

NEI

NEI Funds

# Semi-annual financial statements

March 31, 2025



# NEI Long Short Equity Fund

## STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

As at

	March 31 2025 \$	September 30 2024 \$
<b>ASSETS</b>		
<b>Current Assets</b>		
Margin deposits	73,715,291	18,786,122
Investments at fair value through profit or loss (FVTPL)-long positions	460,131,474	128,365,111
Options at fair value-long positions	2,169,198	799,353
Receivable for investments sold	2,955,951	750,730
Interest, dividends and other receivables	898,989	222,405
	<u>539,870,903</u>	<u>148,923,721</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Accrued expenses	5,627	1,347
Performance fees payable	205,929	1,437,324
Investments at fair value through profit or loss (FVTPL)-short positions	202,354,738	55,215,298
Options at fair value-short positions	1,845,048	627,812
Payable for investments purchased	2,660,843	287,930
Interest, dividends and other payables	192,004	41,872
	<u>207,264,189</u>	<u>57,611,583</u>
<b>Net Assets Attributable to Holders of Redeemable Units</b>	<u>332,606,714</u>	<u>91,312,138</u>
<b>Data per Series (Note b)</b>		
<b>Series A</b>		
Net assets attributable to holders of redeemable units	<u>943,235</u>	<u>713,123</u>
- per unit	<u>11.50</u>	<u>11.37</u>
<b>Series C</b>		
Net assets attributable to holders of redeemable units	<u>1,177</u>	<u>1,152</u>
- per unit	<u>11.77</u>	<u>11.52</u>
<b>Series F</b>		
Net assets attributable to holders of redeemable units	<u>2,299,598</u>	<u>677,789</u>
- per unit	<u>11.63</u>	<u>11.44</u>
<b>Series I</b>		
Net assets attributable to holders of redeemable units	<u>329,361,527</u>	<u>89,918,922</u>
- per unit	<u>11.78</u>	<u>11.53</u>
<b>Series O</b>		
Net assets attributable to holders of redeemable units	<u>1,177</u>	<u>1,152</u>
- per unit	<u>11.77</u>	<u>11.52</u>

Approved on behalf of the Board of Directors of  
**Northwest & Ethical Investments Inc.**,  
 acting as general partner of  
**Northwest & Ethical Investments L.P.** as Manager and Trustee



William Packham,  
President and Chief Executive Officer



John H. Bai,  
SVP, Chief Financial Officer and Chief Risk Officer

The Fund's independent auditors have not performed a review of these semi-annual financial statements in accordance with standards established by the Chartered Professional Accountants of Canada.

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

Six-month Periods Ended March 31

	2025 \$	2024* \$
<b>Income</b>		
Interest for distribution purposes	311,822	78,851
Dividends	3,170,217	505,800
Net income (loss) from derivatives	1,112,270	(125,143)
Foreign exchange gain (loss) on cash	(104,688)	52,970
Net realized gain (loss) on investments	(408,515)	(1,179,636)
Changes in fair value:		
Net unrealized gain (loss) on investments	(7,499,935)	6,252,637
Net unrealized gain (loss) on derivatives	152,611	33,542
	<u>(3,266,218)</u>	<u>5,619,021</u>
<b>Expenses (Note 5)</b>		
Management fees	15,537	1,359
Performance fees	1,646,201	994,293
Independent review committee's fees	1,001	369
Administration fees	2,879	203
Sales taxes	204,417	129,494
	<u>1,870,035</u>	<u>1,125,718</u>
Withholding taxes	68,075	12,940
Commissions and other portfolio transaction costs	754,837	87,799
Interest expense on investments sold short	151,895	18,111
Dividends expense on investments sold short	1,137,316	238,534
	<u>3,982,158</u>	<u>1,483,102</u>
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	<u>(7,248,376)</u>	<u>4,135,919</u>
<b>Data per Series</b>		
<b>Series A</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	<u>292</u>	<u>15,203</u>
- per unit	<u>-</u>	<u>0.52</u>
Weighted average units	<u>68,431</u>	<u>29,210</u>
<b>Series C</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	<u>25</u>	<u>53</u>
- per unit	<u>0.25</u>	<u>0.53</u>
Weighted average units	<u>100</u>	<u>100</u>
<b>Series F</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	<u>(34,727)</u>	<u>8,640</u>
- per unit	<u>(0.28)</u>	<u>0.60</u>
Weighted average units	<u>125,588</u>	<u>14,430</u>
<b>Series I</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	<u>(7,213,991)</u>	<u>4,111,970</u>
- per unit	<u>(0.55)</u>	<u>0.54</u>
Weighted average units	<u>13,182,868</u>	<u>7,658,603</u>
<b>Series O</b>		
Increase (decrease) in net assets attributable to holders of redeemable units	<u>25</u>	<u>53</u>
- per unit	<u>0.25</u>	<u>0.53</u>
Weighted average units	<u>100</u>	<u>100</u>

\* Beginning of operations in January 2024

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## STATEMENTS OF CHANGES IN FINANCIAL POSITION (UNAUDITED)

Six-month Periods Ended March 31

	<b>Series A</b>		<b>Series C</b>		<b>Series F</b>	
	2025 \$	2024* \$	2025 \$	2024* \$	2025 \$	2024* \$
<b>Net Assets Attributable to Holders of Redeemable Units, Beginning of Period</b>	713,123	-	1,152	-	677,789	-
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	292	15,203	25	53	(34,727)	8,640
<b>Redeemable Unit Transactions</b>						
Proceeds from sale of redeemable units	403,763	322,000	-	1,000	1,657,482	183,090
Amounts paid for redeemable units redeemed	(173,943)	-	-	-	(946)	-
	229,820	322,000	-	1,000	1,656,536	183,090
<b>Distributions to Holders of Redeemable Units</b>	-	-	-	-	-	-
<b>Net Assets Attributable to Holders of Redeemable Units, End of Period</b>	943,235	337,203	1,177	1,053	2,299,598	191,730

Six-month Periods Ended March 31

	<b>Series I</b>		<b>Series O</b>	
	2025 \$	2024* \$	2025 \$	2024* \$
<b>Net Assets Attributable to Holders of Redeemable Units, Beginning of Period</b>	89,918,922	-	1,152	-
<b>Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units</b>	(7,213,991)	4,111,970	25	53
<b>Redeemable Unit Transactions</b>				
Proceeds from sale of redeemable units	247,356,596	78,513,871	-	1,000
Amounts paid for redeemable units redeemed	(700,000)	(1,300,000)	-	-
	246,656,596	77,213,871	-	1,000
<b>Distributions to Holders of Redeemable Units</b>	-	-	-	-
<b>Net Assets Attributable to Holders of Redeemable Units, End of Period</b>	329,361,527	81,325,841	1,177	1,053

\* Beginning of operations in January 2024

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# NEI Long Short Equity Fund

## STATEMENTS OF CASH FLOWS (UNAUDITED)

Six-month Periods Ended March 31

	2025 \$	2024* \$
<b>Cash Flows from (used in) Operating Activities</b>		
Increase (decrease) in Net Assets Attributable to Holders of Redeemable Units	(7,248,376)	4,135,919
Adjustments for:		
Foreign exchange (gain) loss on cash	104,688	(52,970)
Net realized (gain) loss on investments and derivatives	408,515	1,179,636
Net unrealized (gain) loss on investments and derivatives	7,347,324	(6,286,179)
Margin deposits		
overdraft on derivatives	(54,929,169)	(19,372,392)
Proceeds from sale/maturity of investments	195,367,212	(7,124,163)
Investments purchased	(387,913,924)	(51,262,745)
Receivable for investments sold	(2,205,221)	(1,867,855)
Interest, dividends and other receivables	(676,584)	(171,863)
Accrued expenses	4,280	728
Performance fees payable	(1,231,395)	1,123,551
Interest, dividends and other payables	150,132	57,423
Payable for investments purchased	2,372,913	1,864,537
<b>Net Cash Flows from (used in) Operating Activities</b>	<b>(248,449,605)</b>	<b>(77,776,373)</b>
<b>Cash Flows from (used in) Financing Activities</b>		
Proceeds from sale of redeemable units	249,417,841	79,020,961
Amounts paid for redeemable units redeemed	(874,889)	(1,300,000)
<b>Net Cash Flows from (used in) Financing Activities</b>	<b>248,542,952</b>	<b>77,720,961</b>
Effect of exchange rate changes on foreign cash	(93,347)	55,412
Increase (decrease) in cash/bank overdraft	-	-
Cash (bank overdraft), beginning of period	-	-
<b>Cash (Bank Overdraft), End of Period</b>	<b>-</b>	<b>-</b>
<b>Supplemental Information on Cash Flows from (used in) Operating Activities</b>		
Interest received, net of withholding taxes	337,665	78,855
Dividends received, net of withholding taxes	2,474,158	321,918
Interest paid	159,850	18,111
Dividends paid on short sales	987,184	181,111

\* Beginning of operations in January 2024

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>LONG POSITIONS*</b>							
<b>Equities (138.3%)</b>							
<b>Canadian Equities (85.1%)</b>							
<b>Energy (14.0%)</b>							
Advantage Energy	152,254	1,462,281	1,650,421	Element Fleet Management	239,662	6,468,595	6,856,730
ARC Resources	171,573	4,309,979	4,963,607	NFI Group	84,706	1,116,301	1,002,072
Birchcliff Energy	144,100	825,643	962,588	Thomson Reuters	22,601	5,391,972	5,612,506
Canadian Natural Resources	238,782	10,280,766	10,573,267	Toromont Industries	22,888	2,717,308	2,577,875
Cenovus Energy	66,124	1,403,298	1,322,480	Waste Connections	35,356	8,864,100	9,917,004
CES Energy Solutions	75,300	625,600	557,220	WSP Global	22,167	5,275,568	5,413,403
Enbridge	124,212	7,073,523	7,911,062			54,403,232	53,672,325
Gibson Energy	113,979	2,567,448	2,544,011	<b>Consumer Discretionary (1.2%)</b>			
Keyera	48,869	2,102,503	2,185,910	Gildan Activewear	43,551	3,116,684	2,770,715
MEG Energy	19,467	480,098	491,152	Restaurant Brands International	6,077	587,145	582,967
NexGen Energy	33,218	344,805	214,256	Spin Master	23,475	763,939	564,808
Parkland	103,335	3,835,900	3,722,127			4,467,768	3,918,490
Precision Drilling	6,796	551,713	454,652	<b>Consumer Staples (2.6%)</b>			
Suncor Energy	45,152	2,303,070	2,515,869	Alimentation Couche-Tard	14,200	1,027,721	1,007,774
TC Energy	81,763	5,012,632	5,556,613	George Weston	19,099	4,076,405	4,685,558
TerraVest Industries	7,317	755,682	1,040,112	Metro	15,661	1,457,202	1,567,196
		43,934,941	46,665,347	North West Company	9,639	422,328	490,047
				Premium Brands Holdings	12,633	991,462	977,794
						7,975,118	8,728,369
<b>Materials (10.5%)</b>				<b>Health Care (0.8%)</b>			
Agnico Eagle Mines	54,710	6,464,109	8,529,836	Chartwell Retirement Residences	67,621	1,038,517	1,134,680
BeMetals	199,400	19,940	9,970	kneat.com	180,258	1,029,718	1,124,810
BeMetals, Warrants, 2025-07-31	99,700	-	259	Profound Medical	8,000	84,909	67,002
Capstone Copper	56,350	449,252	417,554	Vitalhub	19,800	192,602	200,970
CCL Industries, Class B	40,762	2,867,897	2,865,161			2,345,746	2,527,462
Champion Iron	128,760	722,695	565,256	<b>Financials (22.1%)</b>			
Dynacor Group	19,700	108,350	92,984	Bank of Montreal	59,757	8,447,694	8,211,807
First Quantum Minerals	152,948	2,620,313	2,959,544	Brookfield, Class A	95,979	7,996,076	7,228,178
Franco-Nevada	5,300	1,169,493	1,199,549	Canaccord Capital	65,725	566,124	552,747
Frontier Lithium	63,616	43,933	38,170	Canadian Imperial Bank of Commerce	36,875	3,127,835	2,985,031
G Mining Ventures	49,683	703,784	932,550	Dominion Lending Centres	66,177	411,106	504,269
Gold Royalty, Warrants, 2027-05-31	19,400	265	6,979	iA Financial Group	15,800	2,116,707	2,159,228
Hudbay Minerals	135,949	1,408,969	1,483,204	Intact Financial Corporation	12,743	3,469,366	3,746,569
IAMGOLD	108,810	927,382	977,114	Manulife Financial	145,976	5,873,895	6,545,564
Interfor	31,600	499,912	472,420	Power Corporation of Canada	123,369	5,610,898	6,277,015
K92 Mining	100,373	933,685	1,245,629	Royal Bank of Canada	88,928	14,346,962	14,415,229
Labrador Iron Ore Royalty	25,779	810,624	758,418	Sun Life Financial	56,473	4,620,082	4,651,116
Major Drilling Group International	103,171	913,931	827,431	TMX Group	14,145	726,331	743,178
NGEx Minerals	39,198	456,709	511,534	Toronto-Dominion Bank	177,282	14,691,966	15,287,027
Nutrien	19,218	1,458,404	1,372,550	Westaim	5,550	162,269	174,880
Osisko Metals, Restricted	589,500	153,270	259,704			72,167,311	73,481,838
Osisko Metals, Warrants, 2024-12-11	294,750	-	55,207	<b>Information Technology (7.9%)</b>			
Pan American Silver	72,804	2,335,283	2,706,125	Blackberry	145,800	870,638	790,236
Snowline Gold	11,400	57,000	97,584	Celestica	23,974	2,823,116	2,721,528
Solaris Resources	116,174	548,890	562,282	Constellation Software	1,169	5,216,719	5,327,566
Talon Metals	192,162	27,764	23,059	Coveo Solutions	102,662	701,851	554,375
Teck Resources, Class B	64,799	3,817,547	3,396,764	Descartes Systems Group	23,375	3,552,674	3,386,336
West Red Lake Gold Mines	120,100	86,472	69,658	Dye & Durham	43,673	636,217	472,979
Warrants, 2026-05-16	120,100	-	15,613	Kinaxis	9,406	1,510,266	1,492,356
Wheaton Precious Metals	22,822	2,180,496	2,548,533	Lumine Group	20,991	792,312	850,136
		31,786,369	35,000,641	Shopify, Class A	76,807	11,345,133	10,514,878
						27,448,926	26,110,390
<b>Industrials (16.1%)</b>				<b>Communication Services (1.8%)</b>			
Adentra	23,191	813,628	639,840	Cineplex	51,200	524,106	506,368
AG Growth International	15,936	682,291	556,644	Rogers Communications, Class B	79,868	3,537,004	3,069,327
Air Canada	122,334	2,259,047	1,733,473	TELUS	118,365	2,617,637	2,443,054
AtkinsRealis Group	27,656	1,834,628	1,890,841			6,678,747	6,018,749
Badger Infrastructure Solution	43,015	1,779,246	1,671,563	<b>Utilities (5.7%)</b>			
Boyd Group Services	11,248	2,821,091	2,327,099	AltaGas	182,212	6,029,662	7,191,908
Brookfield Business Partners, Units	15,427	454,262	519,890	Boralex, Class A	92,963	2,747,539	2,688,490
Canadian National Railway Company	7,200	1,007,549	1,008,288	Brookfield Infrastructure Partners	61,162	2,655,921	2,618,345
Canadian Pacific Kansas City	118,280	12,917,646	11,945,097	Brookfield Renewable Partners	39,039	1,287,433	1,243,783
				Capital Power	66,325	3,327,748	3,172,325
				Hydro One	22,098	949,637	1,069,322
				Innergex Renewable Energy	75,320	619,108	1,019,080
						17,617,048	19,003,253

