

# NEI

» DEMAND MORE. WE DO.

Q4 2021

# ACTIVE OWNERSHIP REPORT

*Tracking the progress of our corporate engagement  
and policy activity*

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# SUMMARY OF ACTIVITIES

## NEI engagement role

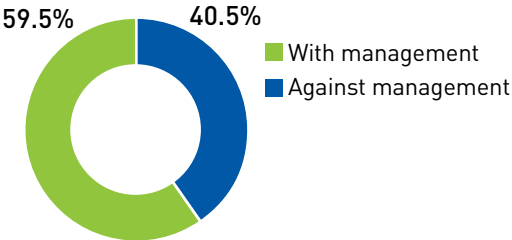
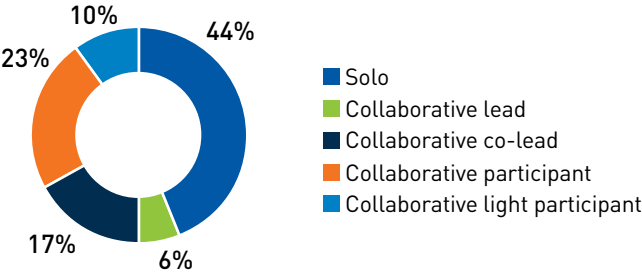
We led 67% of our engagements, meaning that we either conducted the engagement ourselves, or led or co-led a collaboration with other investors. Leads are responsible for setting the agenda, strategizing on the direction of the engagement, and chairing and organizing the investor group’s correspondence and meetings with a company.

This quarter we initiated our annual “feedback on proxy” campaign, where we reach out to select companies to provide our feedback and insights on the nature of our voting decisions at the companies’ annual general meetings. This provides an opportunity to amplify the impact of our voting decisions through further dialogue, an initiative that has generally been well received by companies. This year we prioritized engaging with companies that we had reached out to in the previous year’s campaign, or were considered to be good targets for engagement due to their position in our holdings and/or potential influence in their sector.

## Vote instruction

We voted at 65 meetings in Q4, approximately the same number we voted in Q3. We supported management for 60% of the voted items, which is 328 out of a total of 551 voted items.

Twenty-two shareholder resolutions went to a vote at 10 companies. We supported 95% of these resolutions, which addressed issues such as reporting on human rights impact assessment, greenhouse-gas emissions reduction targets, climate-related lobbying, racial equity audits, and diversity and inclusion efforts. We abstained on a proposal at Microsoft asking the company to prohibit the sale of facial recognition technology to all government entities. In fact, while we shared the proponent’s concerns about the human rights risks related to facial recognition technology, we felt the proposed solution was too prescriptive. We feel it is crucial for the company’s long-term sustainable performance to implement a robust human rights due diligence process that includes assessing, preventing, mitigating, and remedying adverse human rights impacts resulting from its business operations.

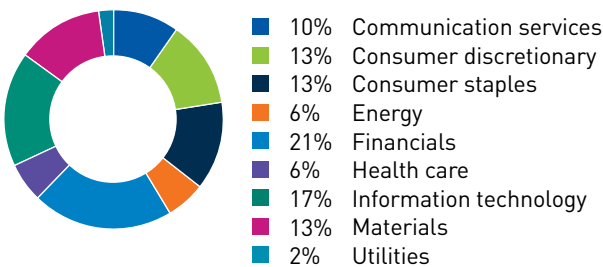


## What is active ownership?

Our ESG team actively engages the companies in our funds to protect and grow value for investors while influencing accountability to all stakeholders. We talk directly with companies to alert them to environmental, social and governance risks, and we propose solutions that may help them improve. We also vote at annual general meetings on matters such as board appointments, good governance, and shareholder proposals.

