

Annual Report of the Independent Review Committee

of the NEI Investments Funds

Covering the period October 1, 2018 to September 30, 2019

November 19, 2019

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

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 Investments¹ (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, 2018 to September 30, 2019 (“the Reporting Period”).

Mandate of the IRC

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, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures.

When a conflict matter 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 or not, 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.

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

The IRC is empowered 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 has engaged Independent Review Inc. to assist it in its duties in accordance with the provisions of the Instrument and the IRC's Written Charter, to provide certain administrative and record keeping functions, and to act as the IRC's independent secretariat.

Composition of the IRC

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

Name and municipality of residence	Principal Occupation	Term of Office
Marie Rounding (Chair) Toronto, Ontario	Counsel, Gowling WLG (Canada) LLP (retired) and Corporate Director	Initial appointment effective October 1, 2014. Appointed as Chair effective November 6, 2019 Renewed effective October 1, 2017 until September 30, 2020.
W. William Woods, Toronto, Ontario	Consultant, Independent Director, former CEO of Bermuda Stock Exchange	Initial appointment effective October 1, 2015 Renewed effective October 1, 2018 until September 30, 2021.
Michele McCarthy, Toronto, Ontario	President, McCarthy Law Professional Corp. and President ,Independent Review Inc.	Initial Appointment: November 6, 2019 for a period for three years
Lawrence A. Ward FCPA, FCA Toronto, Ontario	Consultant, retired partner of PricewaterhouseCoopers LLP	Initial appointment April 4, 2007. Retired effective September 30, 2019.

The term of Lawrence Ward ended on September 30, 2019. Mr. Ward had served with distinction on the committee since 2007. After consulting with the Manager, the IRC determined that it would replace Mr. Ward with Michele McCarthy. Ms McCarthy was appointed on November 6, 2019 for a term of three (3) years. The IRC and the Manager thanked Mr. Ward for his years of service and dedication since the IRC's inception.

Marie Rounding was appointed as Chair of the IRC effective as of November 6, 2019.

There were no other changes to the IRC composition during the period.

Compensation and Indemnification

Members' Fees

In aggregate, during the Reporting Period the members of the IRC were paid \$90,000.

Review of Compensation

At least annually, the IRC reviews its compensation giving consideration to 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 at September 30, 2019 the IRC Members did not beneficially own, directly or indirectly investments in:

- any units in any of the Funds;
- any interests in the Manager; or
- any interests 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 February 7, 2019, as a result of the amalgamation with Aviso Wealth, the Manager proposed changing auditors from PricewaterhouseCoopers ("PwC"), to Ernst & Young ("EY"). After reasonable enquiry, and based on the information provided to the IRC by the Manager (both verbally and in writing) prior to and during the meeting the IRC unanimously **RESOLVED** that the Manager's proposed course of action to change the Funds' auditors from PricewaterhouseCoopers, to Ernst & Young, achieved a fair and reasonable result for each of the Manager's Funds.

There were no other recommendations or approvals requested by the Manager during the Reporting Period.

Standing Instructions Approved

The IRC has approved four SIs, which constitute a written approval or recommendation from the IRC that 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, provided that the Manager 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 a number of conflict of interest matters including:

1. Expenses charged to the Funds
2. Expense allocations
3. Excessive trading policy
4. Trade allocations
5. Net asset value error correction policy
6. Correcting other material securityholder transaction errors
7. Seeking best execution
8. Soft dollar arrangements
9. Favouritism policy
10. Proxy voting policy
11. Sub-advisory services provided by related parties
12. Changing sub-advisors
13. Monitoring sub-advisors
14. Employee personal trading policy
15. Trading policies for sub-advisors
16. Short-term trading and late trading policy
17. Services provided by related parties
18. Trading policies including broker selection and trade allocations

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 rely on SI No. 4 during the Reporting Period.

This report is available on the Manager's website at 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. This document and other information about the NEI Funds are available on www.sedar.com.

"Marie Rounding"

