



NEI Canadian Small Cap Equity Fund

Semi-annual Management Report of Fund Performance

As at March 31, 2023

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 Small Cap Equity Fund's Series A units returned 12.5% for the six-month period ended March 31, 2023 compared with a return of 13.3% 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 Small Cap Index.

The Fund's net asset value increased by 6.78% during the period, from \$50,170,974 as at September 30, 2022 to \$53,571,237 as at March 31, 2023. This change in net assets is attributed to net unitholder activity of -\$3,038,401 and \$6,438,664 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

Over the past six months, the resources-heavy Canadian Small Cap equity market was buoyed by strong appreciation in precious metals prices and receding recessionary pressures. Recent economic data indicated that inflation is cooling, leading to higher prospects that a less hawkish monetary policy is on the horizon. However, aftershocks following the Covid pandemic continued to play out through the past quarters as the world attempts to settle down to a new normal. Some of the recent pressures such as supply chain disruption, freight rates, and energy prices are abating.

The prominent gold sub-sector soared over the past six months, benefiting from a flight to safety amid concerns about the unsettled US banking system. Closing the period up 18% to just shy of US\$2,000 per ounce, gold bullion was on a trajectory to a new all-time high.

The Canadian financial services sector was unphased by the banking turmoil in the United States. Unlike the Global Financial Crisis of 2007-2009, the fallout from the March collapse of Silicon Valley Bank was swiftly contained by US regulators. Comprised of mostly non-bank lenders, the S&P/TSX Small Cap Financials sector was up over 12% over the past six months.

Factors That Have Affected Performance

The Fund's biggest relative performance contribution for the period came from the Financials sector, followed by performance within the Information Technology and Industrials sectors. Within the Financials sector, the Fund's exposure was comprised of asset managers and conservatively run Canadian banks. In the Information Technology sector, the Fund benefited from price appreciation in Kinaxis, Descartes Systems Group, and Magnet Forensics, with the final name benefitting from a company announcement that it intended to be acquired at a premium valuation. Strength within the Industrials sector came from strong performance in holdings in ATS Corporation and Badger Infrastructure Solutions.

Offsetting most of above positive performance contribution was the Fund's zero exposure to the aforementioned performance of mining and precious metals stocks. The appreciation of gold bullion pushed valuations for miners and related companies higher, contributing to more than two-thirds of Index's 6-month return. The portfolio sub-advisor has been long of the view that the sub-sector constituents do not offer any sustainable business models worthy of investment.

Portfolio Changes

The Fund's sector composition relative to the benchmark has remained consistent over the reporting period. The Fund is overweight to the Information Technology, Financials and Industrials sectors, and underweight to the Materials, Energy and Real Estate sectors.

Within the Information Technology sector, the portfolio sub-advisor exited positions in Dye & Durham and Enghouse Systems after losing confidence in both management teams' abilities to overcome difficult end-market demand environments. The Fund's position in Magnet Forensics was eliminated after the company announced its intention to be acquired.

Activity within the Financials sector include additions to EQB Inc, Brookfield Reinsurance and CI Financial, partially offset by a trim in Guardian Capital Group. EQB Inc. has been a standout among its Canadian banking peers, reporting robust loan growth and projecting sustainable net interest margin expansion even as the macro situation looks increasingly dim. The portfolio sub-advisor believes the bank has many levers it can pull to sustain high levels of quality loan growth and high-teens ROE through a tough housing environment. Positions in Brookfield Reinsurance Ltd. and wealth and asset manager CI Financial were increased, a reflection of a view that the market has been overly punitive to their exposures to public markets. Brookfield Reinsurance is a small cap entity that tracks the performance of its much larger parent Brookfield Corporation, a premier alternative asset manager that has historically proven its ability to grow its asset base and earnings through the market cycle. Finally, Guardian Capital Group was decreased following a company announcement of the sale of its wealth management and insurance dealer business at an attractive valuation, triggering a significant increase in its share price.

