

## 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](http://www.neiinvestments.com) or SEDAR at [www.sedar.com](http://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

The risks of 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 U.S. Dividend Fund's Series A units returned 6.4% for the six-month period ended March 31, 2023 compared with a return of 11.5% 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 Russell 3000 Value TR Index (C\$).

The Fund's net asset value decreased by 15.91% during the period, from \$56,003,148 as at September 30, 2022 to \$47,095,145 as at March 31, 2023. This change in net assets is attributed to net unitholder activity of -\$12,749,407 and \$3,841,404 to investment operations, including market appreciation (depreciation), income and expenses.

### Market Overview

With its announcement of a 50 bps increase in the fed funds target rate in December 2022, the Federal Reserve put the bow on its most aggressively hawkish year in a generation. Over the span of 273 days and seven meetings, it moved the target interest rate from zero to 4.25%-4.50%, the highest level since 2007. In addition, Fed officials started to pare down the nearly \$9T in assets that had accumulated on the central bank's balance sheet, allowing it to shrink by more than \$400B from the April peak. As the quarter progressed, the impacts of this relentless battle against inflation started to register across the global economy – yield curves inverted, inflationary pressure began to ebb, the University of Michigan noted inflationary concerns were easing, the U.S. housing market cooled down sharply, and global recession concerns grew. Apparently of the belief that much of the heavy lifting is now behind them, Fed officials communicated that they plan to take a more measured, data-dependent course in 2023.

Q1 2023 witnessed the first large casualties of the Fed's relentless battle against inflation as both Silicon Valley Bank and Credit Suisse collapsed. Despite the soured economic backdrop, all the major asset classes in the U.S. advanced in Q1 as long-term Treasury rates declined and the S&P 500 advanced. The strong S&P 500 result was largely driven by its 50 largest constituents. In fact, the worst performers of 2022 dominated in Q1 while the top performers of 2022 declined. Dividend payers sharply underperformed non-payers in Q1, and higher yielding stocks lagged. Value and small cap stocks lagged as well, as Bank of America Merrill Lynch reported low quality and risk-focused factors outperformed and value-related factors were among the worst performing.

### **Factors That Have Affected Performance**

The largest positive drivers of relative return were the overweights in Information Technology and Communication Services. The holdings with the highest contribution to active return during the period were Oracle Corp. (ORCL), Comcast Corp. (CMCSA), and Interpublic Group of Companies Inc. (IPG).

The largest negative drivers of relative return were stock selection in Financials and Energy. The holdings with the lowest contribution to active return were M&T Bank Corp. (MTB), Truist Financial Corp. (TFC), and Advance Auto Parts Inc. (AAP).

### **Portfolio Changes**

During the period, the portfolio sub-advisor established 3 new positions and eliminated 6 positions, ending the period with 50 positions, near the low end of the portfolio sub-advisor's expected range of 50 to 70 holdings.

The two largest changes in relative sector weights during the period were in Energy and Communication Services. The Energy sector went from overweight to underweight, primarily due to eliminating the positions in Enterprise Products Partners L.P. (EPD) and Magellan Midstream Partners L.P. (MMP). The Communication Services sector increased its overweight during the period. This increase was partially driven by the portfolio sub-advisor's decision to establish a new position in Cable One Inc. (CABO).

### **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.

Lockheed Martin was divested over the period as a result of the Fund's exclusionary screens.

NEI's Responsible Investing & ESG Services team (RI team) engaged nine companies including Pfizer, Cisco Systems, and Unilever, on topics such as equitable access, supply chain risks, and deforestation.

The RI team voted against management on 56% of the proxy items at eight annual general meetings. They supported 100% of four shareholder resolutions filed on ESG topics such as civil rights, reduction of plastic, and supply chain risks.