## Engagement by sector

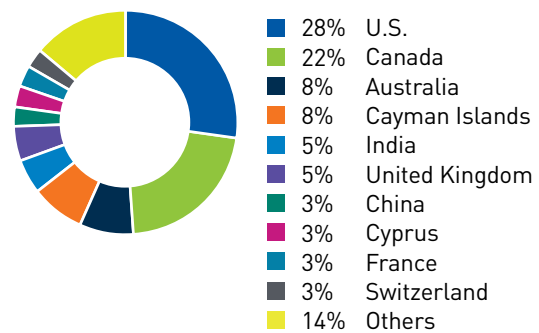
We continued to speak with companies across a number of sectors where we often led or co-led the engagements, including in the financial and energy sectors. We actively participated in sector-focused multi-shareholder collaborative engagements on the issues of governance in the information technology and communication services sector, and access to nutrition in the consumer staples and consumer discretionary sectors. Together, those 2 sectors absorbed approximately two-thirds of our Q3 engagements. As part of these collaborations, we led or co-led a number of dialogues and participated in dialogues led by other investors. This work constituted a significant portion of our “participant” engagements.



## Votes by country

Over half the meetings voted in Q4 occurred at companies based in North America and the United Kingdom, and the rest were at companies based in international markets including India, Austria, Bermuda, Indonesia, Ireland, Israel, and Switzerland.

All 8 shareholder resolutions voted on during the quarter were filed at 4 U.S. companies: **FedEx, Conagra Brands, NortonLifeLock, and Electronic Arts**. We supported all the resolutions asking FedEx to require an independent board chair, and to enhance disclosure on its lobbying and political contributions and diversity and inclusion practices. We also supported the proposals at Conagra Brands and Electronic Arts to enhance shareholder rights by providing the right to act by written consent, as well as the proposal at NortonLifeLock to require an independent board chair.



# FOCUS THEME SPOTLIGHT: INEQUALITY

## *Closing the pay gap: A call for collective action*

By Hasina Razafimahefa, Senior Manager, ESG Evaluations and Proxy Voting

The challenge of reining in excessive executive pay is a big one. Our approaches range from pushing for vertical pay analyses beyond the commonly used practice of aligning with industry peers, known as horizontal benchmarking, to encouraging companies to integrate broad societal concerns when determining their pay levels. In 2015 we instituted a formal cap on executive pay to assess pay packages consistently, and to provide rationale for voting against ones that we deem to be excessive. But all these efforts will be in vain if there is no concerted effort to address the economic and societal risks posed by the widening pay gap between executives and everyday workers.

At NEI, we set a cap on executive pay based on a multiple of the median household income, as a proxy for family income. For 6 years, we had set the bar of excessive pay to be 150 times the median household income in Canada, and 350 times in the U.S. That's approximately \$12.7 million and \$22 million respectively, before COVID-19 hit. The pandemic sounded the alarm that urgent action was critical, as millions of people lost their jobs while some executives still received excessively high pay packages. So in early 2021 we decided to lower our threshold for excessive pay to be 120 times the median household income in Canada and 280 times in the U.S. when voting on pay packages. We feel this approach is important to help narrow the gap.

In 2021, we determined the CEO pay at 84 North American companies in our holdings was excessive, which led us to vote against their say-on-pay. In the extreme cases, we voted against their compensation committee members. We strive as much as we can to reach out to these companies and share feedback on how we voted as part of our "feedback on proxy campaign." Based on the dialogues we have had

thus far, companies seemed to grasp the value of assessing their executive pay in the context of the broader society. But being the first to set a cap when peers are maintaining the status quo is a challenge. Late last year we wrote to 8 companies, including 7 major U.S. financial institutions, with a request to meet in early 2022 to continue our campaign on equitable compensation.

It's critical that investors speak with a single voice to push for change. The ongoing high voter support for say-on-pays indicates to companies the situation is not urgent, though that situation is slowly improving, with more investors voting "no." In this context, [we hosted a roundtable discussion in October](#) with over a dozen participants, kicking off a shared effort to discuss what more can be done. We landed on focus areas such as activating the power of say-on-pay, promoting a unified investor voice, and undertaking policy initiatives. We expect executive compensation to remain among the most significant ESG issues this year and beyond, and we look forward to collaborating with other investors as we move forward with solutions to benefit all stakeholders.

# ENGAGEMENT HIGHLIGHTS

## JNJ working through vaccine distribution challenges

Johnson & Johnson has been struggling to meet its COVID-19 vaccine distribution commitments for low- and middle-income countries, but it looks like the drugmaker may be overcoming supply chain hurdles for more promising results in 2022. We met with JNJ twice in Q4, once to lead an investor group dialogue through the Access to Medicine Foundation, and again as a participant along with other members of the Interfaith Center on Corporate Responsibility. We discussed distribution challenges and access more broadly. In Q1 2022 JNJ expects to provide more vaccines to the group COVID-19 Vaccines Global Access, known as COVAX, and to the African Union.