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>Canadian Equities (continued)</b>			
<b>Index-Based Investments (0.1%)</b>			
Sprott Physical Uranium Trust	9,847	275,654	202,257
<b>Real Estate (2.3%)</b>			
Boardwalk Real Estate Investment Trust	25,569	1,706,401	1,715,680
BSR Real Estate Investment Trust	37,295	650,693	697,702
Colliers International Group	10,096	1,853,913	1,758,218
Crombie Real Estate Investment Trust	68,917	966,047	982,067
Dream Unlimited, Class A	20,788	478,414	410,147
First Capital Real Estate Investment Trust	32,711	554,709	539,404
InterRent Real Estate Investment Trust	54,474	618,309	614,467
Minto Apartments	74,207	1,084,417	1,004,021
		7,912,903	7,721,706

**Total Canadian Equities - Long** 277,013,763 283,050,827

### U.S. Equities (49.7%)

<b>Energy (1.6%)</b>			
Cheniere Energy	3,313	1,057,296	1,103,216
Chord Energy	2,954	494,576	479,168
Devon Energy	6,300	335,584	339,069
Expand Energy	7,480	1,051,730	1,198,259
Select Water Solutions, Class A	40,367	716,261	609,946
Targa Resources	5,609	1,305,551	1,618,120
		4,960,998	5,347,778
<b>Materials (0.2%)</b>			
Coeur Mining	67,420	603,181	574,363
<b>Industrials (4.3%)</b>			
AMETEK	4,012	1,065,790	993,845
Builders FirstSource	5,778	1,262,912	1,038,855
Clean Harbors	5,195	1,605,174	1,473,493
Copart	18,788	1,448,288	1,530,017
Deere & Company	1,585	1,062,167	1,070,538
Fastenal Company	12,855	1,316,689	1,434,596
Generac Holdings	3,750	736,091	683,459
Mueller Industries	6,700	764,955	734,114
Quanta Services	3,809	1,435,148	1,393,247
RXO	33,600	1,100,694	923,525
Sunrun	1,145	22,305	9,656
United Rentals	1,708	1,582,234	1,540,364
Universal Forest Products	9,438	1,525,186	1,453,791
		14,927,633	14,279,500

### Consumer Discretionary (5.3%)

Amazon.com	13,250	3,924,731	3,627,766
Boyd Gaming	3,500	341,149	331,564
Chewy, Class A	45,724	2,202,278	2,139,129
D.R. Horton	5,871	1,146,877	1,074,078
Darden Restaurants	4,534	1,266,401	1,355,562
Domino's Pizza	918	573,812	606,955
DoorDash, Class A	7,933	1,854,011	2,086,499
Five Below	3,710	499,731	400,015
Hasbro	4,300	399,821	380,495
Home Depot	3,675	2,020,467	1,938,186
Ollie's Bargain Outlet Holdings	4,666	666,090	781,312
Tapestry	5,800	621,110	587,676
Tesla	1,700	660,189	634,005
TJX Companies	10,155	1,690,056	1,779,931
		17,866,723	17,723,173

### Consumer Staples (2.3%)

BellRing Brands	8,827	848,567	945,828
BJ's Wholesale Club	9,000	1,393,147	1,477,760
Coca-Cola Consolidated	10,200	984,571	1,051,261
Costco Wholesale	250	352,818	340,256
Interparfums	1,244	235,706	203,848

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
Procter & Gamble	6,045	1,448,299	1,482,493
Walmart	16,215	1,910,462	2,048,509
		7,173,570	7,549,955
<b>Health Care (4.2%)</b>			
Adma Biologics	9,600	272,934	274,087
Akero Therapeutics	800	29,292	46,602
Boston Scientific	18,077	2,251,378	2,624,263
Bristol-Myers Squibb	13,444	1,089,727	1,179,948
Cardinal Health	6,447	1,177,777	1,278,169
DexCom	9,812	1,183,555	964,252
Eli Lilly and Company	1,700	1,967,952	2,020,494
Inmed	1,500	100,745	164,678
Intuitive Surgical	3,123	2,311,165	2,225,819
Masimo	2,100	511,191	503,466
Radnet	16,553	1,333,016	1,184,360
Veracyte	15,400	860,399	657,085
Zoetis	2,349	576,231	556,571
Zymeworks	10,030	169,838	171,905
		13,835,200	13,851,699

### Financials (12.0%)

Apollo Global Management	2,931	396,192	577,593
Ares Management, Class A	4,546	1,067,556	959,111
Arthur J. Gallagher & Co.	3,066	1,366,440	1,523,243
Bank of America	38,572	2,390,678	2,316,309
Berkshire Hathaway, Class B	1,825	1,313,643	1,398,697
Capital One Financial	2,915	824,817	752,133
CBOE Holdings	2,700	835,917	879,235
Charles Schwab	20,400	2,304,709	2,298,036
CME Group	3,570	1,264,245	1,362,903
Corebridge Financial	10,313	491,219	468,528
Interactive Brokers Group, Class A	3,437	1,029,240	819,011
Intercontinental Exchange Group	3,071	672,106	762,333
JPMorgan Chase & Co.	4,753	1,665,747	1,677,804
KKR	11,245	1,983,846	1,870,815
LPL Financial Holdings	4,560	2,127,539	2,146,715
M&T Bank	5,043	1,352,342	1,297,212
Mastercard, Class A	1,708	1,266,801	1,347,223
MetLife	22,827	2,710,372	2,637,462
PennyMac Financial Services	6,441	972,329	927,912
Pinnacle Financial Partners	11,857	1,890,439	1,809,341
PNC Financial Services Group	3,076	851,601	778,049
Progressive	5,914	1,999,735	2,408,568
Reinsurance Group of America	9,118	2,562,242	2,583,576
Robinhood Markets, Class A	21,059	1,232,606	1,261,292
Rocket Companies, Class A	23,200	446,875	402,969
S&P Global	540	414,772	394,838
Unum Group	18,734	2,095,074	2,196,093
Wells Fargo & Company	19,447	2,123,138	2,009,058
		39,652,220	39,866,059

### Information Technology (12.6%)

Analog Devices	3,100	933,656	899,661
Apple	18,030	5,971,035	5,763,401
Atlassian, Class A	4,466	1,693,047	1,363,831
Broadcom	11,889	3,256,440	2,864,537
Cloudflare, Class A	9,969	1,787,476	1,616,638
Confluent, Class A	39,270	1,808,883	1,324,629
Gartner	1,886	1,341,804	1,139,195
Guidewire Software	2,400	622,758	647,089
Intel	24,307	821,289	794,373
International Business Machines	1,817	661,995	650,185
Intuit	1,450	1,252,977	1,281,165
Lumentum Holdings	7,000	644,521	627,973
Micron Technology	4,900	684,942	612,691
Microsoft	10,702	6,130,531	5,781,274
Motorola Solutions	1,721	1,008,467	1,084,282
nCino	16,542	763,948	653,917
NetGear	11,600	399,463	408,310
NVIDIA	37,932	6,119,525	5,916,035
Oracle	1,800	387,497	362,148
Palo Alto Networks	3,124	874,255	767,128
Qualcomm	3,000	694,174	663,157
Roper Technologies	997	794,016	845,890

The accompanying Notes are an integral part of these financial statements.



# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>U.S. Equities (continued)</b>			
Salesforce	2,160	1,003,703	834,156
Snowflake, Class A	4,952	1,217,113	1,041,562
Synopsys	1,744	1,233,886	1,076,286
Twilio, Class A	9,670	1,681,627	1,362,478
UL Solutions, Class A	6,125	454,929	497,120
Veralto	500	54,945	70,118
Workday, Class A	2,700	1,014,995	907,366
		45,313,897	41,856,595
<b>Communication Services (3.1%)</b>			
Alphabet, Class A	11,410	2,852,373	2,539,121
AT&T	16,569	592,237	674,298
Meta Platforms, Class A	4,300	3,853,393	3,566,467
Netflix	796	1,076,449	1,068,198
Reddit, Class A	3,054	662,396	461,021
Take-Two Interactive Software	2,071	541,338	617,661
Walt Disney Company	5,361	854,489	761,446
Zillow Group, Class C	5,200	558,095	513,039
		10,990,770	10,201,251
<b>Utilities (1.3%)</b>			
Eversource	8,609	796,686	854,206
NiSource	16,862	833,356	972,794
PPL	34,412	1,578,671	1,788,188
Vistra	5,400	992,130	912,611
		4,200,843	4,527,799
<b>Index-Based Investments (2.0%)</b>			
Invesco S&P 500 Low Volatility ETF	48,247	5,001,297	5,187,798
iShares MSCI Germany ETF	31,400	1,726,278	1,675,503
		6,727,575	6,863,301
<b>Real Estate (0.8%)</b>			
Host Hotels & Resorts	42,220	1,001,083	863,353
InvenTrust Properties	9,942	421,601	420,198
Ventas	15,206	1,304,811	1,504,620
		2,727,495	2,788,171
<b>Total U.S. Equities - Long</b>		168,980,105	165,429,644
<b>Foreign Equities (3.5%)</b>			
<b>Cayman Islands (0.2%)</b>			
Alibaba Group Holding, ADR	3,300	634,483	627,942
<b>Germany (0.3%)</b>			
SAP, ADR	2,598	1,014,645	1,003,604
<b>Ireland (0.6%)</b>			
Aon	3,129	1,657,078	1,797,017
<b>Israel (0.6%)</b>			
CyberArk	2,712	1,356,253	1,319,114
Teva Pharmaceutical Industries, ADR	35,679	861,451	789,155
		2,217,704	2,108,269
<b>Luxembourg (0.6%)</b>			
Spotify Technology	2,680	1,870,912	2,121,275
<b>Netherlands (0.1%)</b>			
Elastic	3,492	541,312	447,742
<b>Taiwan (0.5%)</b>			
Taiwan Semiconductor Manufacturing Company, ADR	6,217	1,672,850	1,485,131

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>United Kingdom (0.6%)</b>			
Endeavour Mining	41,300	1,265,297	1,428,154
ReNew Energy Global, Class A	74,548	681,661	631,869
		1,946,958	2,060,023
<b>Total Foreign Equities - Long</b>		11,555,942	11,651,003
<b>Total Long Positions</b>		457,549,810	460,131,474

### SHORT POSITIONS

#### Equities (-60.8%)

##### Canadian Equities (-15.1%)

<b>Energy (-1.2%)</b>			
Baytex Energy	(180,011)	(649,099)	(574,235)
Ensign Resource Service Group	(90,415)	(237,915)	(210,667)
Obsidian Energy	(54,767)	(418,547)	(461,686)
Parex Resources	(21,000)	(295,036)	(281,820)
Spartan Delta	(95,369)	(340,195)	(318,532)
Tourmaline Oil	(3,000)	(199,984)	(208,200)
Trican Well Service	(77,666)	(354,745)	(361,924)
Vermilion Energy	(87,867)	(1,011,205)	(1,023,651)
Whitecap Resources	(75,357)	(733,721)	(697,806)
		(4,240,447)	(4,138,521)

<b>Materials (-1.2%)</b>			
Alamos Gold, Class A	(2,300)	(74,869)	(88,435)
B2Gold	(12,038)	(46,108)	(49,235)
Eldorado Gold	(14,701)	(310,060)	(355,617)
Ero Copper	(17,241)	(356,189)	(300,511)
First Majestic Silver	(53,392)	(423,076)	(513,631)
Fortuna Mining	(7,200)	(55,247)	(63,203)
Kinross Gold	(32,400)	(516,081)	(587,412)
Lundin Mining	(63,127)	(766,430)	(736,061)
New Found Gold	(15,714)	(64,322)	(27,185)
New Gold	(162,055)	(655,101)	(862,133)
Sandstorm Gold	(33,126)	(260,449)	(359,086)
		(3,527,932)	(3,942,509)

<b>Industrials (-0.1%)</b>			
Ballard Power Systems	(3,976)	(18,470)	(6,322)
Hammond Power Solutions	(2,000)	(195,636)	(152,200)
		(214,106)	(158,522)

<b>Consumer Discretionary (-0.4%)</b>			
BRP	(4,480)	(285,377)	(217,683)
Canadian Tire Corporation, Class A	(6,311)	(938,971)	(943,116)
Magna International, Class A	(6,440)	(357,973)	(314,980)
		(1,582,321)	(1,475,779)

<b>Consumer Staples (-0.7%)</b>			
Loblaw Companies	(11,133)	(2,014,071)	(2,245,081)

<b>Financials (-1.8%)</b>			
Brookfield Asset Management, Class A	(17,071)	(1,381,346)	(1,189,166)
Fairfax Financial Holdings	(250)	(489,297)	(519,960)
Fiera Capital	(6,000)	(56,114)	(36,780)
Great-West Lifeco	(30,687)	(1,481,566)	(1,730,133)
IGM Financial	(18,589)	(778,624)	(822,749)
National Bank of Canada	(9,805)	(1,193,709)	(1,164,540)
Scotiabank	(4,800)	(331,151)	(327,504)
StorageVault Canada	(43,856)	(189,468)	(171,477)
		(5,901,275)	(5,962,309)

<b>Information Technology (-0.4%)</b>			
Docebo	(4,608)	(271,231)	(190,725)
Enghouse Systems	(23,352)	(680,211)	(599,446)
Open Text	(18,001)	(772,508)	(653,796)
		(1,723,950)	(1,443,967)

The accompanying Notes are an integral part of these financial statements.



# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>Canadian Equities (continued)</b>							
<b>Communication Services (-0.2%)</b>							
Cogeco Communications	(8,157)	(522,566)	(572,458)	Booking Holdings	(80)	(495,763)	(530,366)
<b>Utilities (-0.8%)</b>				Chegg	(3,432)	(38,593)	(3,156)
Brookfield Infrastructure, Class A	(22,328)	(1,258,550)	(1,160,386)	Deckers Outdoor	(1,501)	(322,903)	(241,511)
Brookfield Renewable	(20,250)	(804,860)	(813,442)	DraftKings	(8,120)	(450,704)	(388,062)
Emera	(4,860)	(263,923)	(294,565)	GigaCloud Technology, Class A	(3,300)	(90,094)	(67,434)
Fortis	(8,164)	(489,446)	(535,150)	Harley-Davidson	(6,567)	(270,975)	(238,619)
		(2,816,779)	(2,803,543)	LGI Homes	(4,350)	(542,351)	(416,093)
<b>Index-Based Investments (-8.2%)</b>				Polaris	(3,216)	(270,420)	(189,470)
iShares Core S&P/TSX Capped Composite Index ETF	(607,854)	(23,922,465)	(24,156,118)	RealReal	(24,952)	(281,363)	(193,540)
iShares S&P/TSX Capped Energy Index ETF	(169,118)	(2,937,341)	(2,981,550)	Stellantis	(23,700)	(414,941)	(382,322)
		(26,859,806)	(27,137,668)	Tractor Supply Company	(4,028)	(294,553)	(319,387)
<b>Real Estate (-0.1%)</b>				Udemy	(17,000)	(217,370)	(189,839)
Canadian Apartment Properties Real Estate Investment Trust	(10,864)	(472,397)	(468,673)	Ulta Salon Cosmetics & Fragrance	(278)	(166,849)	(146,636)
<b>Total Canadian Equities - Short</b>				Wayfair, Class A	(3,100)	(165,982)	(142,888)
		(49,875,650)	(50,349,030)	Williams-Sonoma	(2,000)	(493,370)	(455,028)
<b>U.S. Equities (-43.8%)</b>				Yeti Holdings	(3,757)	(202,083)	(178,956)
<b>Energy (-0.8%)</b>				Yum! Brands	(2,255)	(442,313)	(510,642)
Chevron	(2,800)	(619,254)	(674,068)			(5,779,419)	(5,041,771)
EOG Resources	(1,800)	(329,037)	(332,179)	<b>Consumer Staples (-1.1%)</b>			
Halliburton Company	(20,400)	(796,319)	(744,777)	Brown-Forman, Class B	(6,300)	(339,165)	(307,701)
ONEOK	(3,700)	(486,344)	(528,295)	Constellation Brands, Class A	(1,711)	(433,502)	(451,866)
Williams Companies	(5,800)	(460,230)	(498,786)	General Mills	(9,900)	(893,985)	(851,804)
		(2,691,184)	(2,778,105)	Hershey Company	(700)	(147,933)	(172,284)
<b>Materials (-1.0%)</b>				Maplebear	(14,854)	(925,250)	(852,675)
Avery Dennison	(2,789)	(752,737)	(714,284)	PepsiCo	(4,669)	(1,016,158)	(1,007,436)
Cleveland-Cliffs	(21,214)	(364,524)	(250,940)			(3,755,993)	(3,643,766)
Commercial Metals Company	(2,700)	(200,540)	(178,769)	<b>Health Care (-1.8%)</b>			
Newmont	(5,040)	(310,475)	(350,166)	Amgen	(1,725)	(744,275)	(773,380)
Rio Tinto	(13,397)	(1,194,801)	(1,158,279)	Apellis Pharmaceuticals	(10,188)	(426,894)	(320,637)
Southern Copper	(4,800)	(653,950)	(645,569)	Biogen	(2,000)	(427,086)	(393,839)
		(3,477,027)	(3,298,007)	Edwards Lifesciences	(4,114)	(414,127)	(429,100)
<b>Industrials (-4.0%)</b>				Henry Schein	(3,334)	(351,604)	(328,601)
AGCO	(3,500)	(498,702)	(466,245)	Hims & Hers Health	(5,950)	(331,856)	(253,017)
ArcBest	(4,420)	(592,731)	(448,931)	IDEXX Laboratories	(716)	(467,997)	(432,700)
Bloom Energy	(11,174)	(338,469)	(316,132)	Madrigal Pharmaceuticals	(648)	(273,510)	(308,873)
C.H. Robinson Worldwide	(3,966)	(537,684)	(584,425)	Merck & Co.	(5,929)	(758,550)	(765,844)
Caterpillar	(1,785)	(889,198)	(847,159)	Molina Healthcare	(1,064)	(458,160)	(504,345)
Equifax	(1,800)	(640,968)	(630,891)	Stryker	(900)	(496,299)	(482,118)
Illinois Tool Works	(3,053)	(1,119,677)	(1,089,612)	Universal Health Services, Class B	(1,601)	(423,289)	(432,906)
J.B. Hunt Transport Services	(1,886)	(452,935)	(401,543)	Zimmer Biomet Holdings	(3,734)	(561,845)	(608,163)
Kennametal	(16,400)	(531,207)	(502,689)			(6,135,492)	(6,033,523)
Lennox International	(696)	(604,814)	(561,715)	<b>Financials (-6.7%)</b>			
MSC Industrial Direct Co., Class A	(5,261)	(617,418)	(588,027)	Affirm Holdings	(2,300)	(143,593)	(149,571)
Oshkosh	(5,271)	(795,796)	(713,619)	Allstate	(3,300)	(957,256)	(983,347)
Otis Worldwide	(4,475)	(623,594)	(664,582)	American Express	(2,673)	(1,065,550)	(1,034,923)
Paycom Software	(1,580)	(482,005)	(496,758)	American Financial Group	(1,600)	(287,851)	(302,408)
Plug Power	(2,200)	(13,700)	(4,274)	American International Group	(4,260)	(464,479)	(532,973)
Robert Half	(6,649)	(617,860)	(521,948)	Ameriprise Financial	(799)	(608,899)	(556,630)
Rockwell Automation	(1,184)	(462,186)	(440,237)	Arch Capital Group	(9,838)	(1,297,414)	(1,361,656)
Stanley Black & Decker	(4,638)	(579,940)	(513,121)	Baldwin Insurance Group	(11,942)	(701,655)	(768,004)
Sunrun	(1,145)	(24,273)	(9,656)	Bancorp	(9,000)	(691,385)	(684,355)
Terex	(12,127)	(800,138)	(659,312)	Bank OZK	(10,468)	(706,608)	(654,530)
Uber Technologies	(5,168)	(527,789)	(541,861)	Blackstone	(3,949)	(887,022)	(794,343)
United Parcel Service, Class B	(5,196)	(878,532)	(822,429)	Blue Owl Capital	(24,119)	(737,580)	(695,557)
Upwork	(22,179)	(470,099)	(416,513)	Citigroup	(6,198)	(682,232)	(633,176)
Verisk Analytics, Class A	(834)	(326,146)	(357,194)	Euronet Worldwide	(2,200)	(330,101)	(338,277)
Werner Enterprises	(17,241)	(851,303)	(726,952)	FactSet Research Systems	(759)	(492,396)	(496,576)
		(14,277,164)	(13,325,825)	Federated Hermes	(6,666)	(353,965)	(391,095)
<b>Consumer Discretionary (-1.5%)</b>				Fidelity National Information Services	(5,800)	(600,140)	(623,316)
1-800-flowers.com	(5,887)	(76,093)	(49,983)	Franklin Resources	(7,963)	(228,271)	(220,589)
Abercrombie & Fitch, Class A	(3,620)	(542,699)	(397,839)	Goosehead Insurance, Class A	(2,867)	(475,660)	(487,087)
				Jack Henry & Associates	(3,630)	(913,837)	(953,857)
				Jefferies Financial Group	(2,229)	(226,058)	(171,833)
				Kinsale Capital Group	(736)	(456,933)	(515,494)
				Lazard	(5,229)	(373,698)	(325,824)
				Marsh & McLennan Companies	(2,289)	(741,296)	(803,831)
				MGIC Investment	(14,779)	(514,042)	(527,014)
				Moody's	(500)	(327,002)	(335,076)
				Morgan Stanley	(4,583)	(856,027)	(769,458)
				Nasdaq	(3,100)	(325,034)	(338,416)
				OneMain Holdings	(3,200)	(237,268)	(225,090)

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$		NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>U.S. Equities (continued)</b>				Ormat Technologies	(4,922)	(460,168)	(501,264)
Principal Financial Group	(8,236)	(972,210)	(999,955)	Portland General Electric Company	(6,700)	(411,860)	(430,017)
Raymond James Financial	(4,100)	(841,399)	(819,584)	Spire	(5,743)	(566,949)	(646,694)
Ryan Specialty Holdings	(5,411)	(536,946)	(575,203)	WEC Energy Group	(1,708)	(247,331)	(267,862)
SoFi Technologies	(26,133)	(551,887)	(437,366)			(5,991,414)	(6,128,136)
Synchrony Financial	(3,750)	(346,045)	(285,687)	<b>Index-Based Investments (-20.2%)</b>			
T. Rowe Price Group	(1,400)	(211,081)	(185,088)	First Trust Cloud Computing ETF	(3,300)	(501,277)	(485,476)
Terreno Realty	(9,301)	(861,951)	(846,175)	Industrial Select Sector SPDR Fund	(10,264)	(1,928,182)	(1,935,958)
Toast, Class A	(9,400)	(471,730)	(448,693)	Invesco QQQ Trust Series 1 ETF	(23,216)	(16,298,597)	(15,666,141)
Truist Financial	(7,000)	(446,589)	(414,518)	Invesco S&P 500 Top 50 ETF	(39,940)	(2,700,909)	(2,645,030)
Western Union	(15,400)	(259,982)	(234,467)	iShares 20+ Year Treasury Bond ETF	(11,880)	(1,541,386)	(1,556,241)
WEX	(750)	(184,053)	(169,470)	iShares Core S&P 500 ETF	(47,058)	(39,083,824)	(38,051,202)
		(22,367,125)	(22,090,512)	iShares Expanded Tech-Software Sector ETF	(5,600)	(740,326)	(717,142)
<b>Information Technology (-2.9%)</b>				iShares JPMorgan USD Emerging Markets Bond ETF	(6,357)	(811,173)	(828,721)
Appian	(3,900)	(164,112)	(161,690)	iShares MSCI Emerging Markets ETF	(21,995)	(1,360,058)	(1,383,188)
Applied Materials	(1,571)	(395,542)	(328,080)	iShares MSCI USA Momentum Factor ETF	(5,768)	(1,772,323)	(1,677,768)
Arista Networks	(3,500)	(399,814)	(390,242)	SPDR S&P Biotech ETF	(4,100)	(474,576)	(478,499)
Arrow Electronics	(3,527)	(571,950)	(526,992)	SPDR S&P Metals & Mining ETF	(12,693)	(1,091,504)	(1,022,706)
Astera Labs	(4,400)	(485,270)	(377,820)	VanEck Vietnam ETF	(44,200)	(785,784)	(793,803)
AvePoint	(15,900)	(328,581)	(330,400)			(69,089,919)	(67,241,875)
Box, Class A	(4,300)	(203,712)	(190,959)	<b>Real Estate (-1.6%)</b>			
C3.ai, Class A	(2,100)	(89,493)	(63,613)	Alexandria Real Estate Equities	(5,940)	(872,561)	(790,772)
Clear Secure, Class A	(2,800)	(91,786)	(104,400)	CBRE Group	(3,812)	(754,864)	(717,414)
Dell Technologies	(1,500)	(220,964)	(196,754)	CubeSmart	(700)	(42,941)	(43,023)
DigitalOcean Holdings	(13,303)	(756,491)	(639,208)	Digital Realty Trust	(4,600)	(1,001,147)	(948,527)
DoubleVerify Holdings	(7,350)	(210,068)	(141,415)	Essex Property Trust	(640)	(263,499)	(282,349)
Dropbox, Class A	(3,500)	(134,032)	(134,530)	Iron Mountain REIT	(4,798)	(653,869)	(594,068)
Enphase Energy	(2,333)	(245,307)	(208,321)	Mid-America Apartment Communities	(1,992)	(426,797)	(480,383)
EPAM Systems	(1,133)	(359,438)	(275,284)	National Storage Affiliates Trust	(5,508)	(307,806)	(312,296)
Fastly, Class A	(8,100)	(86,863)	(73,784)	Realty Income	(4,064)	(315,509)	(339,260)
Five9	(700)	(26,685)	(27,349)	Simon Property Group	(1,344)	(344,007)	(321,213)
Fortinet	(2,388)	(353,831)	(330,793)	Weyerhaeuser Company	(14,760)	(654,007)	(621,918)
Gitlab, Class A	(4,800)	(325,528)	(324,650)			(5,637,007)	(5,451,223)
HubSpot	(400)	(354,104)	(328,846)	<b>Total U.S. Equities - Short</b>			
KLA	(275)	(269,240)	(269,023)			(151,043,070)	(145,693,206)
Kyndryl Holdings	(8,000)	(345,385)	(361,489)	<b>Foreign Equities (-1.9%)</b>			
LiveRamp Holdings	(900)	(37,013)	(33,855)	<b>Australia (-0.4%)</b>			
MongoDB	(900)	(232,830)	(227,168)	BHP Billiton, ADR	(17,554)	(1,319,580)	(1,226,173)
PagerDuty	(4,300)	(97,463)	(113,053)	<b>Bermuda (-0.6%)</b>			
Procore Technologies	(2,576)	(276,091)	(244,736)	Essent Group	(9,593)	(778,351)	(796,813)
Qualys	(1,148)	(245,624)	(208,040)	RenaissanceRe Holdings	(1,078)	(367,033)	(372,311)
ServiceNow	(400)	(470,504)	(458,274)	Signet Jewelers	(3,100)	(266,301)	(259,009)
Skyworks Solutions	(1,800)	(186,386)	(167,410)	Valaris	(6,738)	(409,178)	(380,677)
SolarEdge Technologies	(5,000)	(189,640)	(116,419)			(1,820,863)	(1,808,810)
Sprinklr, Class A	(2,800)	(26,607)	(33,645)	<b>Ireland (-0.4%)</b>			
Super Micro Computer	(4,800)	(309,590)	(236,511)	Accenture, Class A	(600)	(254,908)	(269,425)
Teradata	(3,900)	(134,347)	(126,164)	Allegion	(2,625)	(488,634)	(492,813)
Texas Instruments	(1,950)	(520,290)	(504,265)	Pentair	(5,300)	(680,617)	(667,207)
Tyler Technologies	(350)	(303,203)	(292,827)			(1,424,159)	(1,429,445)
UiPath, Class A	(15,478)	(295,061)	(229,418)	<b>Netherlands (-0.0%)</b>			
Varonis Systems	(14,374)	(926,943)	(836,704)	Nebius Group	(4,200)	(233,408)	(127,589)
Zoom Communications, Class A	(300)	(34,186)	(31,848)	<b>Switzerland (-0.2%)</b>			
		(10,703,974)	(9,645,979)	Chubb	(1,472)	(577,235)	(639,700)
<b>Communication Services (-0.3%)</b>							
Electronic Arts	(1,620)	(299,636)	(336,914)				
IAC	(1,088)	(72,412)	(71,928)				
Lumen Technologies	(8,667)	(61,565)	(48,891)				
Pubmatic	(11,398)	(249,849)	(149,917)				
Snap	(12,492)	(194,297)	(156,576)				
TripAdvisor	(1,297)	(36,409)	(26,448)				
Yelp	(4,200)	(223,184)	(223,810)				
		(1,137,352)	(1,014,484)				
<b>Utilities (-1.9%)</b>							
American Water Works Company	(5,946)	(1,167,102)	(1,262,268)				
CenterPoint Energy	(6,388)	(295,099)	(333,050)				
Constellation Energy	(1,700)	(644,149)	(493,265)				
Dominion Resources	(8,782)	(663,482)	(708,598)				
Eversource Energy	(6,034)	(530,414)	(539,315)				
FirstEnergy	(4,860)	(278,435)	(282,689)				
NextEra Energy	(4,700)	(488,020)	(479,467)				
Oklo	(5,900)	(238,405)	(183,647)				

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

	NUMBER OF SHARES	COST \$	FAIR VALUE \$
<b>Foreign Equities (continued)</b>			
<b>United Kingdom (-0.3%)</b>			
ARM Holdings	(2,800)	(528,332)	(430,293)
Gates Industrial	(12,886)	(374,187)	(341,388)
Royalty Pharma, Class A	(6,900)	(306,149)	(309,104)
		(1,208,668)	(1,080,785)
<b>Total Foreign Equities - Short</b>		(6,583,913)	(6,312,502)
<b>Total Short Positions</b>		(207,502,633)	(202,354,738)
<b>Total Investments (77.5%)</b>		<u>250,047,177</u>	<u>257,776,736</u>
<b>Options at Fair Value - Long Positions</b>			
<b>(TABLE 1) (0.7%)</b>			<u>2,169,198</u>
<b>Options at Fair Value - Short Positions</b>			
<b>(TABLE 2) (-0.6%)</b>			<u>(1,845,048)</u>
<b>Other Net Assets (22.4%)</b>			<u>74,505,828</u>
<b>Net Assets (100.0%)</b>			<u><b>332,606,714</b></u>

\*All long positions and margin deposits were pledged as collateral to the Funds's prime broker.