## Recent Developments

As the portfolio sub-advisor anticipated, U.S. equity markets have proven to be volatile in 1H 2023 as monetary policy has become both increasingly consequential and less predictable. Absent a near-term meltdown in the banking industry, the portfolio sub-advisor still expects the Fed funds rate will be higher in June than it was at the start of the year. However, the portfolio sub-advisor remains focused on trying to manage the economic risk that this tightening regime has engendered. Heedless of the growing disruption, Fed Chairman Jerome Powell has remained firm in his position that policymakers are focused on reining in inflation expectations and are willing to risk a recession. At the same time, the war in Ukraine still presents significant risks, especially as equipment arrives from all over Europe just in time for the spring campaign season. The portfolio sub-advisor believes a cocktail of forces, namely slowing economic growth, higher interest rates, losses on speculative asset classes, and a systematic decline in trust, will drive outperformance for both value and dividend-focused portfolios in the coming years.

Effective March 31, 2023, the investment strategies of NEI U.S. Dividend 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 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 U.S. Dividend 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 (\$) <sup>(1)</sup>

| 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 <sup>(2)</sup> | From Income (Excluding Dividends) | From Dividends | From Underlying Funds | From Capital Gains | Return of Capital |                           | Total Distributions <sup>(3)(4)</sup> |
| A      | Mar. 2023  | 11.11                           | 0.23                                | -0.17          | 0.67                    | 0.00                      | 0.73   | 0.00                              | 0.06           | 0.00                  | 0.00               | 0.30              | 0.36                      | 11.47                                 |
|        | Sept. 2022 | 11.71                           | 0.37                                | -0.34          | 1.05                    | -0.87                     | 0.21   | 0.00                              | 0.03           | 0.00                  | 0.00               | 0.69              | 0.72                      | 11.11                                 |
|        | Sept. 2021 | 10.41                           | 0.40                                | -0.33          | 2.39                    | -0.31                     | 2.15   | 0.00                              | 0.07           | 0.00                  | 0.00               | 0.61              | 0.68                      | 11.71                                 |
|        | Sept. 2020 | 12.37                           | 0.46                                | -0.34          | -0.33                   | -1.05                     | -1.26  | 0.00                              | 0.12           | 0.00                  | 0.18               | 0.44              | 0.74                      | 10.41                                 |
|        | Sept. 2019 | 12.52                           | 0.47                                | -0.36          | 0.49                    | -0.09                     | 0.51   | 0.00                              | 0.11           | 0.00                  | 0.20               | 0.40              | 0.71                      | 12.37                                 |
|        | Sept. 2018 | 11.67                           | 0.45                                | -0.37          | 0.80                    | 0.32                      | 1.20   | 0.00                              | 0.09           | 0.00                  | 0.00               | 0.20              | 0.29                      | 12.52                                 |
| F      | Mar. 2023  | 19.48                           | 0.39                                | -0.19          | 1.18                    | -0.05                     | 1.33   | 0.00                              | 0.21           | 0.00                  | 0.00               | 0.42              | 0.63                      | 20.20                                 |
|        | Sept. 2022 | 20.31                           | 0.65                                | -0.38          | 1.82                    | -1.72                     | 0.37   | 0.00                              | 0.27           | 0.00                  | 0.00               | 0.99              | 1.26                      | 19.48                                 |
|        | Sept. 2021 | 17.87                           | 0.69                                | -0.36          | 4.09                    | 0.04                      | 4.46   | 0.00                              | 0.34           | 0.00                  | 0.00               | 0.84              | 1.18                      | 20.31                                 |