Finally, the portfolio sub-advisor added to positions in Premium Brands Holdings and Jamieson Wellness, enhancing the Fund's Consumer Staples weight. The investment in premium foods manufacturer and distributor Premium Brands Holdings was augmented following its third quarter financial release that suggested it would exceed its previously communicated long-term guidance. The portfolio sub-advisor also saw an opportunity to increase the position in Jamieson Wellness, a manufacturer and distributor of vitamins, minerals, and nutritional supplements, following its reported year-end financial results that were below market expectations. After meeting with management, the portfolio sub-advisor determined the weakness to be transitory. The portfolio sub-advisor also determined that the company has reached a critical inflection point in its endeavors to penetrate the US market and export the Jamieson brand into China.

ESG Activities

The following environmental, social, and governance (ESG) activities are some of those undertaken during the period related to the Fund's ESG-related investment objectives and strategies.

NEI's Responsible Investing & ESG Services team (RI team) engaged one company, Calian Group, on the topics of ESG management and disclosure and governance of significant holdings.

The RI team voted against management on 50% of the proxy items at six annual general meetings.

Recent Developments

Looking ahead, the portfolio sub-advisor believes interest rate turbulence is likely to continue, with a bias of longer-term rates in North America likely to trend higher than the past several years. At the same time, the likelihood of a prolonged slowdown or recession in North America is higher than it has been for some time. These prospects compel extra caution during the foreseeable future, especially for higher growth, higher valuation investments. There will be more value-add from wise and careful investing as compared to trend following and uninformed speculation.

Effective March 31, 2023, the investment strategies of NEI Canadian Small Cap Equity Fund were changed to include exclusionary screens.

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 a 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 Fédération 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 Canadian Small Cap Equity Fund