**TABLE 1**

Options at Fair Value—Long Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
<b>Equity Options</b>						
<b>Call</b>						
Air Canada	454	100	April 2025	CAD 19.00	14,528	-
AppLovin	34	100	May 2025	USD 370.00	129,511	31,803
AppLovin	13	100	May 2025	USD 480.00	30,735	1,964
Atlassian, Class A	133	100	May 2025	USD 240.00	141,631	141,631
Atlassian, Class A	24	100	May 2025	USD 310.00	6,583	2,936
Birchcliff Energy	786	100	April 2025	CAD 7.00	7,805	3,144
Canadian Imperial Bank of Commerce	262	100	April 2025	CAD 83.00	15,720	10,742
Carvana	22	100	May 2025	USD 230.00	56,701	52,238
CBO	65	100	April 2025	USD 5800.00	37,322	37,322
Celestica	45	100	May 2025	CAD 145.00	58,275	20,250
Celestica	14	100	May 2025	CAD 190.00	5,460	910
Cloudflare, Class A	90	100	May 2025	USD 130.00	57,245	57,245
Confluent, Class A	340	100	May 2025	USD 31.00	49,532	19,571
First Quantum Minerals	73	100	May 2025	CAD 21.00	5,376	6,862
Gibson Energy	454	100	May 2025	CAD 23.00	17,207	18,160
Hudbay Minerals	454	100	May 2025	CAD 12.00	26,786	17,706
Hudbay Minerals	453	100	May 2025	CAD 12.50	23,556	12,684
Intel	273	100	April 2025	USD 32.00	51,033	1,572
Invesco QQQ Trust Series 1	273	100	April 2025	USD 496.00	49,563	49,563
iShares MSCI USA Momentum Factor ETF	109	100	April 2025	USD 210.00	20,446	20,391
iShares Russell 2000 ETF	524	100	April 2025	USD 215.00	140,595	27,900
iShares Russell 2000 ETF	157	100	April 2025	USD 221.00	14,796	3,615
Kinaxis	54	100	May 2025	CAD 175.00	22,950	8,370
KKR & Co.	186	100	April 2025	USD 125.00	49,126	28,105
LendingClub	131	100	May 2025	USD 17.00	13,607	943
NVIDIA	74	100	April 2025	USD 130.00	42,978	2,130
NVIDIA	120	100	May 2025	USD 125.00	73,837	32,810
Osisko Gold Royalties	363	100	May 2025	CAD 29.00	25,410	72,600
RadNet	122	100	June 2025	USD 55.00	64,703	52,669

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

TABLE 1 (continued)

Options at Fair Value—Long Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
RadNet	27	100	June 2025	USD 80.00	6,394	194
Reddit, Class A	118	100	May 2025	USD 135.00	128,195	77,263
Shopify, Class A	54	100	May 2025	CAD 160.00	58,320	23,760
Shopify, Class A	16	100	May 2025	CAD 190.00	5,680	1,280
Snowflake, Class A	87	100	June 2025	USD 170.00	95,920	75,744
Spotify Technology	13	100	April 2025	USD 590.00	33,622	23,946
Sun Life Financial	363	100	May 2025	CAD 84.00	16,335	49,005
Teck Resources, Class B	109	100	May 2025	CAD 60.00	25,539	6,431
Teck Resources, Class B	33	100	May 2025	CAD 66.00	2,145	231
Trade Desk, Class A	68	100	June 2025	USD 100.00	46,260	1,762
Twilio, Class A	91	100	May 2025	USD 130.00	40,526	9,429
Zoetis	68	100	June 2025	USD 180.00	31,287	11,253
						1,016,134
<b>Put</b>						
CBO	7	100	April 2025	USD 5420.00	5,591	5,591
CBO	40	100	April 2025	USD 5590.00	80,439	281,478
CBO	8	100	May 2025	USD 5440.00	61,673	98,777
CBO	26	100	May 2025	USD 5570.00	298,663	465,072
CBOE Volatility Index	22	100	April 2025	USD 5500.00	51,098	51,098
CBOE Volatility Index	16	100	April 2025	USD 5540.00	42,224	22,564
Garmin	19	100	April 2025	USD 180.00	12,149	-
Invesco QQQ Trust Series 1	266	100	April 2025	USD 463.00	57,405	176,082
iPath Series B S&P 500 VIX Short-Term Futures ETN	80	100	April 2025	USD 50.00	51,842	26,018
iShares S&P/TSX 60 Index ETF	3,285	100	April 2025	CAD 35.00	32,850	3,285
iShares S&P/TSX 60 Index ETF	3,285	100	April 2025	CAD 37.00	98,550	9,855
Maplebear	43	100	April 2025	USD 37.00	9,603	3,094
Suncor Energy	175	100	May 2025	CAD 52.00	10,150	10,150
						1,153,064
<b>Options at Fair Value—Long Positions</b>						<b>2,169,198</b>

TABLE 2

Options at Fair Value—Short Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
<b>Equity Options</b>						
<b>Written Call</b>						
Air Canada	(341)	100	April 2025	CAD 20.00	(5,684)	(1,364)
AppLovin	(3)	100	April 2025	USD 450.00	(2,962)	(86)
AppLovin	(18)	100	May 2025	USD 390.00	(54,142)	(19,686)
AppLovin	(12)	100	May 2025	USD 420.00	(49,697)	(7,253)
AppLovin	(25)	100	May 2025	USD 450.00	(77,065)	(9,714)
Atlassian, Class A	(107)	100	May 2025	USD 250.00	(81,609)	(81,609)
Atlassian, Class A	(23)	100	May 2025	USD 270.00	(17,929)	(11,915)
Atlassian, Class A	(29)	100	May 2025	USD 290.00	(13,396)	(8,138)
Birchcliff Energy	(655)	100	April 2025	CAD 7.25	(2,620)	(3,930)
Canadian Imperial Bank of Commerce	(276)	100	April 2025	CAD 84.00	(9,660)	(7,176)
Carvana	(16)	100	May 2025	USD 250.00	(26,766)	(27,975)
Carvana	(5)	100	May 2025	USD 260.00	(7,995)	(7,051)
CBO	(3)	100	April 2025	USD 5750.00	(4,334)	(4,334)
CBO	(42)	100	April 2025	USD 5825.00	(13,967)	(13,967)
CBO	(31)	100	April 2025	USD 5880.00	(55,436)	(2,454)
CBO	(25)	100	April 2025	USD 5960.00	(185,435)	(540)
CBO	(41)	100	April 2025	USD 6000.00	(227,032)	(885)
CBO	(2)	100	May 2025	USD 6025.00	(6,571)	(2,936)
CBOE Volatility Index	(2)	100	April 2025	USD 5775.00	(1,312)	(43)
Celestica	(7)	100	April 2025	CAD 170.00	(2,590)	(196)
Celestica	(32)	100	May 2025	CAD 160.00	(28,800)	(9,280)
Celestica	(32)	100	May 2025	CAD 175.00	(20,114)	(6,080)
Cloudflare, Class A	(5)	100	April 2025	USD 175.00	(2,042)	(36)
Cloudflare, Class A	(36)	100	May 2025	USD 145.00	(9,480)	(9,480)
Cloudflare, Class A	(38)	100	May 2025	USD 155.00	(17,011)	(6,289)
Cloudflare, Class A	(8)	100	May 2025	USD 175.00	(7,639)	(909)
Cloudflare, Class A	(35)	100	May 2025	USD 185.00	(23,033)	(3,677)
Confluent, Class A	(45)	100	April 2025	USD 36.00	(4,815)	(3,238)
Confluent, Class A	(254)	100	May 2025	USD 33.00	(23,580)	(12,793)

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

TABLE 2 (continued)

Options at Fair Value—Short Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Confluent, Class A	(91)	100	May 2025	USD 38.00	(19,472)	(7,857)
First Quantum Minerals	(68)	100	May 2025	CAD 24.00	(2,380)	(2,924)
Gibson Energy	(91)	100	April 2025	CAD 24.00	(728)	(455)
Gibson Energy	(318)	100	May 2025	CAD 24.00	(5,406)	(6,042)
Hudbay Minerals	(227)	100	April 2025	CAD 13.00	(4,267)	(1,589)
Hudbay Minerals	(318)	100	May 2025	CAD 13.00	(10,812)	(7,632)
Hudbay Minerals	(363)	100	May 2025	CAD 13.50	(10,527)	(6,897)
Intel	(204)	100	April 2025	USD 37.00	(17,367)	(1,468)
Invesco QQQ Trust Series 1	(191)	100	April 2025	USD 500.00	(22,538)	(22,538)
Invesco QQQ Trust Series 1	(64)	100	April 2025	USD 510.00	(17,105)	(2,855)
Invesco QQQ Trust Series 1	(73)	100	April 2025	USD 540.00	(16,376)	(630)
iShares MSCI USA Momentum Factor ETF	(87)	100	April 2025	USD 215.00	(5,980)	(7,512)
iShares MSCI USA Momentum Factor ETF	(58)	100	April 2025	USD 220.00	(3,386)	(4,591)
iShares Russell 2000 ETF	(734)	100	April 2025	USD 218.00	(118,437)	(26,407)
Kinaxis	(38)	100	May 2025	CAD 190.00	(5,510)	(3,230)
KKR & Co.	(205)	100	April 2025	USD 130.00	(31,675)	(16,225)
LendingClub	(39)	100	April 2025	USD 18.00	(1,463)	(2,806)
LendingClub	(118)	100	May 2025	USD 19.00	(6,469)	(8,490)
NVIDIA	(68)	100	April 2025	USD 135.00	(27,934)	(1,272)
NVIDIA	(14)	100	April 2025	USD 140.00	(4,015)	(141)
NVIDIA	(84)	100	May 2025	USD 135.00	(28,930)	(10,275)
NVIDIA	(84)	100	May 2025	USD 145.00	(16,341)	(4,110)
Osisko Gold Royalties	(291)	100	May 2025	CAD 31.00	(10,296)	(38,054)
RadNet	(100)	100	June 2025	USD 65.00	(27,199)	(18,708)
RadNet	(23)	100	June 2025	USD 70.00	(10,302)	(2,482)
RadNet	(64)	100	June 2025	USD 75.00	(20,908)	(4,144)
Reddit, Class A	(12)	100	April 2025	USD 155.00	(1,955)	(708)
Reddit, Class A	(5)	100	April 2025	USD 185.00	(1,159)	(273)
Reddit, Class A	(89)	100	May 2025	USD 145.00	(69,972)	(43,546)
Reddit, Class A	(32)	100	May 2025	USD 155.00	(18,297)	(11,006)
Reddit, Class A	(2)	100	May 2025	USD 170.00	(1,918)	(377)
Reddit, Class A	(32)	100	May 2025	USD 190.00	(18,669)	(3,914)
Shopify, Class A	(8)	100	April 2025	CAD 170.00	(1,856)	(320)
Shopify, Class A	(38)	100	May 2025	CAD 170.00	(30,400)	(13,300)
Shopify, Class A	(41)	100	May 2025	CAD 180.00	(18,040)	(9,061)
Snowflake, Class A	(7)	100	May 2025	USD 180.00	(1,493)	(1,158)
Snowflake, Class A	(61)	100	June 2025	USD 180.00	(44,983)	(39,502)
Snowflake, Class A	(36)	100	June 2025	USD 200.00	(20,232)	(10,465)
Spotify Technology	(16)	100	April 2025	USD 620.00	(24,461)	(18,190)
Spotify Technology	(25)	100	April 2025	USD 620.00	(23,349)	(16,189)
Sun Life Financial	(327)	100	May 2025	CAD 88.00	(981)	(13,080)
Teck Resources, Class B	(11)	100	April 2025	CAD 62.00	(550)	(132)
Teck Resources, Class B	(76)	100	May 2025	CAD 62.00	(12,084)	(4,028)
Teck Resources, Class B	(76)	100	May 2025	CAD 64.00	(8,360)	(2,888)
Trade Desk, Class A	(68)	100	June 2025	USD 110.00	(27,010)	(1,957)
Twilio, Class A	(73)	100	May 2025	USD 140.00	(18,041)	(7,354)
Twilio, Class A	(15)	100	May 2025	USD 170.00	(4,953)	(1,381)
Zoetis	(14)	100	April 2025	USD 185.00	(813)	(403)
Zoetis	(61)	100	June 2025	USD 190.00	(13,428)	(21,946)
						(693,546)
<b>Written Put</b>						
Atlassian, Class A	(16)	100	April 2025	USD 180.00	(7,853)	(2,878)
Birchcliff Energy	(157)	100	April 2025	CAD 6.00	(471)	(785)
Canadian Imperial Bank of Commerce	(79)	100	April 2025	CAD 76.00	(4,108)	(2,370)
Carvana	(5)	100	April 2025	USD 170.00	(3,261)	(2,554)
CBO	(15)	100	April 2025	USD 5440.00	(15,434)	(15,434)
CBO	(15)	100	April 2025	USD 5480.00	(26,658)	(26,658)
CBO	(32)	100	April 2025	USD 5560.00	(48,538)	(175,449)
CBO	(18)	100	May 2025	USD 5480.00	(156,460)	(250,740)
CBO	(18)	100	May 2025	USD 5530.00	(182,708)	(288,558)
CBOE Volatility Index	(13)	100	April 2025	USD 5340.00	(36,283)	(8,044)
CBOE Volatility Index	(4)	100	April 2025	USD 5500.00	(6,340)	(2,648)
CBOE Volatility Index	(12)	100	April 2025	USD 5520.00	(24,692)	(11,915)
CBOE Volatility Index	(10)	100	April 2025	USD 5530.00	(17,307)	(41,733)
Celestica	(5)	100	April 2025	CAD 100.00	(1,825)	(1,475)
Chewy, Class A	(49)	100	April 2025	USD 27.50	(3,182)	(987)
Cloudflare, Class A	(5)	100	April 2025	USD 120.00	(1,004)	(7,771)
Confluent, Class A	(34)	100	April 2025	USD 28.00	(4,850)	(22,996)
First Quantum Minerals	(41)	100	April 2025	CAD 15.00	(1,763)	(410)

The accompanying Notes are an integral part of these financial statements.



# NEI Long Short Equity Fund

## SCHEDULE OF INVESTMENT PORTFOLIO AS AT MARCH 31, 2025 (UNAUDITED) (continued)

TABLE 2 (continued)

Options at Fair Value–Short Positions	NUMBER OF OPTIONS	NUMBER OF CONTRACTS PER OPTION	MATURITY	STRIKE PRICE \$	COST \$	FAIR VALUE \$
Garmin	(17)	100	April 2025	USD 165.00	(5,081)	(1,101)
Gibson Energy	(91)	100	April 2025	CAD 20.00	(2,912)	(455)
Hudbay Minerals	(91)	100	April 2025	CAD 9.75	(1,911)	(1,092)
Hudbay Minerals	(91)	100	May 2025	CAD 10.00	(2,821)	(3,731)
Intel	(68)	100	April 2025	USD 20.00	(2,605)	(2,447)
Invesco QQQ Trust Series 1	(66)	100	April 2025	USD 445.00	(55,447)	(9,308)
Invesco QQQ Trust Series 1	(18)	100	April 2025	USD 450.00	(4,679)	(11,993)
Invesco QQQ Trust Series 1	(222)	100	April 2025	USD 459.00	(34,561)	(109,578)
iPath Series B S&P 500 VIX Short-Term Futures ETN	(161)	100	April 2025	USD 46.00	(52,744)	(21,315)
iShares MSCI USA Momentum Factor ETF	(22)	100	May 2025	USD 180.00	(4,662)	(4,749)
iShares Russell 2000 ETF	(105)	100	April 2025	USD 198.00	(3,898)	(12,390)
iShares S&P/TSX 60 Index ETF	(6,571)	100	April 2025	CAD 36.00	(114,992)	(85,423)
Maplebear	(39)	100	April 2025	USD 34.00	(5,478)	(1,123)
NVIDIA	(12)	100	April 2025	USD 85.00	(2,473)	(518)
Osisko Gold Royalties	(109)	100	April 2025	CAD 23.00	(981)	(981)
RadNet	(9)	100	April 2025	USD 50.00	(1,566)	(2,979)
Reddit, Class A	(5)	100	April 2025	USD 95.00	(2,289)	(2,734)
Shopify, Class A	(5)	100	April 2025	CAD 120.00	(1,085)	(770)
Snowflake, Class A	(9)	100	May 2025	USD 115.00	(1,173)	(1,645)
Spotify Technology	(3)	100	April 2025	USD 400.00	(1,293)	(626)
Sun Life Financial	(36)	100	April 2025	CAD 72.00	(2,628)	(396)
Suncor Energy	(157)	100	May 2025	CAD 50.00	(5,338)	(5,338)
Teck Resources, Class B	(22)	100	April 2025	CAD 52.00	(880)	(3,718)
Twilio, Class A	(7)	100	April 2025	USD 90.00	(1,167)	(1,471)
Zoetis	(14)	100	April 2025	USD 135.00	(807)	(2,216)
						(1,151,502)
Options at Fair Value–Short Positions						(1,845,048)

The accompanying Notes are an integral part of these financial statements.