|        | Sept. 2020 | 21.00                           | 0.80                                | -0.38          | -0.56                   | -1.48                     | -1.62  | 0.00                              | 0.42           | 0.00                  | 0.27               | 0.56              | 1.25                      | 17.87                                 |
|        | Sept. 2019 | 21.03                           | 0.80                                | -0.40          | 0.82                    | -0.06                     | 1.16   | 0.00                              | 0.41           | 0.00                  | 0.32               | 0.45              | 1.18                      | 21.00                                 |
|        | Sept. 2018 | 19.52                           | 0.76                                | -0.40          | 1.34                    | 0.50                      | 2.20   | 0.00                              | 0.37           | 0.00                  | 0.00               | 0.23              | 0.60                      | 21.03                                 |
| I      | Mar. 2023  | 20.51                           | 0.44                                | -0.06          | 1.25                    | 0.63                      | 2.26   | 0.02                              | 0.38           | 0.00                  | 0.00               | 0.00              | 0.40                      | 21.68                                 |
|        | Sept. 2022 | 20.52                           | 0.68                                | -0.11          | 1.88                    | -1.43                     | 1.02   | 0.00                              | 0.69           | 0.00                  | 0.00               | 0.00              | 0.69                      | 20.51                                 |
|        | Sept. 2021 | 18.50                           | 0.73                                | -0.11          | 4.20                    | 1.02                      | 5.84   | 0.00                              | 0.57           | 0.00                  | 1.46               | 0.00              | 2.03                      | 20.52                                 |
|        | Sept. 2020 | 21.07                           | 0.83                                | -0.13          | -0.56                   | -1.39                     | -1.25  | 0.00                              | 0.66           | 0.00                  | 0.28               | 0.00              | 0.94                      | 18.50                                 |
|        | Sept. 2019 | 20.67                           | 0.79                                | -0.13          | 0.81                    | -0.16                     | 1.31   | 0.00                              | 0.68           | 0.00                  | 0.32               | 0.00              | 1.00                      | 21.07                                 |
|        | Sept. 2018 | 18.97                           | 0.73                                | -0.13          | 1.31                    | 0.36                      | 2.27   | 0.00                              | 0.62           | 0.00                  | 0.00               | 0.00              | 0.62                      | 20.67                                 |
| O      | Mar. 2023  | 10.92                           | 0.23                                | -0.03          | 0.67                    | -0.04                     | 0.83   | 0.00                              | 0.18           | 0.00                  | 0.00               | 0.00              | 0.18                      | 11.57                                 |
|        | Sept. 2022 | 10.88                           | 0.36                                | -0.06          | 1.00                    | -0.96                     | 0.34   | 0.00                              | 0.31           | 0.00                  | 0.00               | 0.00              | 0.31                      | 10.92                                 |
|        | Sept. 2021 | 9.16                            | 0.36                                | -0.06          | 2.18                    | -0.48                     | 2.00   | 0.00                              | 0.30           | 0.00                  | 0.00               | 0.00              | 0.30                      | 10.88                                 |
|        | Sept. 2020 | 10.44                           | 0.40                                | -0.07          | -0.28                   | -0.84                     | -0.79  | 0.00                              | 0.33           | 0.00                  | 0.14               | 0.00              | 0.47                      | 9.16                                  |
