

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 Clean Infrastructure Fund's Series A units returned 1.3% for the six-month period ended March 31, 2023 compared with a return of 13.2% 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 Global Infrastructure Index (C\$).

The Fund's net asset value increased by 40.89% during the period, from \$196,483,352 as at September 30, 2022 to \$276,832,027 as at March 31, 2023. This change in net assets is attributed to net unitholder activity of \$74,161,526 and \$6,187,149 to investment operations, including market appreciation (depreciation), income and expenses.

Market Overview

The 6-month period ending March 31, 2023, proved to be quite tricky as factors such as elevated interest rates and stubborn inflation continued, geopolitical tensions and the Ukraine war waged on, and general concerns of decelerating economic growth impacted sentiment. The close of the period saw financial distress at a few banks and declining electricity prices which were sources of anxiety for investors.

Factors That Have Affected Performance

During the first half of the period Q4 2022, operationally, companies in the Fund had a solid quarter as demand for renewables projects outstripped supply, prices offset higher costs, and earnings revisions were mostly positive. Upon the close of Q4 2022, the portfolio sub-advisor finally gained much more clarity on power prices and windfall taxes in Europe (UK, Italy, Germany) with a better outcome than feared for the majority of countries. This clarity provides higher forward-looking visibility and stability for many of the portfolio sub-advisor's portfolio companies. During the quarter the Fund saw positive contribution in returns from Europe, and negative contribution from North America and Asia.

The final quarter of the period saw power prices come down; even if these levels remain well above pre-2022 prices, companies with some exposure to merchant prices will still face lower results in 2023 vs. 2022, which reduces their appeal in the short-term. PPA contracting prices have also moderated somewhat over the last quarter, consistent with the intensity of the energy crisis abating. During the quarter the portfolio saw positive contribution in returns from Europe and North America, and negative contribution from Asia.

On the positive side, inflation is positive for many companies in the fund given their passthrough/indexation revenue formula. The portfolio sub-advisor believes that aspect together with higher levels of electricity generation could be supportive in 2023 and beyond.

Many companies are seeing accelerating renewables development growth as more customers want green power and a predictable supply and cost of electricity. This is structurally positive for this sector, but more growth requires more equity and debt at a time when the cost of capital is rising. As a consequence, the portfolio sub-advisor has seen companies requiring equity, thereby creating an overhang, raising debt at a higher cost, or curtailing dividends to conserve capital. These headwinds weigh on stocks, however, the medium-term picture is constructive given lower valuation, faster growth, and stable returns.

Portfolio Changes

In Q4 2022, the Fund entered into EDP Renovaveis Sa. In addition to already owning the parent company EDP, the portfolio sub-advisor initiated the position to invest more heavily in the renewable subsidiary, EDPR.

In Q1 2023, the portfolio sub-advisor initiated 3 new positions. Greenvolt-Energias Renovaveis is a Portuguese developer and operator of renewables in Europe, with a differentiated positioning as an active seller of developed assets and owner of distributed generation for Commercial & Industrial customers. Neoen is a French developer and operator of renewables, primarily in Europe and Australia, with a strong presence in storage and Corporate PPAs. The portfolio sub-advisor took advantage of the share price decline on the back of the company's announcement of an equity raise to finance its ambitious growth to 2026 and beyond. Dominion Energy is a US utility that was one of the worst performers in the sector last year on the back of the company launching a strategic review and investors' concerns surrounding the sustainability of its earnings.

Corp. Acciona Energias Renovables was sold as the company is facing delays deploying renewables assets and is therefore falling behind plan. Moreover, it has a high proportion of merchant contracts that are facing lower power prices in 2023 vs 2022.

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.

The portfolio sub-advisor eliminated the position in SSE as it has been slow at migrating away from polluting generation and lags behind the progress made by peers. As such, SSE does not meet the Fund's emission requirements anymore.

NEI's Responsible Investing & ESG Services team (RI team) voted against management on 5% of the proxy items at four annual general meetings.

Recent Developments

Considering the three pillars of returns - equipment cost, cost of capital, and power prices, the portfolio sub-advisor believes that the outlook for returns remains constructive for the sector. Equipment costs, especially solar and to a lesser extent wind from China, are expected to come down in 2023 while European and US wind equipment costs are likely to gradually trend up, but only beyond the existing backlog. Moreover, shipping costs have sharply fallen since last year. As such, equipment cost is likely to be under control.

The cost of capital has moved up as both benchmark rates and equity risk premiums have risen. This has been somewhat offset by the decline over the quarter of longer-term interest rates—the more critical aspect of term-funding for the fund's investments. Importantly, the portfolio sub-advisor has not seen a material change in equity return expectations in the sector through this fast-moving inflation cycle.

Importantly, reflecting higher costs, power prices remain at levels that make returns for renewable developers attractive and continue to support development.