# NEI Long Short Equity Fund

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (UNAUDITED)

### a) Establishment of the Fund (Note 1)

NEI Long Short Equity Fund (the “Fund”) is an unincorporated mutual fund trust. The establishment date for each series of the Fund is the date set out in the simplified prospectus as the start date for that series, as listed below:

Series A	Series C	Series F
January 22, 2024	January 22, 2024	January 22, 2024
Series I	Series O	
January 22, 2024	January 22, 2024	

### b) Units (Note 4)

#### Issued and Outstanding Units

	Number of Units, Beginning of Period	Units Issued	Reinvested Units	Units Redeemed	Number of Units, End of Period
Series A					
March 31, 2025	62,715	34,211	-	14,900	82,026
March 31, 2024	-	32,125	-	-	32,125
Series C					
March 31, 2025	100	-	-	-	100
March 31, 2024	-	100	-	-	100
Series F					
March 31, 2025	59,238	138,493	-	79	197,652
March 31, 2024	-	18,235	-	-	18,235
Series I					
March 31, 2025	7,799,088	20,206,130	-	57,568	27,947,650
March 31, 2024	-	7,846,077	-	126,187	7,719,890
Series O					
March 31, 2025	100	-	-	-	100
March 31, 2024	-	100	-	-	100

### c) Distributions

All distributions made by the Fund are automatically reinvested in additional units of the same series that paid the distribution unless notification to the contrary is received in writing at least 5 days in advance to receive a cash payment. All distributions reinvested are made without an acquisition charge.

The schedule of distributions, which may consist of net investment income, net realized capital gains and/or return of capital, is as follows:

Series A	Series C	Series F
Annually	Annually	Annually
Series I	Series O	
Annually	Annually	

In addition, the Fund will, prior to the end of each year, distribute any excess net income and net realized capital gains to its unitholders.

### d) Management Fees and Other Expenses (Note 5)

The annual management fee rates, for 2025 and 2024, are as follows:

	Series A %	Series F %
March 31, 2025	2.00	1.00
March 31, 2024	2.00	1.00

The annual administration fee rates, for 2025 and 2024, are as follows:

	Series A %	Series C %	Series F %
March 31, 2025	0.25	0.08	0.25
March 31, 2024	0.25	0.08	0.25
	Series O %		
March 31, 2025	0.08		
March 31, 2024	0.08		

For the period ended March 31, 2025, the Fund incurred performance fees of \$1,646,201.

Series C unitholders negotiate management fees directly with their dealer, which are paid directly by their dealer to the Manager.

Series I unitholders negotiate and pay management and administration fees directly to the Manager.

Series O unitholders negotiate and pay management fees directly to the Manager.

### e) Related Party Transactions (Note 6)

Accrued expenses payable to related parties presented in the Statements of Financial Position, are as follows :

	March 31, 2025 \$	September 30, 2024 \$
	5,627	1,347



# NEI Long Short Equity Fund

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (UNAUDITED) (continued)

### f) Interest in Unconsolidated Structured Entities

The following table presents the Fund's interest in unconsolidated structured entities:

Unconsolidated Structured Entities	March 31, 2025		September 30, 2024	
	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Underlying Fund(s) / ETF(s) (in \$000's)	Fair Value of the Fund's Investment in the Underlying Fund(s) / ETF(s) (in \$000's)
Consumer Staples Select Sector SPDR Fund	N/A	N/A	112,671	(370)
First Trust Cloud Computing ETF	2,725,065	(485)	N/A	N/A
Industrial Select Sector SPDR Fund	17,806,289	(1,936)	191,748	(861)
Invesco QQQ Trust Series 1 ETF	268,675,596	(15,666)	390,356,449	(1,106)
Invesco S&P 500 Low Volatility ETF	7,169,158	5,188	10,151,398	505
Invesco S&P 500 Top 50 ETF	7,096,402	(2,645)	9,045,087	(1,106)
iShares 20+ Year Treasury Bond ETF	51,486,285	(1,556)	81,043,137	(584)
iShares Core S&P 500 ETF	526,484,366	(38,051)	717,955,969	(7,801)
iShares Core S&P/TSX Capped Composite Index ETF	14,007,520	(24,156)	39,396	(6,025)
iShares Expanded Tech-Software Sector ETF	8,327,136	(717)	N/A	N/A
iShares iBoxx High Yield Corporate Bond ETF	N/A	N/A	21,647,844	(349)
iShares JPMorgan USD Emerging Markets Bond ETF	13,437,763	(829)	126,568	(298)
iShares MSCI Emerging Markets ETF	15,605,581	(1,383)	25,681,370	(227)
iShares MSCI Germany Index Fund ETF	1,842,685	1,676	N/A	N/A
iShares MSCI USA Momentum Factor ETF	12,324,650	(1,678)	13,616,882	(1,261)
iShares Russell 2000 Growth ETF	N/A	N/A	15,871,595	(807)
iShares Russell 2000 Value ETF	N/A	N/A	16,583,588	384
SPDR S&P Biotech ETF	7,023,227	(478)	N/A	N/A
iShares S&P/TSX Capped Energy Index ETF	1,469,139	(2,982)	1,465,367	(942)
SPDR S&P Metals & Mining ETF	1,336,270	(1,023)	2,408,997	(241)
Sprott Physical Uranium Trust	4,290,748	202	28,249	150
Utilities Select Sector SPDR Fund	N/A	N/A	112,817	(208)
VanEck Semiconductor ETF	N/A	N/A	32,641,015	(133)
VanEck Vietnam ETF	389,337	(794)	N/A	N/A

### g) Financial Instruments Disclosures (Note 7)

#### Strategy in Using Financial Instruments

##### Investment Objective

The investment objective of the Fund is to generate long-term capital appreciation primarily through a portfolio comprised of long and short equity securities. The Fund may also invest in fixed income securities, derivative instruments, securities of investment funds, and cash and cash equivalents.

The Fund may engage in physical short sales and/or borrowing for investment purposes.

The Fund follows a responsible approach to investing, as described in the simplified prospectus of the Fund.

As an "alternative mutual fund", the Fund is not subject to certain investment restrictions set out in National Instrument 81-102 – Investment Funds ("NI 81-102") that restrict the ability of a conventional mutual fund (other than an alternative mutual fund) to leverage its assets through borrowing, short sales and/or specified derivatives. On average, over time, the Fund generally expects to utilize a leverage of 2.5 to 3 times its net assets, or, as may be permitted by securities regulations.

#### Financial Instruments Fair Value Measurement

##### Hierarchy of Financial Instruments Measured at Fair Value

The following tables categorize the Fund's financial assets fair value measurement according to a three-level hierarchy. The methodology used for valuing securities is not necessarily an indication of the risk associated with investing in those securities. Fair value measurement is described in the "Material Accounting Policy Information" section of Note 2.

##### Fair Value Hierarchy (in \$'000)

March 31, 2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial assets at FVTPL</b>				
Equities - Long	452,751	55	260	453,066
Non Related Index-Based Investments - Long	7,066	-	-	7,066
Options - Long	2,169	-	-	2,169
<b>Total</b>	<b>461,986</b>	<b>55</b>	<b>260</b>	<b>462,301</b>
<b>Financial liabilities at FVTPL</b>				
Equities - Short	107,975	-	-	107,975
Non Related Index-Based Investments - Short	94,380	-	-	94,380
Options - Short	1,845	-	-	1,845
<b>Total</b>	<b>204,200</b>	<b>-</b>	<b>-</b>	<b>204,200</b>

# NEI Long Short Equity Fund

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (UNAUDITED) (continued)

September 30, 2024	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Financial assets at FVTPL</b>				
Equities - Long	127,324	2	-	127,326
Non Related Index-Based Investments - Long	1,039	-	-	1,039
Options - Long	799	-	-	799
<b>Total</b>	<b>129,162</b>	<b>2</b>	<b>-</b>	<b>129,164</b>
<b>Financial liabilities at FVTPL</b>				
Equities - Short	32,896	-	-	32,896
Non Related Index-Based Investments - Short	22,319	-	-	22,319
Options - Short	628	-	-	628
<b>Total</b>	<b>55,843</b>	<b>-</b>	<b>-</b>	<b>55,843</b>

### Transfers between Levels

During the periods ended March 31, 2025 and September 30, 2024, there were no transfers of securities between Levels 1, 2 and 3.

### Classification of Level 3 (in \$'000)

As at March 31, 2025, the Fund has financial instruments requiring Level 3 valuation. Fair value measurements are derived from valuation techniques. The substitution of one or more data from these techniques by one or several reasonably possible assumptions should not result in significant changes in the fair value of these investments. The following table explains the classification of fair value within Level 3:

	Financial instruments	Fair value \$	Valuation techniques	Unobservable inputs	Range
<b>March 31, 2025</b>	Osisko Metals, Restricted	260	Security price less restriction	Restriction percentage	0%-4%

As at September 30, 2024, the Fund has no financial instruments classified within Level 3.

### Reconciliation of Level 3 Measured at Fair Value (in \$'000)

The following table summarizes a reconciliation of movements on Level 3 financial instruments between the beginning and end of the period:

<b>March 31, 2025</b>	<b>Total \$</b>
<b>Balance, Beginning of Period</b>	-
Proceeds from sale of investments	-
Investments purchased	190
Net realized gain (loss)	-
Net unrealized gain (loss)	107
Transfers to (from) level 3	(37)
<b>Balance, End of Period</b>	<b>260</b>
<b>Change in Net Unrealized Gain (Loss) of the Period for Securities Held as at March 31, 2025</b>	<b>107</b>

### Financial Instruments Risks

#### Currency Risk (in \$'000)

The Fund's exposure to currency risk is presented in the table below. Amounts shown represent monetary and non-monetary items (including the notional amount of foreign currency forward contracts). The table also illustrates the potential impact on the Net Assets Attributable to Holders of Redeemable Units if the Canadian dollar had strengthened or weakened by 3% in relation to each of the other currencies, with all other variables held constant.

March 31, 2025	Financial Assets \$	Financial Liabilities \$	Net Exposure \$	Impact on Net Assets Attributable to Holders of Redeemable Units \$
USD	180,166	153,794	26,372	791

September 30, 2024	Financial Assets \$	Financial Liabilities \$	Net Exposure \$	Impact on Net Assets Attributable to Holders of Redeemable Units \$
USD	46,631	41,092	5,539	166

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

#### Interest Rate Risk

As at March 31, 2025 and September 30, 2024, the majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, interest rate risk is not significant to the Fund.

# NEI Long Short Equity Fund

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (UNAUDITED) (continued)

### Concentration Risk

The following table summarizes the concentration risk, as a percentage of the Fund's Net Assets Attributable to Holders of Redeemable Units:

March 31, 2025		September 30, 2024	
Market Segment	%	Market Segment	%
LONG POSITIONS		LONG POSITIONS	
Canadian Equities		Canadian Equities	
Financials	22.1	Financials	21.9
Industrials	16.1	Industrials	17.6
Energy	14.0	Energy	15.3
Materials	10.5	Materials	11.8
Information Technology	7.9	Information Technology	7.6
Utilities	5.7	Utilities	6.2
Consumer Staples	2.6	Real Estate	3.0
Real Estate	2.3	Consumer Staples	2.3
Communication Services	1.8	Communication Services	2.2
Consumer Discretionary	1.2	Consumer Discretionary	2.0
Health Care	0.8	Health Care	0.6
Index-Based Investments	0.1	Index-Based Investments	0.2
U.S. Equities		U.S. Equities	
Information Technology	12.6	Information Technology	12.3
Financials	12.0	Financials	9.5
Consumer Discretionary	5.3	Industrials	5.3
Industrials	4.3	Consumer Discretionary	5.2
Health Care	4.2	Health Care	3.9
Communication Services	3.1	Communication Services	3.3
Consumer Staples	2.3	Consumer Staples	2.2
Index-Based Investments	2.0	Utilities	1.4
Energy	1.6	Energy	1.3
Utilities	1.3	Index-Based Investments	1.0
Real Estate	0.8	Real Estate	0.6
Materials	0.2	Foreign Equities	3.9
Foreign Equities	3.5	SHORT POSITIONS	
SHORT POSITIONS		U.S. Equities	
U.S. Equities		Index-Based Investments	(16.8)
Index-Based Investments	(20.2)	Financials	(6.5)
Financials	(6.7)	Industrials	(4.5)
Industrials	(4.0)	Information Technology	(3.1)
Information Technology	(2.9)	Consumer Discretionary	(2.7)
Utilities	(1.9)	Health Care	(1.5)
Health Care	(1.8)	Real Estate	(1.1)
Real Estate	(1.6)	Utilities	(1.1)
Consumer Discretionary	(1.5)	Materials	(1.0)
Consumer Staples	(1.1)	Consumer Staples	(1.0)
Materials	(1.0)	Communication Services	(0.9)
Energy	(0.8)	Energy	(0.4)
Communication Services	(0.3)	Canadian Equities	(17.5)
Canadian Equities	(15.1)	Foreign Equities	(2.4)
Foreign Equities	(1.9)	Options at Fair Value	0.2
Options at Fair Value	0.1	Other Net Assets	19.7
Other Net Assets	22.4		
<b>Total</b>	<b>100.0</b>		<b>100.0</b>

# NEI Long Short Equity Fund

## NOTES TO THE FINANCIAL STATEMENTS – SPECIFIC INFORMATION (UNAUDITED) (continued)

### Price Risk (in \$'000)

The Manager's best estimate of the impact on Net Assets Attributable to Holders of Redeemable Units as a result of a reasonably possible change in benchmarks, with all other variables held constant, is as follows:

Benchmarks	Change in Price	Impact on Net Assets Attributable to Holders of Redeemable Units	
		March 31, 2025	September 30, 2024
	%	\$	\$
75% S&P/TSX Composite TR Index	3.00	7,484	2,055
25% FTSE Canada 30 Day Treasury Bill Index	0.25	208	57

When there is more than one benchmark, the effect of each benchmark must be considered individually, as each benchmark might fluctuate independently from the others.

In practice, actual trading results may differ from these sensitivity analyses and the differences could be significant.

### Credit Risk

As at March 31, 2025 and September 30, 2024, the Fund had no significant investments in either fixed-income securities, money market securities and derivative financial instruments. As a result, credit risk is not significant to the Fund.

### Liquidity Risk

For further information on the maturity of financial liabilities and liquidity risk management of the Fund, please refer to Note 7 "Financial Instruments Disclosures".

### Leverage

During the period ended to March 31, 2025, the Fund's aggregate exposure reached a low of 39.01% and a high of 107.84% of the Fund's NAV. As at March 31, 2025, the Fund's aggregate exposure was 87.28% of the Fund's NAV. The primary source of leverage was short positions in equity securities.

As at March 31, 2025, NEI Long Short Equity Fund had pledged securities as collateral to the prime broker equal to \$73,715,291.

## h) Seed Capital

The Manager had the following seed capital investments:

	Seed Capital	Percentage Ownership
	\$	%
March 31, 2025	5,847	-
September 30, 2024	175,164	0.2

## i) Other Commissions Paid to Brokers

The brokerage commissions paid on securities transactions may include "soft dollar" amounts, such as the value of research and other services provided by the the broker. Although the Manager uses best efforts to determine the soft dollar portion of commissions paid on portfolio transactions of the Fund, the soft dollar portion, in some instances, is not ascertainable. The soft dollar amounts are listed below:

	March 31, 2025	March 31, 2024
	\$	\$
Soft dollars	71,173	76,138

## j) Income Taxes – Loss Carry Forward (Note 2)

Capital and non-capital losses determined for tax purposes as at December 15, 2024, which is the taxation year-end, are as follows:

Capital Losses	Non-Capital Losses	
Amount	Amount	Year of Expiry
\$	\$	
-	5,050,855	2044

# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024

Throughout the “Notes to the Financial Statements” section, “we”, “NEI LP”, “NEI” or “Manager” refers to Northwest & Ethical Investments L.P., the Manager of the NEI Funds, and “Unitholders” refers to holders of redeemable NEI Fund units.

### 1. ESTABLISHMENT OF THE FUNDS

NEI LP acts as the Manager of the NEI Funds, collectively called the “Funds”. Its head office is located at 151 Yonge Street, Suite 1200, Toronto, ON, M5C 2W7.