|        | Sept. 2019 | 10.25                           | 0.40                                | -0.07          | 0.40                    | -0.02                     | 0.71   | 0.00                              | 0.33           | 0.00                  | 0.16               | 0.00              | 0.49                      | 10.44                                 |
|        | Sept. 2018 | 10.00                           | 0.12                                | -0.02          | 0.68                    | -0.46                     | 0.32   | 0.00                              | 0.08           | 0.00                  | 0.00               | 0.00              | 0.08                      | 10.25                                 |
| P      | Mar. 2023  | 12.99                           | 0.27                                | -0.18          | 0.78                    | 0.00                      | 0.87   | 0.00                              | 0.08           | 0.00                  | 0.00               | 0.35              | 0.43                      | 13.41                                 |
|        | Sept. 2022 | 13.67                           | 0.44                                | -0.37          | 1.22                    | -1.09                     | 0.20   | 0.00                              | 0.06           | 0.00                  | 0.00               | 0.79              | 0.85                      | 12.99                                 |
|        | Sept. 2021 | 12.14                           | 0.46                                | -0.36          | 2.80                    | -0.58                     | 2.32   | 0.00                              | 0.09           | 0.00                  | 0.00               | 0.71              | 0.80                      | 13.67                                 |
|        | Sept. 2020 | 14.39                           | 0.54                                | -0.37          | -0.38                   | -1.56                     | -1.77  | 0.00                              | 0.17           | 0.00                  | 0.21               | 0.48              | 0.86                      | 12.14                                 |
|        | Sept. 2019 | 14.54                           | 0.55                                | -0.40          | 0.57                    | -0.05                     | 0.67   | 0.00                              | 0.16           | 0.00                  | 0.22               | 0.44              | 0.82                      | 14.39                                 |
|        | Sept. 2018 | 13.55                           | 0.54                                | -0.40          | 0.95                    | 0.37                      | 1.46   | 0.00                              | 0.08           | 0.00                  | 0.00               | 0.27              | 0.35                      | 14.54                                 |
| PF     | Mar. 2023  | 13.68                           | 0.28                                | -0.11          | 0.83                    | -0.02                     | 0.98   | 0.00                              | 0.17           | 0.00                  | 0.00               | 0.27              | 0.44                      | 14.21                                 |
|        | Sept. 2022 | 14.22                           | 0.46                                | -0.22          | 1.28                    | -1.15                     | 0.37   | 0.00                              | 0.24           | 0.00                  | 0.00               | 0.65              | 0.89                      | 13.68                                 |
|        | Sept. 2021 | 12.48                           | 0.47                                | -0.21          | 2.92                    | -1.08                     | 2.10   | 0.00                              | 0.26           | 0.00                  | 0.00               | 0.57              | 0.83                      | 14.22                                 |
|        | Sept. 2020 | 14.61                           | 0.57                                | -0.22          | -0.39                   | -1.41                     | -1.45  | 0.00                              | 0.34           | 0.00                  | 0.17               | 0.36              | 0.87                      | 12.48                                 |
|        | Sept. 2019 | 14.59                           | 0.56                                | -0.23          | 0.57                    | -0.04                     | 0.86   | 0.00                              | 0.33           | 0.00                  | 0.22               | 0.26              | 0.81                      | 14.61                                 |
|        | Sept. 2018 | 13.53                           | 0.54                                | -0.24          | 0.95                    | 0.33                      | 1.58   | 0.00                              | 0.22           | 0.00                  | 0.00               | 0.22              | 0.44                      | 14.59                                 |