**Next steps:** We will be following up with JNJ (and other vaccine makers) in 2022 to check that they continue to make progress in making COVID-19 vaccines more accessible, recognizing there are many links in the chain for effective distribution.

## Nike must look deeper into supply chain

Nike has expressed the importance of human rights to their business, but like other apparel companies, they must show how they are adapting their processes to meet the risks in their supply chain. We participated in a call with the company in November, which was a follow-up to a shareholder proposal we co-filed early in 2021 on the issue of how Nike examines and reports on the actual and potential human rights risk from their cotton sourcing. Nike says it's collaborating with partners on new approaches to traceability, which is the ability to track processes from procurement to production as products move among different stages of manufacturing.

**Note:** Nike ceased to be a holding in NEI's funds as of November 13, 2021, based on our sub-advisor(s)' investment process. As always, holdings are subject to change without notice.

## Verizon demonstrates human rights leadership

Verizon is putting ample resources toward managing human rights concerns, setting them apart from their telecommunications peers. We led the meeting between the company and investors in October following the signing of the Investor Statement on Corporate Accountability for Digital Rights. The conversation touched on freedom of expression, privacy, and other human rights related topics. Verizon has a team dedicated to integrating human rights solutions (including human rights due diligence) throughout the business, which demonstrates a deep level of commitment, and they do a good job disclosing their efforts.

**Next steps:** Verizon acknowledges they can disclose more about their approach to data breaches, and how they ensure their third-party partners uphold Verizon's standard. These are two areas we expect to follow up on in the future.

# PROGRESS REPORT: TECK RESOURCES

## Sector

Materials

## Focus theme; sub-theme(s)

Energy transition; net-zero commitments

## Related UN Sustainable Development Goal(s)



## Engagement activity

CA100+

## Responsiveness

Highly responsive

## Holding status (subject to change without notice)

NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund

## Seizing opportunities for low-carbon leadership

Teck Resources is demonstrating strong leadership on many fronts as they continue to orient their business toward a low-carbon world. Our meeting in November brought in four members of the board, including the chair, which we take as a great sign of commitment to climate strategy and to the value of corporate dialogue. Teck has a female board chair, a welcome rarity in the mining industry.

The overwhelming message we took away is that Teck is seizing the opportunities offered them as a provider of key minerals required to achieve net zero. They have identified climate change as the key risk of our time, with climate considerations now a regular aspect of all strategy sessions.

Teck continues to focus on copper as a mineral that's essential to a low-carbon reality. We talked about their plan for metallurgical coal, a critical ingredient of steelmaking. Teck recognizes it would be detrimental to the transition for them to sell the assets to a buyer who might not have the same commitment to net-zero (or the same resources to address legacy pollution issues); instead, they are looking at solutions for ensuring the coal is part of the transition. Teck had an opportunity two years ago to expand their Cardinal River coal operations but the project's incompatibility with their climate strategy was a large reason they chose to not proceed with it. Rather than selling the asset, they wound it down. Teck is closely following the development of new technologies such as hydrogen and carbon capture, utilization, and storage, as the world seeks to decarbonize steel production.

The board is contemplating how to tie long-term incentive plans to their ESG progress, specifically climate. Those considerations already form part of the company's annual bonus structure. This is an area where we suggested they develop better sightlines, so they can determine how progress toward net zero plays into compensation. Teck is also exploring whether and how they might be able to influence the downstream use of their products for greater sustainability.

It must be acknowledged that Teck has significant environmental challenges in B.C. that it continues to address, in particular the legacy of selenium pollution linked to its metallurgical coal mines. But in our view, they are on a promising trajectory and should be considered leaders in the transition to a low-carbon future.

**Next steps:** The Climate Action 100+ collaborative is currently benchmarking the company's activities against the CA100+ framework. We will meet with management once that project is complete, likely in the spring. The benchmarking effort will give us insight into areas where Teck may need improvement.

