NEI Canadian Equity Pool

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 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

Results of Operations

The NEI Canadian Equity Pool's Series I units returned -1.7% for the six months ended March 31, 2022 compared with a return of 10.5% 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 benchmark for this Fund is the S&P/TSX Composite TR Index.

The Fund's net asset value increased by 9.66% during the period, from $84,990,092 as at September 30, 2021 to $93,196,572 as at March 31, 2022. This change in net assets is attributed to net unitholder activity of $9,985,697 and -$1,779,217 to investment operations, including market appreciation (depreciation), income and expenses.

Factors That Have Affected Performance

Inflation reached multi-year highs during the last quarter of the year, and in Q1, inflation has risen to levels last seen in the 1970s. There are natural comparisons to that era's stagflationary economic environment. Situations where there is simultaneously weak growth and strong inflation are extremely unusual and are typically temporary. Rather than the 1970s, the portfolio sub-advisor sees this economic environment being more comparable to the late 1940s. At that time, demand for goods surged with household formations following the return of WWII soldiers and an end to war-time mentality. However, this swell in demand confronted an economy that was outfitted to supply the war effort, not new homes, appliances and furniture. This resulted in Canadian inflation increasing and peaking at 17.5% in 1948, before declining to 0% by early 1950. Ultimately, the portfolio sub-advisor expects the current stagflation-light environment to be relatively short-lived as central banks seem committed to reining in inflation, which they do not doubt they will be able to, through the channel of higher interest rates to depress consumer demand.

After closing 2021 near all-time highs, most global equity markets saw declines in the first quarter with the notable exception of Canada posting a positive return. The conflict in Ukraine, rapidly rising commodity prices, inflationary pressures and rising interest rates to quell those pressures were all factors that contributed to the weakness in most markets.

During the last 6-month period, the Fund underperformed the S&P/TSX index. In terms of sectors, the largest contributor to performance was stock selection in the Information Technology sector. The largest detractors to performance were the Fund's absence from the Energy sector and stock selection in the Industrials and Materials sector. In terms of individual companies, top contributors for the period were Canadian National Railway, Bank of Nova Scotia, Metro and Franco Nevada.

The main detractors to performance in the period included names such as Shopify, Open Text, Boyd, Magna and CCL. CCL, a packaging company, posted good results with sales up 10.2%, but its margins were impacted by higher costs, namely freight, fuel and raw materials. The company is usually able to pass along those higher costs in subsequent quarters and normalize margins. Magna's decline is explained by continued supply chain issues, mainly involving a shortage of semiconductor chips. The prospect of a weaker economy due to higher interest rates could also weaken it further, but the portfolio sub-advisor believes this is unlikely given the very strong pent-up demand in automobiles globally.

Recent Developments

A lot of change has catalyzed the world in a short period of time. The favourable geopolitical, commodity, and economic policy backdrop of the past few decades may be most likely behind us. Companies will no longer easily trade off resilience for efficiency as safeguarding supply chains becomes more of a necessity for countries and customers. This will create inflationary pressures, but the portfolio sub-advisor expects it to dissipate when productivity eventually improves and innovations ultimately allow us to reduce our dependence on commodities. That has been the case historically, and the portfolio sub-advisor has no reason to think that this time will be any different. In the short run, the portfolio sub-advisor expects that interest rate increases will reduce near-term inflation as the highly leveraged economy slows down in the face of higher interest rates. Leading economic indicators are already pointing to slower growth and, in addition to the tightening in monetary policy, there is a decline in fiscal stimulus. A protracted crisis in Ukraine furthers the risk of persistent inflation as the return to a more normal global environment would be hindered.

The portfolio sub-advisor's view on the Canadian portfolio has not changed: they continue to have a bottom-up approach and invest in solid companies that have a sustainable competitive advantage over the long term. History shows that most commodity-related companies generate very little shareholder returns over time, but can cause temporary underperformance when they rally meaningfully like they are now. The portfolio sub-advisor expects the stock market to be volatile in the near future, with the war in Ukraine exacerbating previously identified supply chain issues; Ukraine and Russia both export many agricultural products that affect the supply chain, in addition to being a key source of energy to Europe. This creates inflation, part of it cyclical, part of it structural, which triggers a response by central banks in the form of higher policy rates. It is difficult to predict an end to the conflict, but the portfolio sub-advisor expects it would materially change the composition of returns in the S&P/TSX when it does happen.

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.

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 2022 ($)	March 2021 ($)
Commissions paid by the Fund to DSI	392	36

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 currently only distributed by NEI on an exempt-market basis.

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 received standing instructions from the IRC with respect to the following related party transactions: trades in securities (whether debt or equity) of a company related to a sub-advisor.