(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 (%) <sup>(1)</sup> | Management Expense Ratio before Waivers and Absorptions (%) | Trading Expense Ratio (%) <sup>(2)</sup> | Portfolio Turnover Rate (%) <sup>(3)</sup> | Net Asset Value per Unit (\$) |
|------------|------------|-------------------------------------|-------------------------------------|---|---|--|--|-------------------------------|
| A          | Mar. 2023  | 11,339                              | 989                                 | 2.33  | 2.33  | 0.04                                     | 16.54                                      | 11.47                         |
|            | Sept. 2022 | 11,264                              | 1,014                               | 2.35  | 2.50  | 0.02                                     | 22.46                                      | 11.11                         |
|            | Sept. 2021 | 13,450                              | 1,149                               | 2.33  | 2.55  | 0.03                                     | 16.16                                      | 11.71                         |
|            | Sept. 2020 | 16,872                              | 1,620                               | 2.34  | 2.56  | 0.04                                     | 37.28                                      | 10.41                         |
|            | Sept. 2019 | 24,870                              | 2,011                               | 2.32  | 2.54  | 0.04                                     | 35.49                                      | 12.37                         |
|            | Sept. 2018 | 29,295                              | 2,341                               | 2.34  | 2.64  | 0.04                                     | 39.71                                      | 12.52                         |
|            | F          | Mar. 2023                           | 5,431                               | 269   | 1.30  | 1.30                                     | 0.04                                       | 16.54                         |
| Sept. 2022 |            | 4,841                               | 249                                 | 1.31  | 1.35  | 0.02                                     | 22.46                                      | 19.48                         |
| Sept. 2021 |            | 5,283                               | 260                                 | 1.31  | 1.37  | 0.03                                     | 16.16                                      | 20.31                         |
| Sept. 2020 |            | 12,844                              | 719                                 | 1.32  | 1.38  | 0.04                                     | 37.28                                      | 17.87                         |
| Sept. 2019 |            | 16,118                              | 768                                 | 1.30  | 1.36  | 0.04                                     | 35.49                                      | 21.00                         |
| Sept. 2018 |            | 16,782                              | 798                                 | 1.30  | 1.44  | 0.04                                     | 39.71                                      | 21.03                         |
| I          |            | Mar. 2023                           | 13,900                              | 641   | N/A   | N/A                                      | 0.04                                       | 16.54                         |
|            | Sept. 2022 | 23,712                              | 1,156                               | N/A   | N/A   | 0.02                                     | 22.46                                      | 20.51                         |
|            | Sept. 2021 | 30,829                              | 1,502                               | N/A   | N/A   | 0.03                                     | 16.16                                      | 20.52                         |
|            | Sept. 2020 | 122,326                             | 6,612                               | N/A   | N/A   | 0.04                                     | 37.28                                      | 18.50                         |
|            | Sept. 2019 | 110,217                             | 5,231                               | N/A   | N/A   | 0.04                                     | 35.49                                      | 21.07                         |
|            | Sept. 2018 | 135,837                             | 6,572                               | N/A   | N/A   | 0.04                                     | 39.71                                      | 20.67                         |
|            | O          | Mar. 2023                           | 1                                   | -   | 0.05  | 0.05                                     | 0.04                                       | 16.54                         |
| Sept. 2022 |            | 1                                   | -                                   | 0.05  | 0.05  | 0.02                                     | 22.46                                      | 10.92                         |
| Sept. 2021 |            | 1                                   | -                                   | 0.05  | 0.05  | 0.03                                     | 16.16                                      | 10.88                         |
| Sept. 2020 |            | 1                                   | -                                   | 0.05  | 0.05  | 0.04                                     | 37.28                                      | 9.16                          |
| Sept. 2019 |            | 1                                   | -                                   | 0.05  | 0.05  | 0.04                                     | 35.49                                      | 10.44                         |
| Sept. 2018 |            | 1                                   | -                                   | 0.05  | 0.05  | 0.04                                     | 39.71                                      | 10.25                         |
| P          |            | Mar. 2023                           | 4,563                               | 340   | 2.17  | 2.17                                     | 0.04                                       | 16.54                         |
|            | Sept. 2022 | 4,481                               | 345                                 | 2.17  | 2.17  | 0.02                                     | 22.46                                      | 12.99                         |
|            | Sept. 2021 | 4,996                               | 365                                 | 2.17  | 2.17  | 0.03                                     | 16.16                                      | 13.67                         |
|            | Sept. 2020 | 4,149                               | 342                                 | 2.18  | 2.18  | 0.04                                     | 37.28                                      | 12.14                         |
|            | Sept. 2019 | 6,660                               | 463                                 | 2.17  | 2.17  | 0.04                                     | 35.49                                      | 14.39                         |
|            | Sept. 2018 | 6,190                               | 426                                 | 2.18  | 2.34  | 0.04                                     | 39.71                                      | 14.54                         |
|            | PF         | Mar. 2023                           | 11,861                              | 835   | 1.03  | 1.03                                     | 0.04                                       | 16.54                         |
| Sept. 2022 |            | 11,704                              | 856                                 | 1.02  | 1.02  | 0.02                                     | 22.46                                      | 13.68                         |
| Sept. 2021 |            | 11,914                              | 838                                 | 1.02  | 1.02  | 0.03                                     | 16.16                                      | 14.22                         |
| Sept. 2020 |            | 5,968                               | 478                                 | 1.03  | 1.03  | 0.04                                     | 37.28                                      | 12.48                         |
| Sept. 2019 |            | 5,088                               | 348                                 | 1.02  | 1.02  | 0.04                                     | 35.49                                      | 14.61                         |
| Sept. 2018 |            | 4,470                               | 306                                 | 1.05  | 1.13  | 0.04                                     | 39.71                                      | 14.59                         |