The Funds are all mutual fund trusts or unit trusts established under the laws of Ontario.

The information provided in these financial statements and notes thereto are as at March 31, 2025 and 2024, and September 30, 2024, as applicable, and cover the six-month periods ended on those dates, as applicable.

For any Fund established during the above-noted periods, the “period” represents the period from the beginning of operations of the Fund, described in the “Establishment of the Fund” section under “Notes to the Financial Statements – Specific Information” for each Fund, to March 31 of the applicable period.

Funds	Inception date
NEI Long Short Equity Fund	January 22, 2024
NEI Global Corporate Leaders Fund	July 17, 2024

The main activities of the Funds are disclosed in the section “Notes to the Financial Statements – Specific Information” pertaining to each Fund.

### 2. BASIS OF PRESENTATION AND MATERIAL ACCOUNTING POLICY INFORMATION

#### BASIS OF PRESENTATION

##### Statement of Compliance

The policies applied in the preparation of these financial statements are in accordance with the International Financial Reporting Standards (“IFRS”). These financial statements have been authorized for issue by the NEI LP Board of Directors on May 13, 2025.

#### MATERIAL ACCOUNTING POLICY INFORMATION

The significant measurement and presentation policies applied to prepare these financial statements are described below.

##### Financial Instruments

The Funds’ financial instruments include, where applicable, cash and equivalents, investments, derivatives, interest, dividends and other receivables, receivable for investments sold, subscriptions receivable, cash guarantees received for repurchase or reverse repurchase transactions, payable for investments purchased, distributions payable to unitholders, accrued expenses, liabilities, redemptions payable, and commitments related to repurchase or reverse repurchase transactions. Financial instruments are recognized on the date that the Funds become a party to the contractual provisions of the instrument, namely, the trade date of the financial instrument.

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the Funds have transferred substantially all the risks and rewards of ownership.

##### Classification and Measurement

The Funds classify and measure financial instruments in accordance with IFRS 9, *Financial Instruments* (“IFRS 9”). Under IFRS 9, financial assets are measured at amortized cost or at fair value through profit or loss (“FVTPL”), depending on the contractual cash flow characteristics and the business model for managing the financial assets.

The portfolios of financial assets are managed, and performance is evaluated on a fair value basis. The Funds are primarily focused on fair value information and use that information to assess the assets’ performance and to make decisions. The contractual cash flows of the Funds’ debt securities that are solely principal and interest are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Funds’ business model’s objective. Consequently, all investments are measured at FVTPL.

The Funds’ obligation concerning net assets attributable to holders of redeemable units is recorded at the redemption amount, which approximates fair value. The accounting policies used to measure the fair value of investments and derivative financial instruments are identical to those used in measuring the net asset value (“NAV”) of transactions with holders of redeemable units, except when the closing price for financial assets and liabilities is not within the bid-ask spread.

NEI Long Short Equity Fund makes short sales, where a borrowed security is sold in anticipation of a decline in its market value, or it may use short sales for various arbitrage transactions. Short sales are held for trading and are consequently classified as financial liabilities at FVTPL.

As at March 31, 2025 and September 30, 2024, there are no differences between the Funds’ NAV per unit for transactions and their net assets per unit attributable to holders of redeemable units in accordance with IFRS.

##### Classification of Units Issued by the Funds

The Funds’ outstanding units qualify as “puttable instruments” as required by IAS 32 *Financial Instruments: Presentation* (“IAS 32”). The Funds’ outstanding units are classified as financial liabilities in these financial statements as they do not meet the definition of puttable instruments to be classified as equity.

##### Impairment of Financial Assets

The impairment model is applicable to financial assets, except for financial instruments at FVTPL or designated at fair value through other comprehensive income.

With respect to other financial assets measured at amortized cost, the Funds consider both historical analysis and forward-looking information in determining any expected credit loss. As at the financial statements date, all financial assets measured at amortized cost are due to be settled within the short term. The Funds consider that the risk of default on these financial assets is low, and that the counterparties have a strong capacity to meet their contractual obligation in the near term. Given the limited exposure of the Funds to credit risk from financial assets recorded at amortized cost, no loss allowance has been recognized as no such impairment will have a significant impact on the financial statements.

##### Determination of the Fair Value of Financial Instruments

Fair value is defined as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the valuation date. The Funds use the closing price for both financial assets and financial liabilities when this price falls within the bid-ask spread. In circumstances when the closing price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances.

The fair value of financial assets and liabilities that are not traded in an active market, including over-the-counter derivative financial instruments, is determined using valuation techniques. The Funds use a variety of methods and make assumptions that are based on market conditions existing at each valuation date.

Valuation techniques include the use of comparable recent arm’s length transactions, the fair value of other instruments that are substantially the same, discounted cash flow analysis, option pricing models, and other techniques commonly used by market participants and which use observable inputs. Refer to the “Financial Instruments Disclosures” section for further information about the Funds’ fair value measurements.

##### Cash

Cash (bank overdraft) and margin deposited on derivatives (collateral payable) are measured at cost, which approximates fair value.

##### Money Market Securities

Money market securities are recorded at cost including accrued interest, which closely approximates fair value.

##### Equities, Index-Based Investments and Exchange Traded Funds

Equities, index-based investments and exchange traded funds (“ETFs”) are recorded at the closing price of the stock exchange on which the corresponding security is principally traded. ETFs that are thinly traded are valued at the average of the closing bid and ask prices. Unlisted warrants are valued with a recognized valuation model such as the Black-Scholes model.

##### Bonds, Mortgage-Backed Securities and Asset-Backed Securities

Bonds, mortgage-backed securities and asset-backed securities are valued based on closing prices obtained from recognized securities dealers.

# NOTES TO THE FINANCIAL STATEMENTS

March 31, 2025, and 2024 (continued)

## **Investment Funds**

The underlying funds' units are generally valued based on the NAV per unit provided by the underlying fund's manager at each valuation day, except for private equity funds which are discussed under the "Valuation of Unlisted Securities and Other Investments" section.

## **Derivative Financial Instruments**

Certain Funds may use an array of derivative financial instruments such as foreign currency forward contracts, forward contracts, interest rate swaps, credit default swaps, to-be-announced securities ("TBA"), futures contracts and options for hedging purposes or purposes other than hedging, or both.

### Foreign Currency Forward Contracts, Forward Contracts, Interest Rate Swaps, Credit Default Swaps and TBA

The fair value of these instruments corresponds to the gains or losses that would result upon contract settlement on the valuation date; this value is recorded in "Unrealized appreciation on derivatives" and/or "Unrealized depreciation on derivatives" in the Statements of Financial Position.

### Futures Contracts

Futures contracts are valued at fair value and are settled daily through brokers. Any amounts receivable (payable) from the settlement of futures contracts are recorded in "Receivable on futures contracts" and/or "Payable on futures contracts" in the Statements of Financial Position.

### Options

Options listed on a stock exchange are valued according to fair value based on the closing price of the principal stock exchange on which the option is being traded for long positions and the ask price for short positions. Unlisted options are valued with a recognized valuation model such as the Black-Scholes model.

## **Valuation of Unlisted Securities and Other Investments**

When the above-mentioned valuation principles of the investments are not applicable, fair value is determined according to the Manager's best estimates, based on established valuation procedures and on prevailing market conditions on each valuation date. These procedures cover, among others, securities no longer traded, securities issued by private corporations and illiquid securities. For further information, refer to the "Critical Accounting Judgments, Estimates and Assumptions" section.

## **Other Assets and Liabilities**

Receivable on standardized futures contracts, subscriptions receivable, receivable for investments sold, as well as interest, dividends and other receivables, are measured at amortized cost.

Similarly, accrued expenses, payable on standardized futures contracts, redemptions payable, payable for investments purchased, interest, dividends and other payables, as well as distributions payable and taxes payable, are measured at amortized cost.

Given the short-term nature of other assets and liabilities, their carrying amount closely approximates their fair value.

## **Investment Transactions**

Investment transactions are accounted for on the trade date. Cost is determined on an average cost basis except for money market securities, for which the cost is determined using the first-in, first-out method. The average cost does not include amortization of premiums or discounts on fixed-income securities except for stripped bonds. Portfolio transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities by the Funds are recognized in the Statements of Comprehensive Income. The difference between the unrealized appreciation (depreciation) of investments at the beginning and at the end of the period is included in "Net unrealized gain (loss) on investments" in the Statements of Comprehensive Income. On disposal of an investment, the difference between the fair value and the cost of the investment is included in "Net realized gain (loss) on investments" in the Statements of Comprehensive Income.

## **Securities Lending Activities and Repurchase Agreements**

Effective June 1, 2020, certain Funds may enter into securities lending and repurchase transactions through the securities lending program of the Funds' custodian, Desjardins Trust Inc. ("Desjardins Trust").

### Securities Lending

The securities on loan are included in the Schedule of Investment Portfolio and are included in the total value in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities are retained by the Funds.

To limit the risk that the counterparty fails to fulfill its obligations, the Funds obtain collateral, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day's securities loaned. Securities received as collateral in securities lending are not included in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds. Any cash collateral received is included in the Statements of Financial Position in "cash collateral received for securities on loan", as applicable.

For Funds engaged in securities lending, the amount of securities loaned and the value of collateral received is disclosed in the "Schedule of Investment Portfolio", where applicable.

Revenue generated through Desjardins Trust's securities lending is shared by the Fund and Desjardins Trust at the rate presented in the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund. This revenue is included in "Revenue from securities lending activities" in the Statements of Comprehensive Income if applicable.

### Repurchase and Reverse Repurchase Agreements

In a repurchase agreement, a Fund sells a security to a third party and agrees to buy the same, or substantially the same, security back from the third party at a predetermined price and date. In a reverse repurchase agreement, a Fund buys securities for cash, while at the same time, it agrees to resell the same securities for cash (usually at a higher price) at a later date.

To limit the risk that the counterparty fails to fulfill its obligations, applicable Funds obtain collateral, combination of cash and securities, representing at least 102% of the contract amount, determined daily based on the fair value of the previous business day's repurchase transactions. Securities received as collateral in repurchase or reverse repurchase transactions are not included in the Statements of Financial Position, as substantially all the risks and rewards of ownership of these securities have not been transferred to the Funds.

Cash guarantees received for repurchase or reverse repurchase transactions are recognized as financial assets in the Statements of Financial Position, in "Cash guarantee received for repurchase or reverse repurchase transactions", as applicable. A liability representing the obligation to repurchase or reverse repurchase the securities is recognized in "Commitments related to repurchase or reverse repurchase transactions", as applicable. Desjardins Trust, as the Funds' custodian, may use the cash guarantees to buy investments to generate revenue, which is shared by the Fund and Desjardins Trust at the rate presented in the section "Notes to the Financial Statements – Specific Information" pertaining to each applicable Fund. This revenue is included in "Revenue from securities lending activities" in the Statements of Comprehensive Income, if applicable.

## **Leverage**

Leverage occurs when the Fund borrows money or securities, or uses derivatives, to generate investment exposure that would otherwise not be possible.

The aggregate gross exposure of an "alternative mutual fund" under National Instrument 81-102 *Investment Funds* ("NI 81-102") must not exceed three times an alternative mutual fund's NAV and is calculated as the sum of the following: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the alternative mutual fund's specified derivatives positions, excluding any specified derivatives used for hedging purposes. If an alternative mutual fund's aggregate gross exposure exceeds three times that fund's NAV, the alternative mutual fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the alternative mutual fund's NAV or less.

As an "alternative mutual fund", NEI Long Short Equity Fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of NEI Long Short Equity Fund that exceed the NAV of the Fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio, as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase a fund's turnover, transaction and market impact costs, interest and other costs, and expenses.

The Manager, on behalf of NEI Long Short Equity Fund, has received exemptive relief from Canadian securities regulatory authorities permitting NEI Long Short Equity Fund to engage in short selling transactions and cash borrowing up to a combined maximum of 100% of its NAV, which is in excess of the short sale and cash borrowing limits of 50% of a fund's NAV provided for both conventional mutual funds and alternative mutual funds in NI 81-102.



# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024 (continued)

### Offsetting Financial Assets and Financial Liabilities

A financial asset and a financial liability offset in a Fund's Statements of Financial Position only when the Fund has a legally enforceable and unconditional right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. A Fund has a legally enforceable and unconditional right to set off a financial asset and a financial liability when such right is enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

Over-the-counter derivative financial instruments, securities lending and repurchase and reverse repurchase agreements, receivable for investments sold and payable for investments purchased are subject to master netting or similar agreements that do not meet the criteria for offsetting in the Statements of Financial Position, as they give a right to an offset that is enforceable only in the event of default, insolvency or bankruptcy.

The table presenting financial assets and liabilities that are subject to a master netting agreement or similar agreement is presented in the "Notes to the Financial Statements – Specific Information" section pertaining to each Fund, if applicable.

### Income

Interest for distribution purposes from investments in debt securities presented in the Statements of Comprehensive Income is recognized as it is earned. The Funds do not amortize premiums paid or discounts received on the purchase of debt securities except for stripped bonds. Dividends are recognized as income on the ex-dividend date. Income received from ETFs and income trusts are included in "Dividends" in the Statements of Comprehensive Income. Notional distributions received from ETFs are considered non-cash transactions and increase the average costs for those ETFs. Amounts from investments that are treated as a return of capital for income tax purposes reduce the average cost of those investments. Foreign interest and dividend income are accounted for on a gross basis and are included in the "Income" section of the Statements of Comprehensive Income.

The net income from the limited partnership includes income attributed for tax purposes and are presented in "Distributions from underlying funds", if applicable. Distributions received from underlying funds are recorded at the date of distribution and are included in "Distributions from underlying funds" in the Statements of Comprehensive Income, if applicable.

Distributions received in the form of units from underlying funds are presented as "Non-cash distribution from investments" in the Statements of Cash Flows, as applicable.

Upon settlement of derivative financial instruments contracts, the gains and losses from derivative financial instruments held for hedging purposes are included in "Net realized gain (loss) on derivatives" in the Statements of Comprehensive Income for applicable Funds. If applicable, gains and losses from derivative financial instruments held for purposes other than hedging are included in "Net income (loss) from derivatives" in the Statements of Comprehensive Income.

### Foreign Currency Translation

The Funds' financial statements, subscriptions and redemptions are denominated in Canadian dollars, which is the Funds' functional and presentation currency. Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate on each valuation date. Purchases and sales of securities, as well as income and expenses denominated in foreign currencies, are translated into the functional currency at the exchange rates prevailing on the transaction dates.

Foreign exchange gains and losses relating to cash are presented as "Foreign exchange gain (loss) on cash" in the Statements of Comprehensive Income and those relating to other financial assets and liabilities are presented within "Net realized gain (loss) on investments" and "Net unrealized gain (loss) on investments" in the Statements of Comprehensive Income.

Amount in currencies are presented using the following abbreviations:

Abbreviation	Currency	Abbreviation	Currency
AED	United Arab Emirates Dirham	KRW	South Korean Won
AUD	Australian Dollar	MXN	Mexican Peso
BRL	Brazilian Real	MYR	Malaysian Ringgit
CAD	Canadian Dollar	NOK	Norwegian Krone
CHF	Swiss Franc	NZD	New Zealand Dollar
CLP	Chilean Peso	PHP	Philippine Peso
CNY	Chinese Yuan Renminbi	PLN	Polish Zloty
CZK	Czech Republic Koruna	RUB	Russian Ruble
DKK	Danish Krone	SAR	Saudi Riyal
EUR	Euro	SEK	Swedish Krona
GBP	Pound Sterling	SGD	Singapore Dollar
HKD	Hong Kong Dollar	THB	Thai Baht
HUF	Hungarian Forint	TRY	Turkish Lira
IDR	Indonesian Rupiah	TWD	Taiwan Dollar
ILS	Israeli Shekel	USD	United States Dollar
INR	Indian Rupee	VND	Vietnamese Dong
JPY	Japanese Yen	ZAR	South African Rand

### Short Selling

The unrealized gains or losses arising from short positions are reflected in the Statements of Comprehensive Income as part of "Net unrealized gain (loss) on investments" and the fair value of short positions is reflected in the Statements of Financial Position as "Investments at fair value through profit or loss (FVPTL)- short", where applicable. When the short position is closed out, gains or losses are realized and included in "Net realized gain (loss) on investments" in the Statements of Comprehensive Income.