# PROGRESS REPORT: CIBC

## Sector

Financials

## Focus theme; sub-theme(s)

Inequality; diversity and inclusion, equitable compensation | Energy transition; net-zero commitments

## Related UN Sustainable Development Goal(s)



## Engagement activity

Annual check-in

## Responsiveness

Highly responsive

## Holding status (subject to change without notice)

NEI Canadian Bond Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund

## Progress on diversity and inclusion, working through climate strategy challenges

CIBC is advancing its diversity and inclusion programs and policies, and is receptive to ideas about how to alter its executive compensation structure for more equitable pay. Progress toward net zero is mixed, which is the norm for Canada's big banks in these early stages of the transition. We met with the bank twice in October after they reached out to us for input on their climate strategy.

CIBC provides comprehensive diversity disclosure and has taken many positive steps. New targets for board-approved executive roles were set for women, visible minorities, and Black leaders. Noticing the lack of executive-level targets for Indigenous peoples and persons with disabilities, we learned that the priority for the bank is to first create stronger representation for both these groups more broadly. While CIBC's employee engagement score for 2020 was relatively high at 90%, we encouraged them to break down the result by diversity group to get a clearer picture of worker satisfaction, which one of their peers is doing.

We updated the bank on changes to our proxy voting guidelines regarding our cap on executive pay, even though its CEO pay was below our threshold. We highlighted the important role they could play to help address broader income inequality risks. We discussed the idea of setting a cap in their executive compensation framework, perhaps as a multiple of median household income, which is a fundamental metric we use in our own analysis. We are glad the bank was willing to take a closer look at this issue.

CIBC has been restructuring the governance of its climate strategy since they began re-focusing their ESG work at the request of the CEO in 2020. A key change is the appointment of the Chief Legal Officer as executive sponsor of ESG. Unsurprisingly, the bank identified lack of reliable data as a stumbling block to setting net-zero targets. We supported their decision to press ahead anyway, as the important thing at this stage is working through the process with transparency.

**Next steps:** We intend to review the bank's most recent and forthcoming disclosures regarding interim net-zero targets. We will be especially interested in the bank's stance toward lending to clients in high carbon-emitting industries, and what their expectations of those clients will be.

# SUB-ADVISOR ENGAGEMENT HIGHLIGHTS

## Risk management improvements at Associated British Foods

*Federated Hermes (September 2021)*

Associated British Foods has made significant improvements to its reporting on risk management since 2013, says Federated Hermes. That's the year Hermes began its long-running engagement with the London-based food and retail conglomerate, owner of brands such as Silver Spoon sugar, Twinning's tea, and Primark fashion. Primark was among the retail brands sourcing garments from factories operating in Rana Plaza in Bangladesh, which collapsed in 2013, killing over 1,100 workers. Hermes says the aim of its continuous engagement has been to gain sufficient assurance that the risk management approach of the ABF is robust, and to encourage the company to demonstrate that to investors. ABF held its first ESG event in March last year, explaining in detail how the company's model enables staff to manage risk effectively for each business line, while being overseen by the head office. The board demonstrated that external board perspectives and a strong connection to well-trained personnel at the operating level provide sufficient risk oversight at the group level. Hermes says these improvements have helped to ease their concerns with the company's approach to risk.

## Standing up for shareholders at Ryanair

*Baillie Gifford (2020)*

Ryanair has significantly improved its process for soliciting shareholders to vote their proxies, as well as its disclosures around proxy voting results, says Baillie Gifford. Over the past five years, Baillie Gifford says they have seen sizeable shifts in the way Ryanair approaches customers, employees, shareholders and shareholder rights. Baillie Gifford has been pressing the company to improve its remuneration policy, the disclosure of carbon emissions, the composition of the board and the provision of shareholder voting to holders of the American Depositary Receipt, or ADR. (Note that due to Brexit, as of January 1, 2021, ADR holders and U.K. holders of the ordinary line of stock have had their voting rights removed to ensure Ryanair continues to meet European Union ownership rules. The company has committed not to appoint a proxy to vote these shares.)



# POLICY ADVOCACY

## *CFA ESG disclosure standards a small but important step for a big need*

**By Allen Kwan, Vice President, Head of Product**

The boom in responsible investment/ESG products over the past 2 years has highlighted an urgent need to establish universally accepted and consistent standards for investment funds that market themselves as such. While some progress has been made, a fundamental gap persists, which makes it difficult for investors and advisors to effectively evaluate ESG products and has fueled “greenwashing,” a practice where products are marketed as “responsible” despite little if any RI substance.