(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 (%) <sup>(1)</sup> | Investment Advisory and Other Fees (%) | Trailer Fee (%) |
|-----------|-----------------------------------|--|-----------------|
| Series A  | 1.75                              | 50.80                                  | 49.20           |
| Series F  | 0.85                              | 100.00                                 | N/A             |
| Series P  | 1.65                              | 39.40                                  | 60.60           |
| Series PF | 0.65                              | 100.00                                 | N/A             |

(1) Effective June 28, 2022, the management fee rates were reduced from 1.90% to 1.75% for Series A, and from 0.90% to 0.85% for Series F.

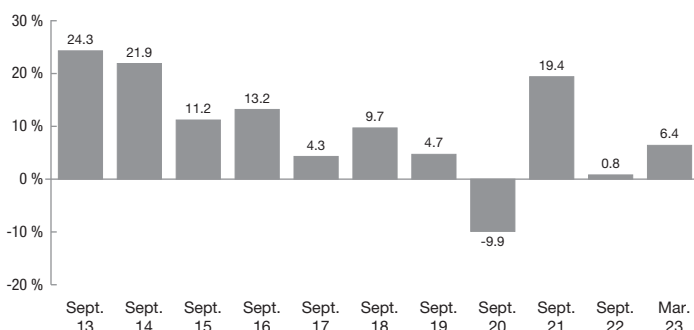
## Past Performance

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.

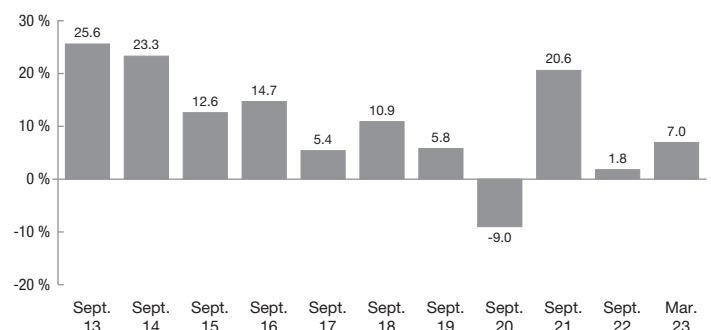
### Year-by-Year Returns

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.

