50	2.63	0.11	74.99	12.51
	Sept. 2017	56,751.00	4,816.79	2.48	2.62	0.14	50.85	11.78
F	Sept. 2021	242,141.85	12,677.19	1.44	1.44	0.10	18.11	19.10
	Sept. 2020	134,132.53	8,502.15	1.44	1.44	0.07	29.60	15.78
	Sept. 2019	104,200.85	7,889.07	1.43	1.43	0.05	17.33	13.21
	Sept. 2018	91,459.30	7,116.16	1.35	1.51	0.11	74.99	12.85
	Sept. 2017	39,956.66	3,322.09	1.31	1.49	0.14	50.85	12.03
I	Sept. 2021	306,440.85	15,010.47	N/A	N/A	0.10	18.11	20.42
	Sept. 2020	97,926.04	5,872.92	N/A	N/A	0.07	29.60	16.67
	Sept. 2019	10,527.95	765.74	N/A	N/A	0.05	17.33	13.75
	Sept. 2018	10,047.94	758.74	N/A	N/A	0.11	74.99	13.24
	Sept. 2017	8,884.94	723.25	N/A	N/A	0.14	50.85	12.28
O	Sept. 2021	72,958.87	4,602.82	0.06	0.06	0.10	18.11	15.85
	Sept. 2020	31,863.81	2,448.85	0.06	0.06	0.07	29.60	13.01
	Sept. 2019	13,413.73	1,248.40	0.06	0.06	0.05	17.33	10.74
	Sept. 2018	1.03	0.10	0.06	0.06	0.11	74.99	10.32
P	Sept. 2021	150,587.24	8,160.20	2.24	2.24	0.10	18.11	18.45
	Sept. 2020	68,242.57	4,466.48	2.25	2.25	0.07	29.60	15.28
	Sept. 2019	43,046.54	3,337.86	2.24	2.24	0.05	17.33	12.90
	Sept. 2018	29,040.33	2,298.86	2.22	2.26	0.11	74.99	12.63
	Sept. 2017	4,470.40	377.42	2.19	2.23	0.14	50.85	11.84
PF	Sept. 2021	254,782.30	13,164.73	1.10	1.10	0.10	18.11	19.35
	Sept. 2020	132,124.44	8,278.18	1.11	1.11	0.07	29.60	15.96
	Sept. 2019	100,544.00	7,549.17	1.11	1.11	0.05	17.33	13.32
	Sept. 2018	89,318.04	6,911.73	1.07	1.11	0.11	74.99	12.92
	Sept. 2017	30,861.86	2,555.52	1.06	1.10	0.14	50.85	12.08

(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	2.00	52.60	47.40
Series F	1.00	100.00	N/A
Series P	1.75	42.88	57.12
Series PF	0.75	100.00	N/A

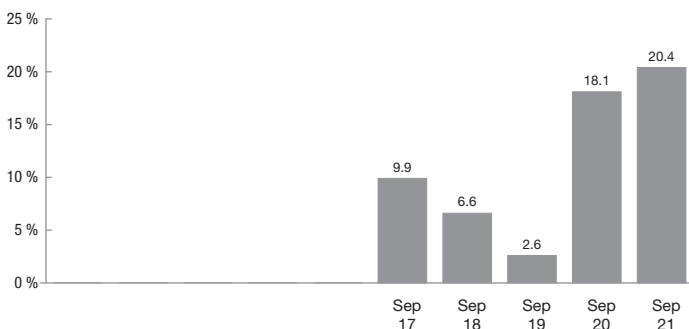
Past Performance

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.

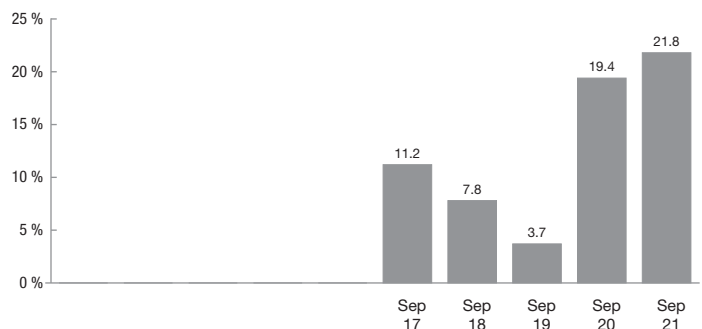
Year-by-Year Returns

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. 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.