Marie Rounding, Chair

EFFECTIVE SEPTEMBER 30, 2019

	FUNDS	FONDS
1.	NEI Money Market Fund	Fonds du marché monétaire NEI
2.	NEI Canadian Bond Fund	Fonds d'obligations canadiennes NEI
3.	NEI Global Total Return Bond Fund	Fonds d'obligations mondiales à rendement global NEI
4.	NEI Global High Yield Bond Fund <i>(formerly NEI Northwest Specialty Global High Yield Bond Fund)</i>	Fonds d'obligations mondiales à rendement élevé NEI <i>(auparavant, Fonds Spécialisé d'obligations mondiales à rendement élevé NordOuest NEI)</i>
5.	NEI Conservative Yield Portfolio	Portefeuille NEI rendement conservateur
6.	NEI Balanced Yield Portfolio <i>(formerly NEI Global Strategic Yield Fund)</i>	Portefeuille NEI rendement équilibré <i>(auparavant, Fonds stratégique de rendement mondial NEI)</i>
7.	NEI Balanced RS Fund <i>(formerly NEI Ethical Balanced Fund)</i>	Fonds équilibré ER NEI <i>(auparavant, Fonds équilibré Éthique NEI)</i>
8.	NEI Tactical Yield Portfolio <i>(formerly NEI Northwest Tactical Yield Fund)</i>	Portefeuille NEI rendement tactique <i>(auparavant, Fonds tactique de rendement NordOuest NEI)</i>
9.	NEI Growth & Income Fund <i>(formerly NEI Northwest Growth and Income Fund)</i>	Fonds croissance et revenu NEI <i>(auparavant, Fonds croissance et revenu NordOuest NEI)</i>
10.	NEI Canadian Dividend Fund <i>(formerly NEI Northwest Canadian Dividend Fund)</i>	Fonds de dividendes canadiens NEI <i>(auparavant, Fonds de dividendes canadiens NordOuest NEI)</i>
11.	NEI Canadian Equity RS Fund <i>(formerly NEI Ethical Canadian Equity Fund)</i>	Fonds d'actions canadiennes ER NEI <i>(auparavant, Fonds d'actions canadiennes Éthique NEI)</i>
12.	NEI Canadian Equity Fund <i>(formerly NEI Northwest Canadian Equity Fund)</i>	Fonds d'actions canadiennes NEI <i>(auparavant, Fonds d'actions canadiennes NordOuest NEI)</i>
13.	NEI U.S. Dividend Fund <i>(formerly NEI Northwest U.S. Dividend Fund)</i>	Fonds de dividendes américains NEI <i>(auparavant, Fonds de dividendes américains NordOuest NEI)</i>

	FUNDS	FONDS
14.	NEI U.S. Equity RS Fund <i>(formerly NEI Ethical U.S. Equity Fund)</i>	Fonds d'actions américaines ER NEI <i>(auparavant, Fonds d'actions américaines Éthique NEI)</i>
15.	NEI Canadian Small Cap Equity RS Fund <i>(formerly NEI Ethical Special Equity Fund)</i>	Fonds d'actions canadiennes petite capitalisation ER NEI <i>(auparavant, Fonds Spécialisé d'actions Éthique NEI)</i>
16.	NEI Canadian Small Cap Equity Fund <i>(formerly NEI Northwest Specialty Equity Fund)</i>	Fonds d'actions canadiennes petite capitalisation NEI <i>(auparavant, Fonds Spécialisé d'actions NordOuest NEI)</i>
17.	NEI Global Dividend RS Fund <i>(formerly NEI Ethical Global Dividend Fund)</i>	Fonds de dividendes mondial ER NEI <i>(auparavant, Fonds de dividendes mondial Éthique NEI)</i>
18.	NEI Global Value Fund	Fonds de valeur mondial NEI
19.	NEI Global Equity RS Fund <i>(formerly NEI Ethical Global Equity Fund)</i>	Fonds d'actions mondiales ER NEI <i>(auparavant, Fonds d'actions mondiales Éthique NEI)</i>
20.	NEI Global Equity Fund <i>(formerly NEI Northwest Global Equity Fund)</i>	Fonds d'actions mondiales NEI <i>(auparavant, Fonds d'actions mondiales NordOuest NEI)</i>
21.	NEI International Equity RS Fund <i>(formerly NEI Ethical International Equity Fund)</i>	Fonds d'actions internationales ER NEI <i>(auparavant, Fonds d'actions internationales Éthique NEI)</i>
22.	NEI Environmental Leaders Fund	Fonds leaders en environnement NEI
23.	NEI Emerging Markets Fund <i>(formerly NEI Northwest Emerging Markets Fund)</i>	Fonds des marchés émergents NEI <i>(auparavant, Fonds des marchés émergents NordOuest NEI)</i>
24.	NEI Select Income RS Portfolio <i>(formerly NEI Ethical Select Income Portfolio)</i>	Portefeuille NEI ER Sélect revenu <i>(auparavant, Portefeuille NEI Éthique Sélect revenu)</i>
25.	NEI Select Income & Growth RS Portfolio <i>(formerly NEI Ethical Select Conservative Portfolio)</i>	Portefeuille NEI ER Sélect revenu et croissance <i>(auparavant, Portefeuille NEI Éthique Sélect conservateur)</i>
26.	NEI Select Income & Growth Portfolio <i>(formerly NEI Select Conservative Portfolio)</i>	Portefeuille NEI Sélect revenu et croissance <i>(auparavant, Portefeuille NEI Sélect conservateur)</i>