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, 2023 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 Distributions ⁽³⁾⁽⁴⁾ |
| A | Mar. 2023 | 30.89 | 0.39 | -0.44 | 0.48 | 3.46 | 3.89 | 0.00 | 0.00 | 0.00 | 0.33 | 0.00 | 0.33 | 34.40 |
| | Sept. 2022 | 38.70 | 0.55 | -0.99 | 1.59 | -8.02 | -6.87 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 30.89 |
| | Sept. 2021 | 31.41 | 0.73 | -0.99 | 11.06 | -3.07 | 7.73 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 38.70 |
| | Sept. 2020 | 30.22 | 0.72 | -0.78 | -1.03 | 2.12 | 1.03 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 31.41 |
| | Sept. 2019 | 39.09 | 0.78 | -0.86 | 1.64 | -7.01 | -5.45 | 0.00 | 0.00 | 0.00 | 4.28 | 0.00 | 4.28 | 30.22 |
| | Sept. 2018 | 36.74 | 0.54 | -1.06 | 5.19 | -2.28 | 2.39 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 39.09 |
| F | Mar. 2023 | 14.48 | 0.18 | -0.13 | 0.22 | 1.63 | 1.90 | 0.00 | 0.00 | 0.00 | 0.15 | 0.00 | 0.15 | 16.21 |
| | Sept. 2022 | 17.97 | 0.29 | -0.27 | 0.68 | -5.29 | -4.59 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 14.48 |
| | Sept. 2021 | 14.53 | 0.33 | -0.29 | 5.06 | -0.90 | 4.20 | 0.00 | 0.09 | 0.00 | 0.00 | 0.00 | 0.09 | 17.97 |
| | Sept. 2020 | 13.96 | 0.33 | -0.23 | -0.47 | 1.29 | 0.92 | 0.00 | 0.12 | 0.00 | 0.00 | 0.00 | 0.12 | 14.53 |
| | Sept. 2019 | 17.90 | 0.36 | -0.24 | 0.75 | -3.25 | -2.38 | 0.00 | 0.00 | 0.00 | 1.98 | 0.00 | 1.98 | 13.96 |
| | Sept. 2018 | 16.67 | 0.25 | -0.32 | 2.37 | -1.06 | 1.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 17.90 |
| I | Mar. 2023 | 15.40 | 0.19 | 0.00 | 0.24 | 1.73 | 2.16 | 0.00 | 0.00 | 0.00 | 0.16 | 0.00 | 0.16 | 17.38 |
| | Sept. 2022 | 18.80 | 0.28 | -0.01 | 0.77 | -4.36 | -3.32 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15.40 |
| | Sept. 2021 | 18.16 | 0.38 | -0.02 | 5.99 | 0.90 | 7.25 | 0.00 | 0.52 | 0.00 | 3.50 | 0.00 | 4.02 | 18.80 |
| | Sept. 2020 | 17.34 | 0.41 | -0.01 | -0.59 | 1.44 | 1.25 | 0.00 | 0.33 | 0.00 | 0.00 | 0.00 | 0.33 | 18.16 |
| | Sept. 2019 | 21.54 | 0.47 | -0.03 | 0.91 | -2.16 | -0.81 | 0.00 | 0.02 | 0.00 | 2.25 | 0.00 | 2.27 | 17.34 |
| | Sept. 2018 | 19.75 | 0.30 | -0.04 | 2.82 | -1.18 | 1.90 | 0.00 | 0.02 | 0.00 | 0.00 | 0.00 | 0.02 | 21.54 |
| O | Mar. 2023 | 8.53 | 0.11 | -0.01 | 0.13 | 0.95 | 1.18 | 0.00 | 0.00 | 0.00 | 0.09 | 0.00 | 0.09 | 9.62 |
| | Sept. 2022 | 10.42 | 0.16 | -0.01 | 0.42 | -2.46 | -1.89 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8.53 |
| | Sept. 2021 | 8.39 | 0.20 | -0.02 | 2.97 | -0.97 | 2.18 | 0.00 | 0.16 | 0.00 | 0.00 | 0.00 | 0.16 | 10.42 |
| | Sept. 2020 | 8.03 | 0.19 | -0.01 | -0.27 | 0.61 | 0.52 | 0.00 | 0.17 | 0.00 | 0.00 | 0.00 | 0.17 | 8.39 |
| | Sept. 2019 | 10.12 | 0.21 | -0.02 | 0.43 | -1.34 | -0.72 | 0.00 | 0.00 | 0.00 | 1.11 | 0.00 | 1.11 | 8.03 |
| | Sept. 2018 | 10.00 | 0.04 | -0.02 | 1.37 | -1.27 | 0.12 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.12 |
| P | Mar. 2023 | 9.28 | 0.12 | -0.11 | 0.14 | 1.05 | 1.20 | 0.00 | 0.00 | 0.00 | 0.10 | 0.00 | 0.10 | 10.36 |
| | Sept. 2022 | 11.59 | 0.16 | -0.25 | 0.48 | -2.37 | -1.98 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 9.28 |
| | Sept. 2021 | 9.38 | 0.22 | -0.26 | 3.34 | -1.18 | 2.12 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 | 11.59 |
| | Sept. 2020 | 9.01 | 0.21 | -0.20 | -0.31 | 0.68 | 0.38 | 0.00 | 0.01 | 0.00 | 0.00 | 0.00 | 0.01 | 9.38 |
| | Sept. 2019 | 10.00 | 0.20 | -0.18 | 0.47 | 0.43 | 0.92 | 0.00 | 0.00 | 0.00 | 1.27 | 0.00 | 1.27 | 9.01 |
| | Sept. 2018 | 10.00 | 0.20 | -0.18 | 0.47 | 0.43 | 0.92 | 0.00 | 0.00 | 0.00 | 1.27 | 0.00 | 1.27 | 9.01 |
| PF | Mar. 2023 | 10.94 | 0.14 | -0.08 | 0.17 | 1.20 | 1.43 | 0.00 | 0.00 | 0.00 | 0.12 | 0.00 | 0.12 | 12.27 |
| | Sept. 2022 | 13.54 | 0.21 | -0.17 | 0.53 | -3.64 | -3.07 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 10.94 |
| | Sept. 2021 | 10.95 | 0.26 | -0.19 | 3.93 | -1.75 | 2.25 | 0.00 | 0.11 | 0.00 | 0.00 | 0.00 | 0.11 | 13.54 |
| | Sept. 2020 | 10.49 | 0.25 | -0.14 | -0.36 | 0.90 | 0.65 | 0.00 | 0.08 | 0.00 | 0.00 | 0.00 | 0.08 | 10.95 |
| | Sept. 2019 | 10.00 | 0.25 | -0.13 | 0.54 | 0.43 | 1.09 | 0.00 | 0.00 | 0.00 | 0.03 | 0.00 | 0.03 | 10.49 |
| | Sept. 2018 | 10.00 | 0.25 | -0.13 | 0.54 | 0.43 | 1.09 | 0.00 | 0.00 | 0.00 | 0.03 | 0.00 | 0.03 | 10.49 |