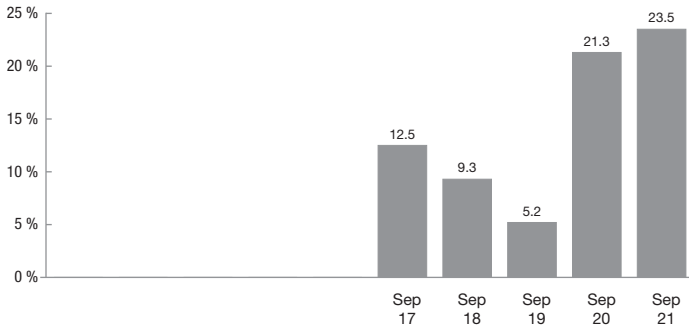
Series A



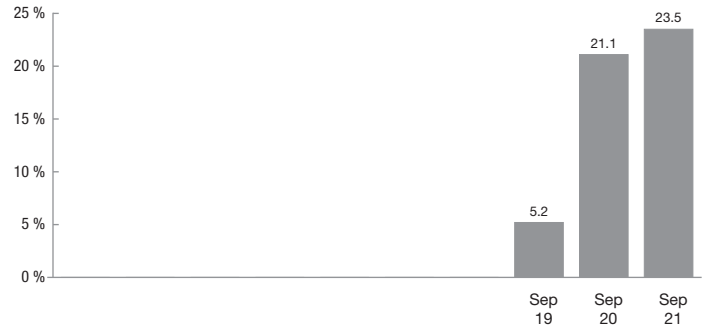
Series F



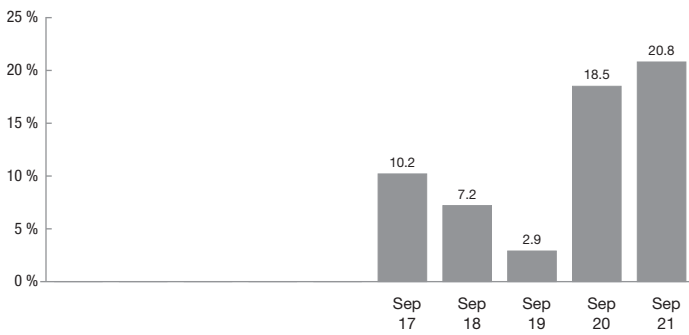
Series I



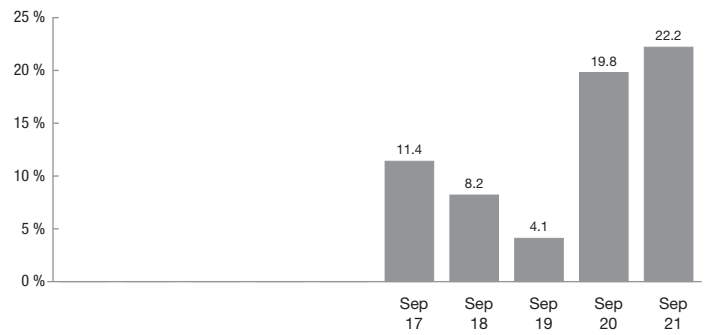
Series O



Series P



Series PF



Annualized Compound Returns

The following table shows the annual compound returns for all series of the Fund. All returns are in Canadian dollars, on a total return basis, net of fees. For comparison, the returns for the benchmark are included. A discussion regarding the relative performance of the Fund is found in the Results of Operations section of this report and a description of indexes can be found in the Annualized Compound Returns section of this report.

The benchmark for this Fund is the MSCI ACWI NR Index (C\$).

The MSCI ACWI Index is designed to represent performance of the full opportunity set of large- and mid-cap stocks across developed and emerging markets. It is a free float-adjusted market capitalization weighted Index.

While the Fund uses this benchmark for long-term performance comparisons, it is not managed relative to the composition of the Index. As a result, the Fund may experience periods when its performance is not aligned with the Index, either positively or negatively. Please see the "Results of Operations" section of this report for a discussion of recent performance results.

Group/Investment	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception ^(*) (%)
MSCI ACWI NR Index (C\$)	20.9	11.8	12.4	N/A	**
NEI Environmental Leaders Fund, Series A	20.4	13.4	11.3	N/A	11.6
NEI Environmental Leaders Fund, Series F	21.8	14.7	12.6	N/A	12.9
NEI Environmental Leaders Fund, Series I	23.5	16.4	14.2	N/A	14.7
NEI Environmental Leaders Fund, Series O	23.5	16.3	N/A	N/A	16.0
NEI Environmental Leaders Fund, Series P	20.8	13.8	11.7	N/A	12.7
NEI Environmental Leaders Fund, Series PF	22.2	15.1	12.9	N/A	14.3

^{*}Since inception returns are not provided for series that have been in existence for more than 10 years.

^{**}The return of the benchmark since inception for each applicable series is as follows: Series A: 11.6%, Series F: 11.6%, Series I: 12.4%, Series O: 11.6%, Series P: 12.8%, Series PF: 12.8%.

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Summary of Investment Portfolio as at September 30, 2021

Total Net Asset Value: \$1,376,241,910

Top Holdings		%
1	Waste Management	3.5
2	Linde	3.4
3	American Water Works Company	3.2
4	Agilent Technologies	3.1
5	Schneider Electric	2.9
6	GEA Group	2.8
7	Koninklijke DSM	2.8
8	Autodesk	2.7
9	Verisk Analytics, Class A	2.6
10	Texas Instruments	2.6
11	Hubbell	2.6
12	Siemens	2.5
13	Kubota	2.5
14	Ansys	2.5
15	IDEX	2.5
16	Trane Technologies	2.5
17	Intertek Group	2.4
18	Pentair	2.3
19	Aptiv	2.1
20	WestRock Company	2.1
21	Ecolab	2.1
22	PTC	2.1
23	Waters	2.0
24	Cash and Equivalents	2.0
25	Microsoft	2.0
	Total	63.8

Net Asset Value Mix		%
Equity	96.1	
Cash and Equivalents	2.0	
Unit Trust	1.9	
Total	100.0	

Sector Allocation		%
Industrials	39.4	
Information Technology	25.6	
Materials	13.4	
Utilities	8.4	
Health Care	6.5	
Consumer Discretionary	2.1	
Cash and Equivalents	2.0	
Real Estate	1.9	
Consumer Staples	0.7	
Total	100.0	

Geographic Distribution		%
United States	47.8	
Other	19.5	
Ireland	8.1	
Germany	8.0	
United Kingdom	7.9	
France	6.7	
Cash and Equivalents	2.0	
Total	100.0	

"Unit Trust" includes REITs, ETFs, and other similarly structured investment vehicles.

"Other" geographic category includes all countries 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.