

Q1 2023

## CORPORATE ENGAGEMENT PROGRESS REPORT: GFL ENVIRONMENTAL

### Sector

Industrials

### Focus theme; sub-theme(s)

Net-zero alignment; net-zero commitments and transition plans

### Related UN Sustainable Development Goal(s)



### Engagement activity

Climate Engagement Canada (first meeting)

### Responsiveness

Responsive

### Holding status (subject to change without notice)

NEI Canadian Equity Fund, NEI ESG Canadian Enhanced Index Fund, NEI Growth & Income Fund

### GFL progressing on climate disclosures

**Objective:** Kick off collaborative engagement as part of Climate Engagement Canada (CEC) initiative, ensure company understanding of CEC objectives.

Waste management company GFL Environmental is maturing nicely with its climate-related disclosures, given the company has only been public since 2020. They have produced a second iteration of their sustainability report, and have said they intend to publish their first report aligned to the Task Force on Climate-related Financial Disclosures (TCFD) in 2024. We met with them in January as part of a CEC investor collaboration, though NEI had been engaging the company on its own prior to the group meeting, and on the same topics of net-zero commitments and transition plans.

Headquartered in Toronto, GFL provides diversified environmental services across North America in the areas of solid waste management, liquid waste management, and soil remediation. Their “sustainability action plan” includes commitments such as increasing resource recovery and recycling solutions, the capture and use of landfill gas, use of low-carbon fuels in their vehicles, and investing in innovation. What we liked about what we heard in our meeting is that GFL has a clear strategic intention not just to reduce emissions, but to capitalize on the energy transition for the long-term success of their business.

The company is and has been very receptive to our conversations about net-zero strategy, targets, and disclosure. They told us that TCFD is a focus for them, and that they are currently taking steps to prepare for their first report next year. They also said they are revisiting their climate scenario analysis. Overall, we are impressed by GFL's commitments and progress given their short time as a public company.


**Next steps:** Organize next touchpoint with the aim of agreeing on priority actions in accordance with CEC guidance, and to review the company's targets and scenario analysis for alignment with a net-zero pathway.

---

## *Leadership in corporate engagement*

**Our goal is to protect shareholder value while influencing accountability to all stakeholders.**

We believe the most effective tool for achieving that goal is corporate engagement. We talk directly with companies—alerting them to ESG risks, encouraging them to improve their ESG performance, and influencing how they are run. The NEI approach to corporate engagement is a proprietary model that incorporates internationally recognized principles and frameworks such as the Principles for Responsible Investment, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines, and the UN's Sustainable Development Goals.



**Talk to your advisor today about how responsible investment solutions from NEI can help you achieve your goals.**

This report is based on NEI records, research and impressions gathered during company engagements. Unless otherwise indicated, no company identified in this report reviewed its contents before publication.

This material is for informational and educational purposes and it is not intended to provide specific advice including, without limitation, investment, financial, tax or similar matters. The views expressed herein are subject to change without notice as markets change over time. Information herein is believed to be reliable but NEI does not warrant its completeness or accuracy. Views expressed regarding a particular security, industry or market sector should not be considered an indication of trading intent of any funds managed by NEI Investments. Forward-looking statements are not guaranteed of future performance and risks and uncertainties often cause actual results to differ materially from forward-looking information or expectations. Do not place undue reliance on forward-looking information.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

NEI Investments is a registered trademark of Northwest & Ethical Investments L.P. ("NEI LP"). Northwest & Ethical Investments Inc. is the general partner of NEI LP and a wholly-owned subsidiary of Aviso Wealth Inc. ("Aviso"). Aviso is the sole limited partner of NEI LP. Aviso is a wholly-owned subsidiary of Aviso Wealth LP, which in turn is owned 50% by Desjardins Financial Holding Inc. and 50% by a limited partnership owned by the five Provincial Credit Union Centrals and The CUMIS Group Limited.

2300252E GFL 04/23 AODA