There can be no assurance that a Fund will be able to close out a short position at an acceptable time or price. Until a Fund replaces a borrowed security, it will maintain adequate margin with the broker consisting of cash and liquid securities. As at March 31, 2025, the margin maintained with the broker is noted in the Statements of Financial Position in "Margin deposits", if applicable.

### Increase (Decrease) in Net Assets Attributable to Holders of Redeemable Units per Unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit, presented in the Statements of Comprehensive Income, is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the average number of units outstanding during the period.

### Income Taxes

Under the *Income Tax Act* (Canada) (the "Tax Act"), each Fund, except the Funds below, qualifies, or intends to qualify, as a mutual fund trust.

The following Funds are considered unincorporated unit trusts:

- NEI Fixed Income Pool;
- NEI Canadian Equity Pool;
- NEI Global Equity Pool; and
- NEI Managed Asset Allocation Pool (collectively, the "Pools").

Each Fund's taxation year-end is December 15 except for NEI Money Market Fund and the Pools, which have a taxation year-end of December 31.

The Funds are taxable on net income and net capital gains not distributed to unitholders. All the Funds' investment income and sufficient net capital gains realized in any year are required to be distributed to unitholders to ensure that the Funds will not be subject to income taxes. As a result, the Funds do not record income taxes. Since the Funds do not record income taxes, the tax benefit of capital and non-capital losses has not been reflected in the Statements of Financial Position as a deferred income tax asset. In some special cases, the Pools may become liable for alternative minimum tax, and may be subject to a special tax under Part XII.2 of the Tax Act. The Manager expects that the Pools will not be subject to tax under Part XII.2, although no assurance can be given that this will not occur.



# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024 (continued)

Capital losses can be carried forward indefinitely to reduce future capital gains. Non-capital losses incurred in a financial year may be carried forward 20 years to reduce future investment income and capital gains.

Distributions are classified as a return of capital, net investment income or capital gain. The Manager reserves the right to make additional distributions in any year, if determined to be appropriate.

The Funds currently incur withholding taxes imposed by certain countries on foreign investment income and capital gains. Such income and gains are recorded on a gross basis, and the related withholding taxes are shown as a separate expense in the Statements of Comprehensive Income.

The Funds that have exposure to Indian securities accrue a tax liability for unrealized gains that are in excess of unrealized losses.

Each Fund will make an election under section 39(4) of the Tax Act so that all gains or losses realized on the disposition of securities that are "Canadian securities" (as defined in the Tax Act), including Canadian securities acquired in connection with short sales, will be deemed to be capital gains or losses to the Fund.

Refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund for more information on income taxes.

### Investments in Other Investment Entities

The Funds meet the definition of "investment entities" in IFRS 10, *Consolidated Financial Statements*, and account for their investments in underlying funds at FVTPL.

In accordance with IFRS 12, *Disclosure of Interests in Other Entities*, specific information on the Funds' investments in other entities, such as subsidiaries, associates and structured entities has been disclosed, as applicable, in "Notes to the Financial Statements – Specific Information" pertaining to each applicable Fund.

### Subsidiaries

An entity is considered as a subsidiary when it is controlled by another entity. The Fund controls an entity when it has the right to variable returns from its involvement with the entity and through its power over the entity.

### Associates

Associates are investments in entities over which the Fund exercises significant influence without exercising control.

### Structured Entities

Structured entities are designed so that the right to vote and other similar rights are not determining factors in exercising control. The Manager has determined that its investments in underlying funds (including limited partnerships), index-based investments and exchange traded funds, income trusts, mortgage-backed securities, and asset-backed securities are structured entities, unless the specified relationship is different. Total values of those investments in the table "Fair Value Hierarchy" also represent the fair value of investments in structured entities.

### New standards, amendments and interpretations not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of March 31, 2025, and have not been applied in preparing these financial statements.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Financial Instruments: Disclosures*)

In May 2024, the International Accounting Standards Board ("IASB") issued amendments to IFRS 9 and IFRS 7. Among other amendments, IASB clarified that a financial liability is derecognized on the settlement date and introduced an accounting policy choice to derecognize financial liabilities that will be settled in cash using an electronic payment system before the settlement date. These amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted.

IFRS 18 *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued IFRS 18, which replaces IAS 1, *Presentation of Financial Statements*. It introduces several new requirements that are expected to impact the presentation and disclosure of financial statements. These include:

- The requirement to classify all income and expenses into specified categories and provide specified totals and subtotals in the statement of profit or loss.
- Enhanced guidance on the aggregation, location and labeling of items across the financial statements and the notes to the financial statements.

- Required disclosures about management-defined performance measures.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted.

The Funds are currently assessing the effect of the above standard and amendments. No other new standards, amendments and interpretations are expected to have a material effect on the financial statements of the Funds.

## 3. CRITICAL ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires the Manager to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these estimates. The following paragraphs discuss the most significant accounting judgments and estimates that the Funds have made when preparing the financial statements.

### Fair Value Measurement of Derivative Financial Instruments and Securities not Quoted in an Active Market

The Funds may hold financial instruments that are not quoted in active markets, including derivative financial instruments. Fair value is determined based on models that make maximum use of observable inputs and rely as little as possible on unobservable inputs. The Funds consider the data observable if the market data is readily available, distributed or updated on a regular basis, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The models used to determine fair values are validated and periodically reviewed by experienced personnel of the Manager.

When no quoted prices are available, the fair value is estimated using present value or other valuation methods, which are influenced by the assumptions used concerning the amount and timing of estimated future cash flows and discount rates, which reflect varying degrees of risk, including liquidity risk, credit risk, risks related to interest rates, exchange rates, and price and rate volatility.

The calculation of the fair values may fluctuate and affect the reported fair values of financial instruments given the role that judgment plays in applying the valuation techniques and the acceptable estimation. Fair value reflects market conditions at a given date and, for this reason, it may not be representative of future fair value. Refer to Note 7 "Financial Instruments Disclosures" for further information on fair value measurement of financial instruments.

## 4. NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

### Structure of Redeemable Units

Each Fund is authorized to issue an unlimited number of series of units and an unlimited number of redeemable units (the units) of each series. Each series unit entitles the holder thereof to participate equally in the distributions of the Fund made to that series. Fractions of units may be issued.

Units of a Fund that are of the same series confer the same rights and privileges except that, in respect of a Fund with more than one series of units, each series of units may have different management fees, dealer compensation structure or distribution structure. As a result, each unit entitles its holder to one vote and to participate equally in distributions made in respect to the series of units by the Fund and, upon liquidation, in the net assets attributable to the series of units remaining after satisfaction of outstanding liabilities. A fraction of a unit will entitle the unitholder to proportionate participation but will not entitle them to vote.

The Funds only issue fully paid units and fractions of units. Unitholders may redeem their units in the manner described in the respective Fund's Declaration of Trust.

The Manager manages the capital of the Funds in accordance with their investment objectives (refer to Note 7). In accordance with securities regulations, the Funds seek to invest subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, with such liquidity being augmented by short-term borrowings or disposal of investments, where necessary.

# NOTES TO THE FINANCIAL STATEMENTS

March 31, 2025, and 2024 (continued)

## Authorized Units

The authorized units of the Fund are comprised of the following series of units:

An unlimited number of Series A units, principally targeted at individual investors purchasing units on a front-end sales charge option basis.

An unlimited number of Series C units, intended for investors who have granted their dealer discretionary investment authority to invest through the use of proprietary model portfolios.

An unlimited number of Series F units, intended for investors participating in programs that do not require the payment of sales charges or service fees to investment professionals or dealers.

An unlimited number of Series I units, offered to institutional or other high net worth investors who meet any criteria the Manager may establish from time to time and negotiate and pay management fees directly to the Manager. The Series I management fee will in no circumstances be higher than the management fee payable on Series A units of the Fund.

An unlimited number of Series O units, intended for investors, which may include dealer-sponsored wrap-programs or portfolios that make large initial allocations to the Funds and are approved by the Manager from time to time, who make large investments in a Fund and meet any eligibility criteria which the Manager may establish from time to time. Those investors must enter into an agreement with the Manager which identifies the management fee negotiated and pay management fees directly to the Manager. The Series O management fee will in no circumstances be higher than the management fee payable on Series A units of the Fund.

An unlimited number of Series P units, intended for investors or discretionary managed accounts of an advisor who hold, individually or in aggregate (in the case of discretionary managed accounts only), at least \$100,000 investment in NEI Funds, and whose dealer has entered into a dealer agreement with the Dealer. Series P units may only be purchased on a front-end sales charge option basis.

An unlimited number of Series PF units, intended for investors or discretionary managed accounts of an advisor who hold, individually or in aggregate (in the case of discretionary managed accounts only), at least \$100,000 investment in a single Fund and participate in programs that do not require them to pay sales charges or service fees to investment professionals or dealers, and whose dealer has entered into a dealer agreement with the Dealer.

An unlimited number of Series W units, intended for investors who make an initial investment of at least \$100,000 in NEI Income Private Portfolio, NEI Income & Growth Private Portfolio, NEI Balanced Private Portfolio or NEI Growth Private Portfolio ("NEI Private Portfolios") and whose dealer has entered into a dealer agreement with the Dealer that provides for distribution of Series W units. Series W units may only be purchased on a front-end sales charge option basis. The initial investment criteria may vary from time to time.

An unlimited number of Series WF units, intended for investors who make an initial investment of at least \$100,000 in an NEI Private Portfolio, participating in programs that do not require them to pay sales charges or service fees to investment professionals or dealers, and whose dealer has entered into a dealer agreement with the Dealer that provides for distribution of Series WF units. The initial investment criteria may vary from time to time.

On August 10, 2020, NEI LP discontinued its deferred sales charge ("DSC"), low load, low load 2 and low load 3 (together "LL") sales charge options for those NEI Funds that offered DSC or LL. For investors with existing DSC and/or LL units as of that date, subsequent investments subject to DSC and/or LL sales charges were available until October 2020. On October 5, 2020, DSC and LL sales charge options were closed to new investments. On March 14, 2025, all NEI Fund units held in DSC and LL sales charge options were converted to the corresponding front-end sales charge options (FE) for the same series of applicable Funds. Mature and non-mature units held in DSC sales charge options and LL sales charge options were converted automatically to the corresponding FE sales charge option. As a result of the conversions, any units held in FE sales charge options that meet the eligibility criteria for the Preferred Pricing Program will be automatically switched to the corresponding Preferred Pricing Series.

## Valuation of Units

On each business day and for each series of units of each Fund, the Manager calculates the NAV per unit by dividing the net assets attributable to holders of redeemable units by the number of units outstanding.

The NAV of each series in a Fund corresponds to the proportion of the assets of the Fund attributable to the series, net of the proportion of the Fund's total liabilities attributable to the series and the liabilities of the series. Expenses directly related to a series are applied against this series. Other income and expenses, as well as realized and unrealized capital gains and losses, are applied against each series in proportion to their respective NAV.

## Management of Risks Associated with Units

Units issued and outstanding are considered as the Funds' capital. The Funds are not subject to specific capital requirements concerning subscription and redemption of units, other than certain minimum subscription requirements. Unitholders are entitled to require payment of the NAV per unit for all or any of the units they hold by giving a written redemption request to the Manager within the prescribed time period. Units are redeemable for cash equal to a pro rata share of the Fund's NAV.

## Redemptions

Unitholders may at any time elect to redeem all or part of their units on the valuation date at the current closing NAV per unit. Payment for any unit redeemed will be made by the applicable Fund.

## 5. MANAGEMENT FEES AND OTHER EXPENSES

### Management Fees

As the Manager, trustee, portfolio manager and registrar, NEI LP receives from each Fund, management fees, before taxes, calculated on the NAV of each unit series on each valuation date. Management fees are calculated daily with the NAV of the Funds according to the annual rates presented in "Notes to the Financial Statements – Specific Information" pertaining to each Fund. NEI LP is responsible for the payment of investment fees to Portfolio sub-advisors retained by the Funds.

The management fee varies between Funds and series. Series I and Series O units of the Funds are not subject to management fees, as the unitholders of these series negotiate and pay those fees directly to the Manager.

Certain Funds may invest in other mutual funds ("underlying funds"), including other NEI Funds in order to achieve their investment objectives. There are fees payable by the underlying funds in addition to the fees payable by the investing Fund. No management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund for the same service.

### Performance Fees

Subject to the attainment of the high-water mark (described below), the Manager charges a performance fee, payable to the Portfolio Sub-Advisor in respect of NEI Long Short Equity Fund. The performance fees for each series shall be calculated, earned and accrued daily, based on the cumulative total return of the Fund since the last period for which the performance fee was paid, and become a liability of NEI Long Short Equity Fund on each valuation day and shall be paid by the Fund at the end of each calendar quarter.

NEI Long Short Equity Fund pays the Manager a daily performance fee equal to 20% of the positive difference between the unit price on each valuation day and high-water mark less the hurdle amount per unit on the valuation day, multiplied by the number of units outstanding on the applicable valuation day on which the performance fees is determined. This calculation ensures that the performance fee reflects the fund's cumulative total return since the last performance fees period. The high-water mark is the greatest unit price on any previous valuation day since the units of the series were first issued. The hurdle amount per unit for each applicable series on a valuation day is the product of (a) 2% for each calendar year (pro-rated for the number of days in the calendar year); (b) the unit price of each applicable series on the valuation day; and (c) the number of days since the most recently determined high-water mark or the beginning of the current calendar year, whichever is most recent. Once a high-water mark is attained, a performance fee is earned by the sub-advisor and will not be reduced if there is subsequent negative performance by NEI Long Short Equity Fund.

The Manager reserves the right, in its discretion, to discontinue, decrease or waive the performance fees at any time. Performance fees are subject to applicable taxes, including GST/HST.

### Other Expenses

The Manager pays all of the operating expenses (the "Operating Expenses") of the Funds, except for:

- The "Fund Expenses", which are collectively:
  - costs and expenses associated with taxes (including, but not limited to, GST/HST);
  - borrowing costs incurred by the Funds from time to time;
  - the costs associated with the independent review committee ("IRC"), including annual dues, meeting fees and other related expenses such as travel relating to the operation of the IRC

# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024 (continued)

- the costs of compliance with any regulatory changes imposed following July 27, 2018;

and

- costs associated with portfolio transactions, including brokerage commissions and research and execution costs.

The Operating Expenses include, but are not limited to, audit fees, fund accounting costs, transfer agency and recordkeeping costs, custodian costs, administration costs and trustee services relating to registered tax plans, costs of printing and disseminating prospectuses, fund facts and continuous disclosure materials, legal fees, bank charges, investor communication costs, and regulatory filing fees.

In return for assuming the obligation to pay the Funds' operating expenses, each Fund pays to the Manager a fixed annual administration fee ("Administration Fee"), which is subject to applicable taxes, including HST. The Administration Fee varies between Funds and series. Administration Fees correspond to a specified percentage of the NAV of the series, calculated and accrued daily. No Administration Fee is charged to Series I units of the Funds because of the fee structures associated with this series.

The annual management fee rate and the annual administration fee rate shown in the "Notes to the Financial Statements – Specific Information" pertaining to each Fund may be lower than the rates presented in the prospectus, as the Manager can absorb a portion of those expenses.

For more information regarding the management fees and other expenses each Fund incurs, please refer to the "Notes to the Financial Statements – Specific Information" section pertaining to each Fund.