(1) All per unit figures presented in 2023 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, 2023.

(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 | Mar. 2023 | 13,662 | 397 | 2.59 | 2.59 | 0.05 | 7.04 | 34.40 |
| | Sept. 2022 | 13,021 | 422 | 2.60 | 2.60 | 0.08 | 28.38 | 30.89 |
| | Sept. 2021 | 34,593 | 894 | 2.59 | 2.59 | 0.09 | 26.21 | 38.70 |
| | Sept. 2020 | 35,906 | 1,143 | 2.61 | 2.61 | 0.06 | 21.52 | 31.41 |
| | Sept. 2019 | 42,003 | 1,390 | 2.59 | 2.59 | 0.19 | 101.93 | 30.22 |
| | Sept. 2018 | 70,841 | 1,812 | 2.60 | 2.60 | 0.18 | 85.56 | 39.09 |
| F | Mar. 2023 | 15,675 | 967 | 1.60 | 1.60 | 0.05 | 7.04 | 16.21 |
| | Sept. 2022 | 14,458 | 998 | 1.61 | 1.65 | 0.08 | 28.38 | 14.48 |
| | Sept. 2021 | 2,153 | 120 | 1.63 | 1.69 | 0.09 | 26.21 | 17.97 |
| | Sept. 2020 | 3,845 | 265 | 1.64 | 1.70 | 0.06 | 21.52 | 14.53 |
| | Sept. 2019 | 3,799 | 272 | 1.63 | 1.68 | 0.19 | 101.93 | 13.96 |
| | Sept. 2018 | 6,070 | 339 | 1.63 | 1.69 | 0.18 | 85.56 | 17.90 |
| I | Mar. 2023 | 10,373 | 597 | N/A | N/A | 0.05 | 7.04 | 17.38 |
| | Sept. 2022 | 9,768 | 634 | N/A | N/A | 0.08 | 28.38 | 15.40 |
| | Sept. 2021 | 13,243 | 704 | N/A | N/A | 0.09 | 26.21 | 18.80 |
| | Sept. 2020 | 105,682 | 5,819 | N/A | N/A | 0.06 | 21.52 | 18.16 |
| | Sept. 2019 | 101,636 | 5,863 | N/A | N/A | 0.19 | 101.93 | 17.34 |
| | Sept. 2018 | 68,671 | 3,188 | N/A | N/A | 0.18 | 85.56 | 21.54 |
| O | Mar. 2023 | 1 | - | 0.06 | 0.06 | 0.05 | 7.04 | 9.62 |
| | Sept. 2022 | 1 | - | 0.06 | 0.06 | 0.08 | 28.38 | 8.53 |
| | Sept. 2021 | 1 | - | 0.06 | 0.06 | 0.09 | 26.21 | 10.42 |
| | Sept. 2020 | 1 | - | 0.06 | 0.06 | 0.06 | 21.52 | 8.39 |
| | Sept. 2019 | 1 | - | 0.06 | 0.06 | 0.19 | 101.93 | 8.03 |
| | Sept. 2018 | 1 | - | 0.06 | 0.06 | 0.18 | 85.56 | 10.12 |
| P | Mar. 2023 | 4,821 | 465 | 2.22 | 2.22 | 0.05 | 7.04 | 10.36 |
| | Sept. 2022 | 4,806 | 518 | 2.21 | 2.21 | 0.08 | 28.38 | 9.28 |
| | Sept. 2021 | 15,659 | 1,351 | 2.22 | 2.22 | 0.09 | 26.21 | 11.59 |
| | Sept. 2020 | 10,656 | 1,136 | 2.25 | 2.25 | 0.06 | 21.52 | 9.38 |
| | Sept. 2019 | 10,606 | 1,177 | 2.29 | 2.29 | 0.19 | 101.93 | 9.01 |
| PF | Mar. 2023 | 9,039 | 737 | 1.34 | 1.34 | 0.05 | 7.04 | 12.27 |
| | Sept. 2022 | 8,116 | 742 | 1.35 | 1.35 | 0.08 | 28.38 | 10.94 |
| | Sept. 2021 | 3,256 | 240 | 1.32 | 1.32 | 0.09 | 26.21 | 13.54 |
| | Sept. 2020 | 1,488 | 136 | 1.35 | 1.35 | 0.06 | 21.52 | 10.95 |
| | Sept. 2019 | 1,208 | 115 | 1.37 | 1.37 | 0.19 | 101.93 | 10.49 |