As such, strong demand and attractive returns should continue to fuel the growth and value creation in the sector.

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 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.



NEI Clean Infrastructure Fund

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	9.49	0.14	-0.12	0.11	-0.04	0.09	0.00	0.02	0.00	0.13	0.03	0.18	9.44
	Sept. 2022	10.00	0.21	-0.17	0.14	-1.55	-1.37	0.00	0.04	0.00	0.00	0.14	0.18	9.49
F	Mar. 2023	9.56	0.13	-0.07	0.11	0.01	0.18	0.00	0.06	0.00	0.13	0.00	0.19	9.54
	Sept. 2022	10.00	0.21	-0.10	0.14	-1.41	-1.16	0.00	0.10	0.00	0.00	0.08	0.18	9.56
I	Mar. 2023	9.61	0.14	-0.02	0.11	0.02	0.25	0.00	0.11	0.00	0.15	0.00	0.26	9.58
	Sept. 2022	10.00	0.21	-0.04	0.14	-0.45	-0.14	0.00	0.18	0.00	0.00	0.00	0.18	9.61
O	Mar. 2023	9.71	0.13	-0.02	0.11	0.00	0.22	0.00	0.11	0.00	0.15	0.00	0.26	9.67
	Sept. 2022	10.00	0.12	-0.01	0.15	-11.45	-11.19	0.00	0.07	0.00	0.00	0.00	0.07	9.71
P	Mar. 2023	9.50	0.14	-0.11	0.11	-0.13	0.01	0.00	0.02	0.00	0.14	0.05	0.21	9.42
	Sept. 2022	10.00	0.27	-0.16	0.14	-1.51	-1.26	0.00	0.12	0.00	0.00	0.06	0.18	9.50
PF	Mar. 2023	9.57	0.14	-0.06	0.11	-0.12	0.07	0.00	0.08	0.00	0.13	0.02	0.23	9.52
	Sept. 2022	10.00	0.19	-0.09	0.14	-2.34	-2.10	0.00	0.09	0.00	0.00	0.09	0.18	9.57

(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	7,174	760	2.18	2.18	0.14	17.30	9.44
	Sept. 2022	3,192	336	2.20	2.20	0.25	16.50	9.49
F	Mar. 2023	5,821	610	1.07	1.07	0.14	17.30	9.54
	Sept. 2022	3,721	389	1.07	1.07	0.25	16.50	9.56
I	Mar. 2023	239,740	25,023	N/A	N/A	0.14	17.30	9.58
	Sept. 2022	177,569	18,475	N/A	N/A	0.25	16.50	9.61
O	Mar. 2023	4,072	421	0.06	0.06	0.14	17.30	9.67
	Sept. 2022	3,990	411	0.06	0.06	0.25	16.50	9.71
P	Mar. 2023	3,003	319	2.01	2.01	0.14	17.30	9.42
	Sept. 2022	1,267	133	2.03	2.03	0.25	16.50	9.50
PF	Mar. 2023	17,022	1,788	0.90	0.90	0.14	17.30	9.52
	Sept. 2022	6,744	705	0.90	0.90	0.25	16.50	9.57

(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	1.70	41.18	58.82
Series F	0.70	100.00	N/A
Series P	1.60	37.51	62.49
Series PF	0.60	100.00	N/A

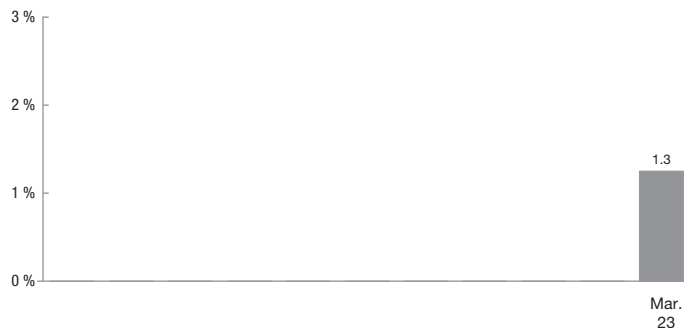
Past Performance

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.

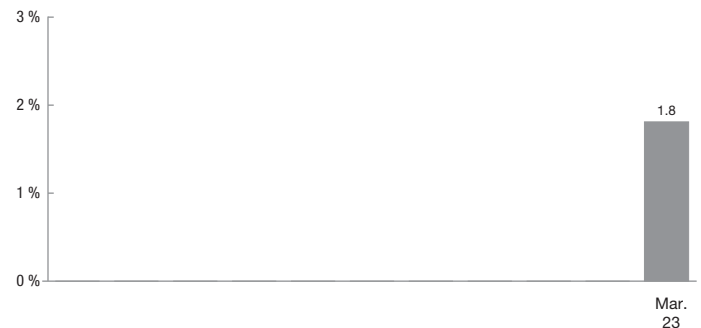
Year-by-Year Returns

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 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.