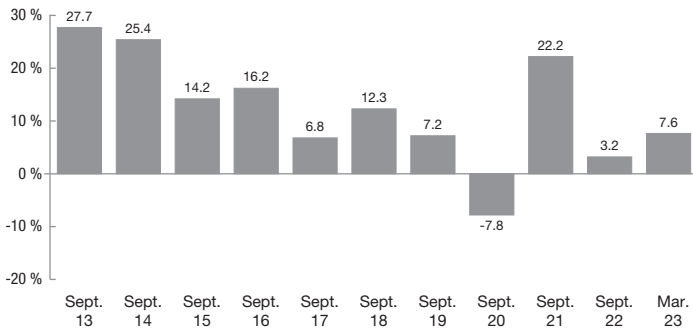
**Series A**



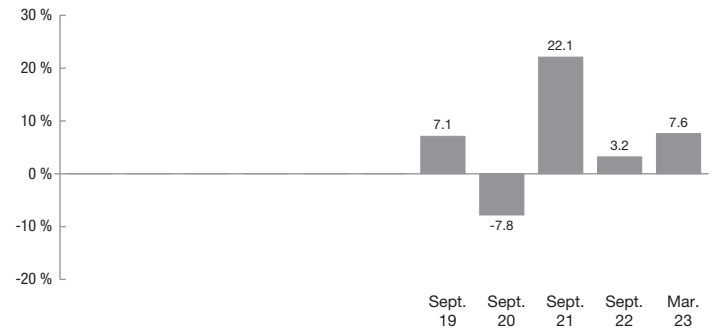
**Series F**



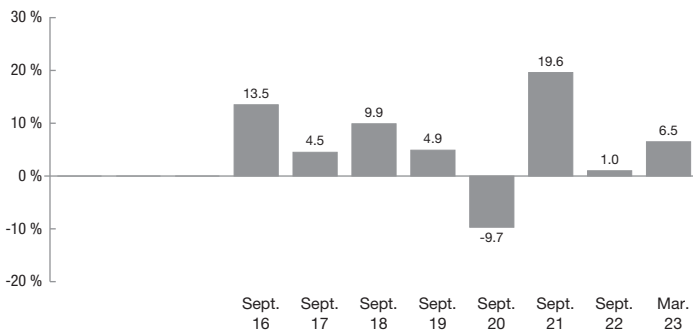
**Series I**



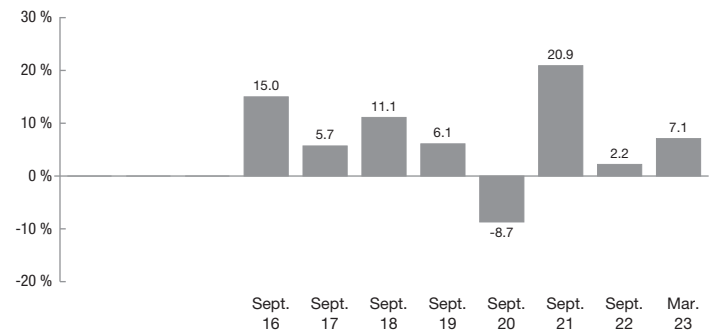
**Series O**



**Series P**



**Series PF**





## Summary of Investment Portfolio as at March 31, 2023

Total Net Asset Value: \$47,095,145

| Top Holdings |                                | %    |
|--------------|--------------------------------|------|
| 1            | Oracle                         | 4.6  |
| 2            | AES                            | 4.1  |
| 3            | United Parcel Service, Class B | 3.9  |
| 4            | Corning                        | 3.4  |
| 5            | Comcast, Class A               | 3.2  |
| 6            | Kinder Morgan                  | 3.2  |
| 7            | Williams Companies             | 3.0  |
| 8            | Progressive                    | 3.0  |
| 9            | Bristol-Myers Squibb           | 3.0  |
| 10           | Verizon Communications         | 2.9  |
| 11           | Unilever, ADR                  | 2.8  |
| 12           | American Tower                 | 2.7  |
| 13           | Target                         | 2.7  |
| 14           | Vistra                         | 2.6  |
| 15           | Kimberly-Clark                 | 2.5  |
| 16           | U.S. Bancorp                   | 2.3  |
| 17           | Pfizer                         | 2.3  |
| 18           | Cogent Communications Holdings | 2.3  |
| 19           | Watsco                         | 2.2  |
| 20           | AbbVie                         | 2.1  |
| 21           | Premier, Class A               | 2.0  |
| 22           | Amgen                          | 2.0  |
| 23           | Cash and Equivalents           | 2.0  |
| 24           | Truist Financial               | 1.9  |
| 25           | PepsiCo                        | 1.9  |
|              | Total                          | 68.6 |

| Net Asset Value Mix  |       | % |
|----------------------|-------|---|
| Equity               | 95.3  |   |
| Unit Trust           | 2.7   |   |
| Cash and Equivalents | 2.0   |   |
| Total                | 100.0 |   |

| Sector Allocation      |       | % |
|------------------------|-------|---|
| Financials             | 16.1  |   |
| Information Technology | 14.6  |   |
| Consumer Staples       | 14.4  |   |
| Health Care            | 13.4  |   |
| Communication Services | 11.1  |   |
| Utilities              | 9.6   |   |
| Industrials            | 7.4   |   |
| Energy                 | 6.2   |   |
| Real Estate            | 2.7   |   |
| Consumer Discretionary | 2.5   |   |
| Cash and Equivalents   | 2.0   |   |
| Total                  | 100.0 |   |

| Geographic Distribution |       | % |
|-------------------------|-------|---|
| United States           | 90.8  |   |
| Other Countries         | 7.2   |   |
| Cash and Equivalents    | 2.0   |   |
| 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.