(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 (%) ⁽¹⁾ | Investment Advisory and Other Fees (%) | Trailer Fee (%) |
|-----------|-----------------------------------|----------------------------------------|-----------------|
| Series A | 1.95 | 66.36 | 33.64 |
| Series F | 1.15 | 100.00 | N/A |
| Series P | 1.70 | 55.87 | 44.13 |
| Series PF | 0.95 | 100.00 | N/A |

(1) Effective June 28, 2022, the management fee rates were reduced from 1.20% to 1.15% for Series F.

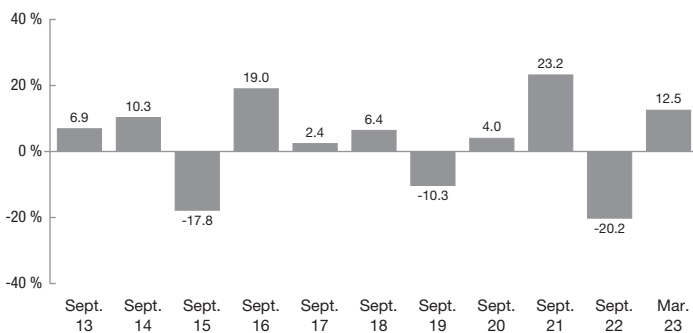
Past Performance

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.

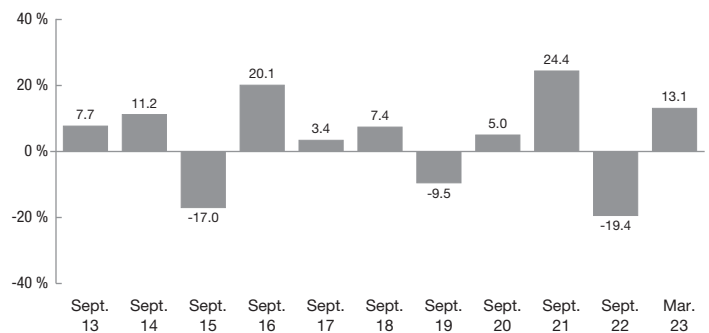
Year-by-Year Returns

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 2023, which shows the six-month return for the period ended March 31, 2023. 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.