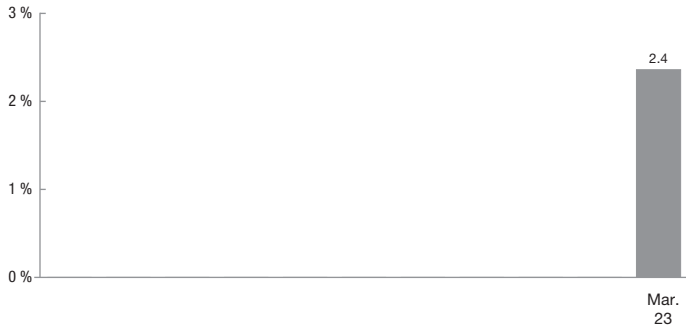
Series A



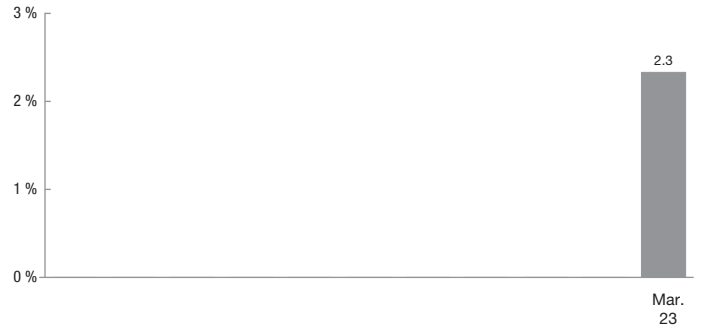
Series F



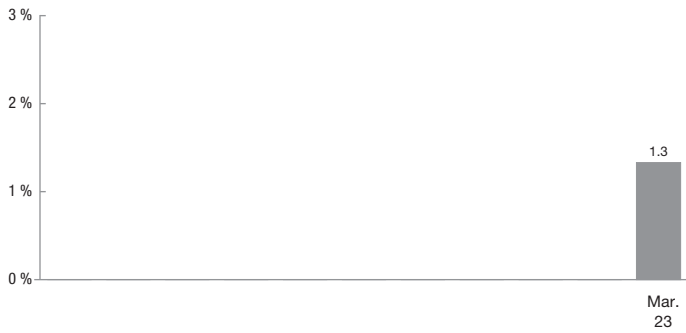
Series I



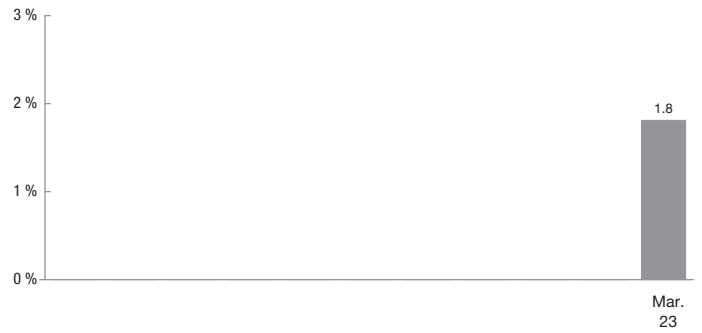
Series O



Series P



Series PF



Summary of Investment Portfolio as at March 31, 2023

Total Net Asset Value: \$276,832,027

Top Holdings			Net Asset Value Mix	
		%		%
1	ERG	5.6	Equity	95.2
2	Clearway Energy, Class C	5.4	Cash and Equivalents	4.8
3	Atlantica Sustainable Infrastructure	5.4	Total	100.0
4	NextEra Energy	5.3		
5	Cash and Equivalents	4.8		
6	Drax Group	4.8		
7	NextEra Energy Partners	4.2		
8	BKW	4.1		
9	Orsted	4.0		
10	ReNew Energy Global, Class A	3.8		
11	Brookfield Renewable, Class A	3.7		
12	TransAlta Renewables	3.7		
13	Terna—Rete Elettrica Nazionale	3.6		
14	Elia Group	3.4		
15	Energias de Portugal	3.4		
16	China Longyuan Power Group	3.2		
17	Encavis	3.0		
18	Enel	2.9		
19	RENOVA	2.8		
20	Dominion Resources	2.8		
21	Neoen	2.8		
22	Innervex Renewable Energy	2.8		
23	Greencoat Uk Wind	2.6		
24	Constellation Energy	2.5		
25	Public Service Enterprise Group	1.9		
	Total	92.5		

Sector Allocation		%
Utilities		90.5
Cash and Equivalents		4.8
Financials		2.7
Energy		1.3
Industrials		0.7
Total		100.0

Geographic Distribution		%
United States		33.0
Other Countries		32.5
Italy		12.1
United Kingdom		11.2
Canada		6.4
Cash and Equivalents		4.8
Total		100.0

"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.