One of the most noteworthy developments was the publication of the CFA Institute’s Global ESG Disclosure Standards for Investment Products in November 2021. They are the first voluntary global standards for disclosing how ESG issues are considered in an investment product’s objectives, investment process, and stewardship activities. The standards are meant to facilitate full disclosure of an investment product’s considerations of ESG issues by providing a framework that delivers a complete, clear, and consistent set of ESG disclosures.

We believe the standards represent an important and timely industry development given their global scope and the CFA Institute’s stature. For asset managers seeking to comply with the standards, they promote consistency of implementation and alignment of commonly used terminology, as well as key RI program elements such as screening, data sources and the types of ESG information used, and corporate engagement activities. Ultimately, the availability of the standards represents meaningful progress and offers some immediate benefits for investors and industry stakeholders alike.

However, we are concerned that the current iteration of the standards, which focus on product level disclosures and are thus bottom-up in their

orientation, may not go far enough for investors. Standards should provide a degree of rigour that extends beyond simply striving to align language in the public domain, which in many cases, may only apply to one or a handful of products on a company’s shelf. Real change may require a more prescriptive approach that scrutinizes the substantiveness of a sponsor’s commitment to RI principles and how this commitment is ultimately integrated into product development and investment management activities. It also remains to be seen how the standards will align with the needs of asset managers and how effectively they can be implemented given the nuances.

The standardization effort remains fluid. The CFA is expected to publish an accompanying handbook with interpretive guidance by May 2022, and the standards are but one of multiple global initiatives underway. In the meantime, NEI is reviewing the standards in detail to better understand them, the broader implications of their availability and how they might be implemented.

The CFA standards are a welcome addition to what is sometimes a fragmented investment environment. The CFA has done its part, now it’s up to asset managers to pick up the ball and run.



# POLICY HIGHLIGHTS

## Focus theme: Human rights

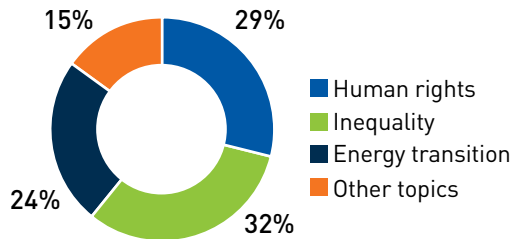
- Signed a statement in support of making stakeholder engagement a core feature of the EU Framework on Mandatory Human Rights and Environmental Due Diligence
- Signed a letter urging the federal government to adopt legislation requiring Canadian companies to undertake human rights and environmental due diligence throughout global operations and supply chains
- Wrote an op-ed article urging the B.C. provincial government to increase the pace at which it is implementing its Declaration on the Rights of Indigenous Peoples Act (DRIPA), in regard to ensuring its mining laws are in accordance with the act

## Focus theme: Energy transition

- Signed a declaration convened by COP26 organizers calling for 100% sales of zero-emission cars and vans no later than 2035 in leading markets, and by 2040 worldwide

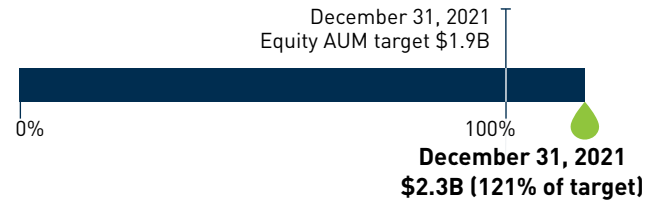
# COMPANY ENGAGEMENT LIST

## Engagements by focus theme



## Progress toward 2021 engagement target

NEI strives to engage companies representing at least 25% of equity assets under management by the end of every year. As of December 31, 2021, NEI equity AUM was \$7.9B with an engagement target of \$1.9B.



## Alphabetical list of companies engaged between October 1 and December 31, 2021

List may not be exhaustive. Holding status is subject to change without notice.


Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
<b>AbbVie</b>	Health care	Inequality	Equitable access	NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI U.S. Dividend Fund; NEI Global Total Return Bond Fund; NEI Global Equity Pool
<b>Activision</b>	Communication services	Inequality	Human capital	NEI Canadian Dividend Fund
<b>Alibaba Group</b>	Consumer discretionary	Human rights	Tech governance	NEI Global Growth Fund; NEI Global Value Fund
<b>Allianz</b>	Financials	Energy transition	Net-zero commitments	NEI International Equity RS Fund; NEI Global Value Fund
<b>Alphabet</b>	Communication services	Inequality; human rights	Tech Governance; human rights due diligence	NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Global Equity RS Fund; NEI Canadian Equity RS Fund; NEI Canadian Equity Fund; NEI Global Growth Fund; NEI Canadian Dividend Fund; NEI Global Equity Pool
<b>Amazon</b>	Consumer discretionary	Energy transition	Plastics circularity	NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Global Equity RS Fund; NEI Global Dividend RS Fund; NEI Global Growth Fund; NEI Global Equity Pool

<b>Company</b>	<b>Sector</b>	<b>Focus theme</b>	<b>Sub-theme/topic</b>	<b>NEI holdings</b>
<b>American Express</b>	Financials	Inequality	Equitable compensation	NEI Global Value Fund
<b>Aritzia</b>	Consumer discretionary	Inequality	Diversity and inclusion	NEI Canadian Small Cap Equity RS Fund; NEI ESG Canadian Enhanced Index Fund
<b>AT&amp;T</b>	Communication services	Human rights	Tech governance	NEI Global Sustainable Balanced Fund; NEI Global Total Return Bond Fund
<b>Axa</b>	Financials	Energy transition	Net-zero commitments	NEI Global Total Return Bond Fund
<b>Bank of America</b>	Financials	Inequality	Equitable compensation	NEI Global Sustainable Balanced Fund; NEI Global Equity RS Fund; NEI Canadian Dividend Fund; NEI Global Impact Bond Fund
<b>Bank of Nova Scotia</b>	Financials	Inequality	Equitable compensation	NEI Canadian Bond Fund; NEI Canadian Equity RS Fund; NEI Global Dividend RS Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI Money Market Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>Blackberry</b>	Information technology	Human rights	Tech governance	NEI ESG Canadian Enhanced Index Fund
<b>CIBC</b>	Financials	Inequality; energy transition	Diversity and inclusion; equitable compensation; net-zero commitments	NEI Canadian Bond Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund
<b>Cisco Systems</b>	Information technology	Human rights	Tech governance	NEI Global Dividend RS Fund; NEI Canadian Dividend Fund; NEI U.S. Dividend Fund
<b>Citigroup</b>	Financials	Inequality	Equitable compensation	NEI Canadian Bond Fund; NEI Global Sustainable Balanced Fund; NEI Global Equity RS Fund; NEI Canadian Equity Fund; NEI Global Total Return Bond Fund
<b>Coca-Cola</b>	Consumer staples	n/a	Nutrition	NEI U.S. Equity RS Fund; NEI Global Dividend RS Fund; NEI Global Equity Pool
<b>Corus Entertainment</b>	Consumer discretionary	n/a	ESG management and disclosure	NEI ESG Canadian Enhanced Index Fund
<b>Danone</b>	Consumer staples	Energy transition	Net-zero commitments	NEI International Equity RS Fund

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
<b>Empire Co.</b>	Consumer staples	Human rights; energy transition	Supply chain risks; human capital; plastics circularity; net-zero commitments	NEI Canadian Equity RS Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>Enbridge</b>	Energy	Energy transition	Net-zero commitments	NEI Canadian Bond Fund; NEI Canadian Equity RS Fund; NEI Canadian Dividend Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund
<b>Facebook</b>	Information technology	Human rights	Tech governance	NEI U.S. Equity RS Fund; NEI Canadian Equity Fund; NEI Global Value Fund; NEI Global Equity Pool
<b>First Quantum Minerals</b>	Materials	Inequality	Diversity and inclusion	NEI Global High Yield Bond Fund; NEI ESG Canadian Enhanced Index Fund
<b>Home Depot</b>	Consumer discretionary	n/a	Board diversity	NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Global Dividend RS Fund; NEI Global Equity Pool
<b>Intel</b>	Information technology	Human rights	Tech governance	NEI Global Value Fund
<b>Johnson &amp; Johnson</b>	Health care	Inequality	Equitable access	NEI U.S. Equity RS Fund; NEI Canadian Equity RS Fund; NEI Global Equity Pool
<b>JPMorgan Chase</b>	Financials	Energy transition; inequality	Net-zero commitments; equitable compensation	NEI Canadian Bond Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI Global High Yield Bond Fund; NEI Global Total Return Bond; NEI Global Equity Pool
<b>Linde</b>	Materials	Inequality	Diversity and inclusion	NEI International Equity RS Fund; NEI Global Dividend RS Fund; NEI Environmental Leaders Fund
<b>Magna International</b>	Consumer discretionary	Inequality	Equitable compensation	NEI Canadian Equity RS Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI U.S. Dividend Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>Marathon Petroleum</b>	Energy	Energy transition	Net-zero commitments	NEI U.S. Dividend Fund
<b>Microsoft</b>	Information technology	Human rights	Tech governance	NEI U.S. Equity RS Fund; NEI Global Equity RS Fund; NEI Global Dividend RS Fund; NEI Environmental Leaders Fund; NEI Canadian Dividend Fund; NEI Global Total Return Bond Fund; NEI Global Equity Pool