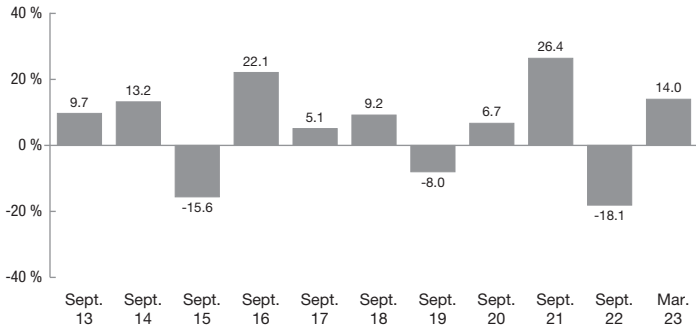
Series A



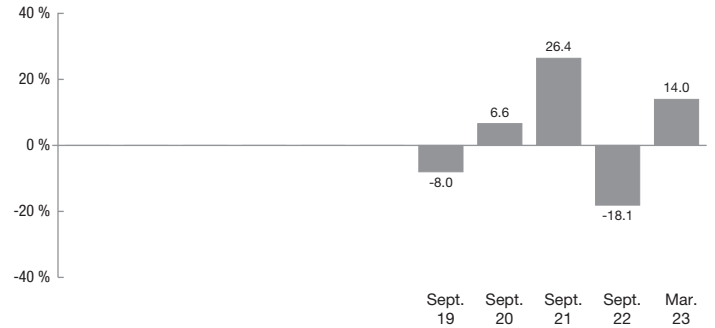
Series F



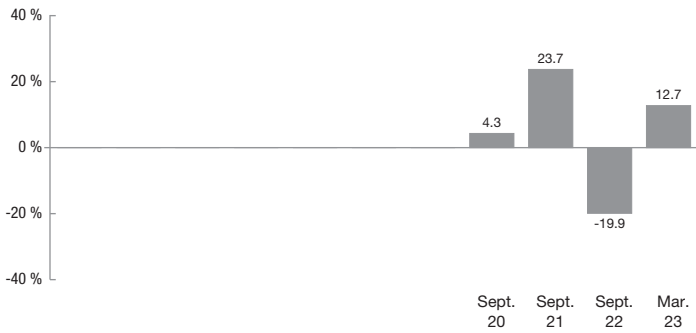
Series I



Series O



Series P



Series PF



Summary of Investment Portfolio as at March 31, 2023

Total Net Asset Value: \$53,571,237

| Top Holdings | | % |
|--------------|---------------------------------|------|
| 1 | Kinaxis | 5.9 |
| 2 | Premium Brands Holdings | 5.7 |
| 3 | ATS | 5.1 |
| 4 | Canadian Western Bank | 5.0 |
| 5 | Guardian Capital Group, Class A | 5.0 |
| 6 | EQB | 4.8 |
| 7 | Descartes Systems Group | 4.2 |
| 8 | Headwater Exploration | 4.1 |
| 9 | Cogeco | 4.0 |
| 10 | Badger Infrastructure Solution | 3.9 |
| 11 | Stella-Jones | 3.9 |
| 12 | Jamieson Wellness | 3.6 |
| 13 | Cash and Equivalents | 3.3 |
| 14 | Richelieu Hardware | 3.1 |
| 15 | Winpak | 2.9 |
| 16 | Parex Resources | 2.8 |
| 17 | Converge Technology Solutions | 2.6 |
| 18 | CI Financial | 2.5 |
| 19 | Calian Group | 2.5 |
| 20 | Softchoice | 2.5 |
| 21 | Brookfield Reinsurance, Class A | 2.3 |
| 22 | Freehold Royalties | 2.3 |
| 23 | Tecsys | 2.3 |
| 24 | Pollard Banknote | 2.2 |
| 25 | Richards Packaging Income Fund | 2.1 |
| | Total | 88.6 |

| Net Asset Value Mix | | % |
|----------------------|--|-------|
| Equity | | 92.5 |
| Unit Trust | | 4.2 |
| Cash and Equivalents | | 3.3 |
| Total | | 100.0 |

| Sector Allocation | | % |
|-------------------------|--|-------|
| Financials | | 19.7 |
| Information Technology | | 17.5 |
| Industrials | | 16.5 |
| Energy | | 11.3 |
| Consumer Staples | | 9.3 |
| Materials | | 6.8 |
| Communication Services | | 4.0 |
| Consumer Discretionary | | 3.8 |
| Health Care | | 3.7 |
| Cash and Equivalents | | 3.3 |
| Index-Based Investments | | 2.1 |
| Real Estate | | 2.0 |
| Total | | 100.0 |

| Geographic Distribution | | % |
|-------------------------|--|-------|
| Canada | | 94.4 |
| Cash and Equivalents | | 3.3 |
| Other Countries | | 2.3 |
| Total | | 100.0 |

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

"Other Countries" geographic category includes all countries individually representing less than 5% of the Portfolio's net asset value.

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