The Manager is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to related party transactions (a) are aligned with the investment objectives, investment strategies, risk profile and other important details of the Fund for which the investment is being proposed; (b) are made by the Manager free from any influence by any entities related to the Manager; (c) represent the business judgment of the Manager uninfluenced by considerations other than the best interests of the Fund; and (d) are made in compliance with the Manager's policies and procedures.

Transactions made by the Manager under the standing instructions are subsequently reviewed by the IRC to monitor compliance. The Fund relied on the IRC's standing instructions regarding related party transactions during this reporting period.

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.

NEI Canadian Equity Pool

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 ($)(1)

			Increase (Decrease) from Operations					Distributions						
Series	Period	Net Assets, Beginning 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)	Net Assets, End of Period
I	Mar. 2022	12.58	0.11	0.00	0.34	-0.69	-0.24	0.00	0.22	0.00	0.08	0.00	0.30	12.09
	Sept. 2021	9.60	0.26	0.00	0.16	2.68	3.10	0.00	0.20	0.00	0.00	0.00	0.20	12.58
	Sept. 2020	10.04	0.28	-0.01	-0.12	-0.59	-0.44	0.00	0.05	0.00	0.00	0.00	0.05	9.60
	Sept. 2019	10.00	0.08	-0.01	0.00	0.22	0.29	0.00	0.00	0.00	0.00	0.00	0.00	10.04

(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 $)	Number of Units Outstanding (000's)	Management Expense Ratio (%)(1)	Management Expense Ratio before Waivers and Absorptions (%)	Trading Expense Ratio (%)(2)	Portfolio Turnover Rate (%)(3)	Net Asset Value per Unit ($)
I	Mar. 2022	93,196.57	7,710.29	N/A	N/A	0.02	9.93	12.09
	Sept. 2021	84,990.09	6,753.31	N/A	N/A	0.03	15.98	12.58
	Sept. 2020	46,489.60	4,844.73	N/A	N/A	0.08	21.33	9.60
	Sept. 2019	8,148.37	811.97	N/A	N/A	0.09	1.15	10.04

(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 Fund does not pay management fees for Series I. Series I unitholders pay a negotiated fee directly to NEI Investments.

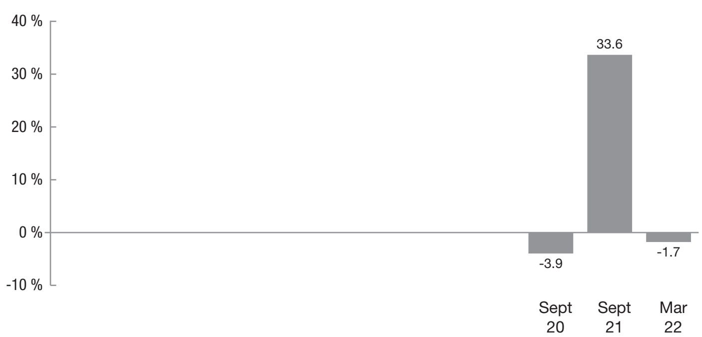
Past Performance

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 I



NEI Canadian Equity Pool

Summary of Investment Portfolio as at March 31, 2022

Total Net Asset Value: $93,196,572

	Top Holdings	%
1	Canadian National Railway Company	8.3
2	Brookfield Asset Management, Class A	7.3
3	Scotiabank	6.9
4	Shopify, Class A	4.8
5	Thomson Reuters	4.0
6	Metro	3.7
7	Restaurant Brands International	3.7
8	Open Text	3.7
9	WSP Global	3.5
10	Gildan Activewear	3.5
11	CGI, Class A	3.4
12	Intact Financial Corporation	3.3
13	CCL Industries, Class B	3.2
14	Stantec	2.9
15	Empire Company, Class A	2.9
16	Magna International, Class A	2.9
17	Franco-Nevada	2.8
18	Manulife Financial	2.8
19	SNC-Lavalin Group	2.8
20	Premium Brands Holdings	2.6
21	Descartes Systems Group	2.3
22	National Bank of Canada	2.1
23	CAE	2.1
24	Saputo Group	2.0
25	Cash and Equivalents	1.7
	Total	89.2

Net Asset Value Mix	%
Equity	98.3
Cash and Equivalents	1.7
Total	100.0

Sector Allocation	%
Industrials	26.7
Financials	24.1
Information Technology	16.8
Consumer Staples	11.2
Consumer Discretionary	10.1
Materials	7.0
Real Estate	2.4
Cash and Equivalents	1.7
Total	100.0

Geographic Distribution	%
Canada	98.3
Cash and Equivalents	1.7
Total	100.0

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