## 6. RELATED PARTY TRANSACTIONS

NEI LP is the Manager, trustee, portfolio manager and registrar of the Funds. Northwest & Ethical Investments Inc., the general partner of NEI LP, is a wholly-owned subsidiary of Aviso Wealth Inc. ("Aviso"). Aviso is the sole limited partner of the Manager. 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, CU CUMIS Wealth Holdings LP, 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 is the Manager of the Funds pursuant to the Management Agreement and ensures the daily administration of the Funds. NEI LP provides or ensures the Funds are provided with all services (accounting, custody, portfolio management, record maintenance, transfer agent) required. The Funds pay management and administration fees to NEI LP. Trustee fees and portfolio management fees are entirely at NEI LP's expense.

Desjardins Trust is the custodian of the Funds. Desjardins Trust is a wholly-owned subsidiary of the Fédération. The Funds may engage in securities lending transactions, and Desjardins Trust may act as the Funds' securities lending and repurchase and/or reverse repurchase transactions agent ("Agent"). Any revenue earned on such securities lending is split between the Funds and the Agent.

### Underlying Funds

In accordance with their investment objectives, certain Funds invest in Series I units of other NEI Funds. Where applicable, all the underlying funds identified as "Related" in the table "Fair Value Hierarchy" are considered related parties. Refer to Note 7 "Financial Instruments Disclosures" for further information on fair value hierarchy and fair value measurement of financial instruments. All transactions in those investments are executed based on the fair value of those investments as described in the material accounting policy information. No commissions or other fees were paid by the Fund in relation to these transactions.

For more information regarding the related parties for each Fund, please refer to the "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

## 7. FINANCIAL INSTRUMENTS DISCLOSURES

### Hierarchy of Financial Instruments Measured at Fair Value

The fair value measurement of financial instruments is determined using the following three levels of the fair value hierarchy:

- Level 1 - Measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2 - Valuation techniques based primarily on observable market data.
- Level 3 - Valuation techniques not based primarily on observable market data.

If inputs of different levels are used to measure the fair value of an asset or liability, the classification within the hierarchy is based on the lowest level input that is significant to the measurement of fair value.

### Measurement Monitoring

The Manager is responsible for establishing the fair value measurements included in the Funds' financial statements, including Level 3 measurements. The Manager obtains prices from a pricing agency and monitors and analyzes these prices daily. A Measurement Monitoring Committee (the "Committee") ensures that appropriate operating procedures and a proper monitoring structure are in place and followed. This Committee meets on a quarterly basis to review fair value situations. Reports are produced monthly and given quarterly to the Committee members. The Committee also examines specific processes carried out by the Investment Fund Portfolio Department. Moreover, the Committee establishes measurement policy orientation. On a quarterly basis, this Committee examines and approves the Level 3 measurements after obtaining confirmation of the measurements from each portfolio manager, as needed. The Committee signs off on any adjustments made to prices or estimates provided by the pricing agency.

### Establishment of Levels

A change in the fair value measurement method could result in a transfer between levels. The Funds' policy is to record the implications of the transfers between levels on the date of the event or change in circumstances behind the transfer.

The following types of investments may be classified as Level 3 if their prices are no longer based on observable inputs.

### Money Market Securities

Money market securities primarily include public sector and corporate securities. The inputs that are significant to valuation are generally observable. Public sector money market securities guaranteed by the federal or provincial government have been classified as Level 1. Other money market securities have been classified as Level 2.

### Equities

Equities are classified as Level 1 when the security is actively traded, and a reliable price is observable. Certain equities do not trade frequently and therefore observable prices may not be available. In such cases, fair value is determined using observable market data and the fair value is classified as Level 2. If the determination of fair value uses significant unobservable data, then the fair value is classified as Level 3. Unlisted warrants are generally classified as Level 2.

### Index-Based Investments and Exchange Traded Funds

Index-based investments and ETFs are classified as Level 1 when the security is actively traded, and a reliable price is observable. ETFs are classified as Level 2 when the security is thinly traded and based primarily on observable market data.

### Bonds

Public sector bonds guaranteed by the federal or provincial government are classified as Level 1. Corporate bonds, which are valued using models with inputs including interest rate curves, credit spreads and volatilities, are usually classified as Level 2.

### Mortgage-Backed Securities and Asset-Backed Securities

Mortgage-backed securities and asset-backed securities consist primarily of corporate securities, which are valued using models with inputs, including interest rate curves, credit spreads and volatilities. Since the inputs that are significant to valuation are generally observable, mortgage-backed securities and asset-backed securities are usually classified as Level 2.

### Investment Funds

Public investment funds are classified as Level 1 when their prospectus is unrestricted, and their price is reliable and observable. Since some investment funds are not public, their price is determined using observable market data and their fair value is classified as Level 2. If the measurement of fair value requires the use of significant unobservable inputs, then it is classified as Level 3.

# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024 (continued)

### Derivative Financial Instruments

Derivative financial instruments, which consist of foreign currency forward contracts, forward contracts, interest rate swaps, and credit default swaps, for which counterparty credit spreads are observable and reliable or for which the credit-related inputs are determined to be significant to fair value, are classified as Level 2. Options are classified as Level 1 when the option is actively traded, and a reliable price is observable. Unlisted options are generally classified as Level 2.

Detailed information concerning the fair value hierarchy of each Fund is available in their respective "Notes to the Financial Statements – Specific Information". For securities classified as Level 3, the valuation techniques and assumptions are also presented in their respective notes.

### **Management of Risks Arising from Financial Instruments**

Throughout their activities, the Funds are exposed to a variety of risks associated with financial instruments such as market risk (including currency risk, interest rate risk and price risk), concentration risk, credit risk and liquidity risk. The overall risk management strategy of the Funds focuses on the unpredictability of financial markets and optimizes the Funds' financial performance. Most investments involve a risk of loss.

The Manager is responsible for the Funds' risk management and for selecting and monitoring portfolio sub-advisors.

The Manager compares the performance of the Funds with benchmark indexes on a monthly basis. This analysis is reviewed quarterly by the Manager's investment committee (the "Investment Committee"). The Manager also ensures that the Funds' investment policies are followed and writes a compliance report, which is reviewed on a quarterly basis by the Investment Committee.

The Manager organizes annual meetings with the sub-advisors in order to keep abreast of any changes in their investment practices.

### **Market Risk**

Market risk is the risk that the fair value or future cash flows associated with a financial instrument will fluctuate because of a change in the relevant risk variables, such as interest rates, exchange rates, equity prices, political changes, and catastrophic events, such as pandemics or disasters. The Funds' market risk is managed through diversification of the investment portfolios' exposure ratios.

### Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk is composed of monetary items (usually including cash, receivable amounts in foreign currencies, investments in fixed-income and money market securities) and non-monetary items (usually including investments in equities and investment funds). The non-monetary assets are classified according to the currency in which the security was purchased.

The Funds are exposed to currency risk by holding assets and liabilities denominated in currencies other than the Canadian dollar, the Funds' functional currency, as the value of the securities denominated in other currencies will fluctuate according to the prevailing exchange rates.

The Funds' exposure to currency risk is shown based on the carrying value of financial assets and financial liabilities (including derivative financial instruments and the notional amount of foreign currency forward contracts and foreign currency futures, if any).

When the Canadian dollar decreases in relation to foreign currencies, the value of foreign investments increases. Conversely, when the value of the Canadian dollar increases, the value of foreign investments decreases.

Currency risk is disclosed when the Funds' foreign currencies exposure is above 5% of net assets.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate risk occurs when an investment fund invests in interest-bearing financial instruments. Generally, the value of these securities increases if interest rates decrease and decreases if interest rates increase. The interest rate risk is managed by calculating and monitoring the average portfolio duration on these securities. The Funds also hold a limited amount of cash subject to variable interest rates, which exposes them to cash flow interest rate price risk.

Changes in the market interest rate may affect the borrowing expenses of the short positions held by NEI Long Short Equity Fund.

### Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price, other than those arising from currency risk or interest rate risk.

The portfolio manager plans to manage this risk by carefully selecting securities and other financial instruments, in accordance with defined limits. The maximum risk resulting from financial instruments is determined by the fair value or contract value of the financial instruments. The Funds' financial instruments are exposed to price risk arising from uncertainties about the future prices of instruments.

### **Concentration Risk**

Concentration risk arises because of the concentration of exposure within the same category, whether it is geographical location or industry sector. For Funds with an international investment strategy, the concentration by geographic location is presented according to, among other things, the country of incorporation or region. For Funds with a domestic investment strategy, the concentration by industry sector is presented according to their investments in the different sectors. Concentration risk is managed through portfolio diversification within the framework of a Fund's investment objective and strategy.

### **Credit Risk**

Credit risk is the risk that the financial instrument counterparty will be unable to pay the full amount at maturity. The Fund's credit risk is managed through an independent credit analysis from the Manager/sub-advisor, in addition to a designated rating organization's analysis.

### Financial Instrument Transactions

The Funds' and the counterparty's respective credit risks are considered when determining the fair value of financial assets and liabilities, including derivative financial instruments. Transactions are settled or paid on delivery using approved brokers. The risk of default is considered limited as delivery of the securities sold is made once the broker has received payment.

Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

However, there are risks involved in dealing with custodians or prime brokers who settle trades as, in rare circumstances, the securities and other assets deposited with the custodian or broker may be exposed to credit risk with regard to such parties. In addition, there may be practical problems or time delays associated with enforcing the Funds' rights to their assets in the case of an insolvency of any such party.

The credit rating for fixed-income securities and money market securities is generally rated by designated rating organizations. In cases where the credit rating organizations do not agree on a credit rating for fixed-income securities and money market securities, they will be classified following these rules:

- If two credit ratings are available, but the ratings are different, the lowest rating is used;
- If three credit ratings are available, the most common credit rating is used;
- If all three credit rating organizations have different ratings, the middle credit rating is used.

The credit rating is then converted to a common credit rating organization format. Generally, the greater the credit rating of a security, the lower the probability of it defaulting on its obligations.

Derivative financial instruments are financial contracts whose value depends on underlying assets and other external factors, such as interest rates and foreign exchange rates. The majority of derivative financial instruments are negotiated by mutual agreement between the Funds and their counterparties and include foreign currency forward contracts. Other transactions are carried out as part of trades and mainly consist of futures contracts.

As NEI Long Short Equity Fund may borrow cash for investment purposes, sell securities short, and post margin as collateral for specified derivatives transactions, some of the Fund's assets may be held in margin accounts at a prime broker. The margin accounts may be less able to segregate customer assets than traditional custody accounts, which could potentially expose the Fund to unanticipated risk if the prime broker faces financial difficulties. In this case, assets of the Fund could potentially be inaccessible, and the Fund may experience losses if the prime broker cannot satisfy claims of its creditors, or the Fund cannot trade the positions in adverse market conditions.



# NOTES TO THE FINANCIAL STATEMENTS

## March 31, 2025, and 2024 (continued)

NEI Long Short Equity Fund transactions are made through an approved broker and are settled on delivery using the Fund's prime broker, RBC Dominion Securities Inc. The risk of default is considered minimal as delivery of investments sold is made only when the Fund has received payment. Payment is made on purchases once the investments have been received by the Fund. Should either party not meet its obligation, the trade will fail.

The credit rating of RBC Dominion Securities Inc. as at March 31, 2025 was A-1+

### Securities Lending, Repurchase Transactions and Reverse Repurchase Transactions

Securities lending, repurchase transactions and reverse repurchase transactions expose the Funds to credit risk. These transactions are governed by the Canadian Investment Regulatory Organization ("CIRO") and provincial securities regulators. The Funds also use netting agreements with counterparties to mitigate credit risk and require a percentage of collateralization (a pledge) on these transactions. The Funds only accept pledges from counterparties that comply with the eligibility criteria defined in the policies of CIRO and the provincial securities regulators. These criteria promote quick realization, if necessary, of collateral in case of default. The collateral received and given by the Funds are mainly cash and government securities. However, a Fund engaging in repurchase and/or reverse repurchase transactions could incur a loss if the value of the securities it has purchased decreases below the value of cash paid by the Fund to the counterparty. Further information on assets pledged and received as collateral is presented in the "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

### **Liquidity Risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities.

The Funds are exposed to daily cash redemptions of units. Most of their assets are therefore invested in liquid investments (i.e. investments that are traded in an active market and that can be readily disposed of).

Some Funds may invest in derivative financial instruments, debt securities and unlisted equity investments, which are not traded in an active market. As a result, some Funds may not be able to quickly liquidate their investments at amounts approximating their fair values or be able to respond to specific effects such as deterioration in the creditworthiness of any particular issuer. In addition, the Funds can borrow up to 5% of their NAV for the purposes of funding redemptions.

Each Fund may be exposed to indirect liquidity risk in the event that an underlying fund(s) suspends redemptions resulting in the Fund being unable to redeem their investments.

The majority of the remaining liabilities are due within the next three months. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

### **Short Selling Risk**

Because a "short sale" involves a Fund borrowing securities from a lender and selling those securities in the open market, a Fund will generally see a profit if the securities decrease in value and will generally see a loss if the securities increase in value. The process of a "short sale" requires a Fund to provide collateral to the lender and pay a borrowing fee, which may fluctuate during the borrowing period. Unlike a purchase of securities, where the maximum amount of the loss is limited to the amount invested, there is no such limit to a Fund's exposure on a short sale. The securities loaned for the short sale may be recalled by the lender, and limitations on availability of securities may limit a Fund's freedom of action in connection with short sales. In addition, a Fund may have difficulties repurchasing and returning the borrowed securities if a liquid market does not exist. A Fund may also be indirectly exposed to short selling risk if it invests in an underlying fund that practices short selling.

An alternative mutual fund is subject to different short selling restrictions than those applicable to conventional mutual funds in securities legislation. As an alternative mutual fund, NEI Long Short Equity Fund has received exemptive relief. Subject to the terms and applicability of the exemptive relief, NEI Long Short Equity Fund is permitted to engage in short selling transactions up to a maximum of 100% of its NAV, including selling index participation units ("IPUs") of one or more IPU Issuers short in an aggregate amount of up to 100% of its NAV, which is in excess of the short sale limits provided for both conventional mutual funds and alternative mutual funds in NI 81-102.

### **Leverage Risk**

Alternative mutual funds are not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives. Investment decisions may be made for the assets of an alternative mutual fund that exceed the NAV of the fund. As a result, if these investment decisions are incorrect, the resulting losses will be more than if investments were made solely in an unleveraged long portfolio, as is the case in most conventional equity mutual funds. In addition, leveraged investment strategies can also be expected to increase an alternative mutual fund's turnover, transaction and market impact costs, interest, and other costs and expenses.

Under the investment restrictions applicable to alternative mutual funds in NI 81-102, an alternative mutual fund's aggregate gross exposure, calculated as the sum of the following, must not exceed three times an alternative mutual fund's NAV: (i) the aggregate value of outstanding indebtedness under any borrowing agreements; (ii) the aggregate market value of all securities sold short; and (iii) the aggregate notional value of the alternative mutual fund's specified derivatives positions excluding any specified derivatives used for hedging purposes. If an alternative mutual fund's aggregate gross exposure exceeds three times that fund's NAV, the alternative mutual fund must, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to three times the alternative mutual fund's NAV or less. As an "alternative mutual fund", NEI Long Short Equity Fund is not subject to certain investment restrictions set out in NI 81-102 that restrict the ability of conventional mutual funds (other than alternative mutual funds) to leverage their assets through borrowing, short sales and/or derivatives.

### **Additional Information**

For further information on the risks associated with financial instruments to which each Fund is exposed, refer to the section "Notes to the Financial Statements – Specific Information" pertaining to each Fund.

## 8. COMPARATIVE BALANCES

The comparative financial statements have been reclassified from the statements previously presented in order to conform to the presentation of the current year financial statements.

## 9. OTHER INFORMATION

Unitholders of the Funds can obtain, without charge, the simplified prospectus, the fund facts sheets as well as the financial statements of the Funds by contacting:

Northwest & Ethical Investments L.P.

151 Yonge Street

Suite 1200

Toronto, ON

M5C 2W7

[www.NEIinvestments.com](http://www.NEIinvestments.com)

Tel.: 1-888-809-3333

These documents may also be obtained at the following Internet address: [www.sedarplus.ca](http://www.sedarplus.ca)