	FUNDS	FONDS
27.	NEI Select Balanced RS Portfolio <i>(formerly NEI Ethical Select Balanced Portfolio)</i>	Portefeuille NEI ER Sélect équilibré <i>(auparavant, Portefeuille NEI Éthique Sélect équilibré)</i>
28.	NEI Select Balanced Portfolio	Portefeuille NEI Sélect équilibré
29.	NEI Select Growth RS Portfolio <i>(formerly NEI Ethical Select Growth Portfolio)</i>	Portefeuille NEI ER Sélect croissance <i>(auparavant, Portefeuille NEI Éthique Sélect croissance)</i>
30.	NEI Select Growth Portfolio	Portefeuille NEI Sélect croissance
31.	NEI Select Maximum Growth Portfolio <i>(formerly NEI Select Global Maximum Growth Portfolio)</i>	Portefeuille NEI Sélect croissance maximale <i>(auparavant, Portefeuille NEI Sélect croissance mondiale maximale)</i>
32.	NEI Jantzi Social Index® Fund <i>(formerly Meritas Jantzi Social Index® Fund)</i>	Fonds indiciel Jantzi Social ^{MD} NEI <i>(auparavant, Fonds indiciel Jantzi Social^{MD} Meritas)</i>
33.	NEI U.S. Equity Fund <i>(formerly OceanRock U.S. Equity Fund)</i>	Fonds d'actions américaines NEI <i>(auparavant, Fonds d'actions américaines OceanRock)</i>
34.	NEI International Equity Fund <i>(formerly Meritas International Equity Fund)</i>	Fonds d'actions internationales NEI <i>(auparavant, Fonds d'actions internationales Meritas)</i>
35.	NEI Select Income Portfolio <i>(formerly OceanRock Income Portfolio)</i>	Portefeuille NEI Sélect revenu <i>(auparavant, Portefeuille de revenu OceanRock)</i>
36.	NEI Select Growth & Income RS Portfolio <i>(formerly Meritas Growth & Income Portfolio)</i>	Portefeuille NEI ER Sélect croissance et revenu <i>(auparavant Portefeuille de croissance et de revenu Meritas)</i>
37.	NEI Select Growth & Income Portfolio <i>(formerly OceanRock Growth & Income Portfolio)</i>	Portefeuille NEI Sélect croissance et revenu <i>(auparavant, Portefeuille de croissance et de revenu OceanRock)</i>
38.	NEI Select Maximum Growth RS Portfolio <i>(formerly Meritas Maximum Growth Portfolio)</i>	Portefeuille NEI ER Sélect croissance maximale <i>(auparavant, Portefeuille de croissance maximale Meritas)</i>
39.	NEI Balanced Private Portfolio	Portefeuille privé NEI équilibré
40.	NEI Income & Growth Private Portfolio	Portefeuille privé NEI revenu et croissance
41.	NEI Income Private Portfolio	Portefeuille privé NEI revenu
42.	NEI Growth Private Portfolio	Portefeuille privé NEI croissance
43.	NEI Canadian Equity Pool	Mandat NEI actions Canadiennes

	FUNDS	FONDS
44.	NEI Global Equity Pool	Mandat NEI actions mondiales
45.	NEI Fixed Income Pool	Mandat NEI revenu fixe
46.	NEI Managed Asset Allocation Pool	Mandat NEI répartition d'actifs sous gestion

Schedule A

IRC Members who sit on IRCs for other Fund Families as of September 30, 2018

Lawrence A. Ward serves as a member of the Independent Review Committees for the following funds:

The Goodwood Capital Fund and the Goodwood Investment funds;
Investment funds that are reporting issuers managed by Picton Mahoney Asset Management;
Investment funds that are reporting issuers managed by Russell Investments Canada Limited;
Certain investment funds managed by Sprott Asset Management LP;
Certain investment funds managed by Ninepoint Partners LP; and
Investment funds that are reporting issuers managed by Newgen Asset Management Limited
(Appointed January 11, 2019)

Marie Rounding serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Vertex One Asset Management Inc.
Investment funds that are reporting issuers managed by Emerge Canada Inc.
(Appointed May 15, 2019)

W. William Woods serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Educators Financial Group Inc.;
The Goodwood Capital Fund and the Goodwood Fund Investment Funds;
(ceased to be a member on December 31, 2018)
Investment funds that are reporting issuers managed by Next Edge Capital Corp.;
Investment funds that are reporting issuers managed by NextEge Man Offshore Funds;
(Appointed effective January 1, 2019)
Certain investments funds managed by Ninepoint Partners LP;
Investment funds that are reporting issuers managed by Onex Credit Partners, LLC;
Investment funds that are reporting issuers managed by Picton Mahoney Asset Management Inc.;
Investment funds that are reporting issuers managed by Russell Investments Canada Limited;
Investment funds that are reporting issuers managed by Spartan Fund Management;
Certain investment funds managed by Sprott Asset Management LP; and
(Ceased to be a member December 31, 2018)
Investment funds that are reporting issuers managed by WisdomTree Asset Management Canada, Inc.