<b>Company</b>	<b>Sector</b>	<b>Focus theme</b>	<b>Sub-theme/topic</b>	<b>NEI holdings</b>
<b>Mondelez International</b>	Consumer staples	n/a	Nutrition	Sold
<b>Morgan Stanley</b>	Financials	Inequality	Equitable compensation	NEI Global Sustainable Balanced Fund; NEI Canadian Equity Fund; NEI Global Total Return Bond Fund
<b>Nike</b>	Consumer discretionary	Human rights	Supply chain risks	Sold
<b>Nutrien</b>	Materials	Inequality	Equitable compensation	NEI Canadian Equity RS Fund; NEI Canadian Dividend Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>Open Text</b>	Information technology	Human rights	Tech governance	NEI Canadian Equity RS Fund; NEI Global High Yield Bond Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>PepsiCo</b>	Consumer staples	n/a	Nutrition	NEI Global Dividend RS Fund; NEI U.S. Dividend Fund
<b>Samsung</b>	Information technology	Human rights	Tech governance	NEI Global Equity RS Fund; NEI Emerging Markets Fund; NEI Global Value Fund
<b>Sanofi</b>	Health care	Energy transition	Net-zero commitments	NEI International Equity RS Fund
<b>Saputo</b>	Consumer staples	Inequality	Diversity and inclusion	NEI Canadian Bond Fund; NEI Canadian RS Equity; NEI Canadian Dividend Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
<b>Stella Jones</b>	Materials	Inequality	Diversity and inclusion	NEI Canadian Small Cap Eq RS Fund; NEI Canadian Small Cap Eq Fund; NEI ESG Canadian Enhanced Index Fund
<b>Suncor Energy</b>	Energy	Energy transition	Net-zero commitments	NEI Canadian Bond Fund; NEI Canadian RS Equity; NEI Canadian Dividend Fund; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index Fund
<b>Superior Plus</b>	Utilities	Energy transition	Alignment to TCFD	NEI Canadian Small Cap Eq RS Fund; NEI Growth & Income Fund; NEI Canadian Equity Fund; NEI Canadian Dividend Fund; NEI ESG Canadian Enhanced Index Fund
<b>Teck Resources</b>	Materials	Energy transition	Net-zero commitments	NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund
<b>Tencent Holdings</b>	Information technology	Human rights	Tech governance	NEI International Equity RS Fund; NEI Global Growth Fund; NEI Emerging Markets Fund

<b>Company</b>	<b>Sector</b>	<b>Focus theme</b>	<b>Sub-theme/topic</b>	<b>NEI holdings</b>
<b>Verizon Communications</b>	Communication services	Human rights	Tech governance	NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Global Equity RS Fund; NEI Global Dividend RS Fund; NEI Canadian Dividend Fund; NEI U.S. Dividend Fund; NEI Global Total Return Bond Fund
<b>Vodafone Group</b>	Communication services	Human rights	Tech governance	NEI Canadian Dividend Fund; NEI Global Total Return Bond Fund
<b>Wells Fargo</b>	Financials	Energy transition; inequality	Net-zero commitments; equitable compensation	NEI Canadian Dividend Fund
<b>Winpak</b>	Materials	Inequality	Diversity and inclusion	NEI Canadian Small Cap Equity RS Fund; NEI Canadian Small Cap Equity Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool



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