

NEI

» DEMAND MORE. WE DO.

Q2 2021

ACTIVE OWNERSHIP REPORT

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

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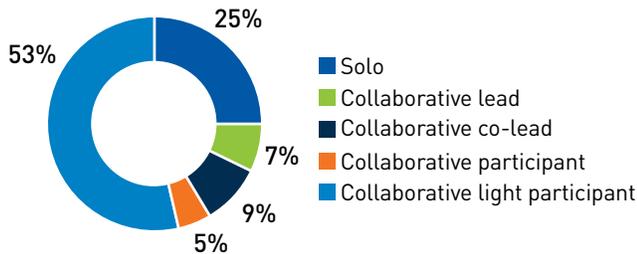
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SUMMARY OF ACTIVITIES

NEI engagement role

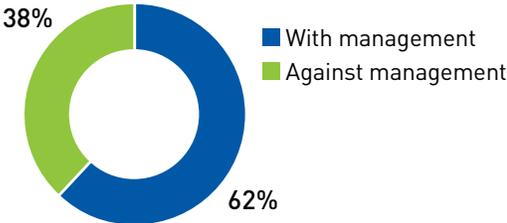
In Q2 we led 41% of our engagements, which was an increase from Q1. Leading means we either conducted the engagement ourselves, or led or co-led a small group or collaboration with other investors. Leads are responsible for setting the agenda, strategizing on the direction of the engagement, and chairing and organizing the investor group’s correspondence and meetings with a company. A significant portion of our “light participant” engagements resulted from our participation in a collaborative engagement on animal welfare. Given our ongoing focus on one-on-one or small group company dialogues (alongside multi-shareholder collaborative engagements), we also pressed forward with companies we have a history of regularly meeting with on ESG issues, including Suncor, Aritzia, and Canadian Tire, to acknowledge progress and continue to push for meaningful change.



Vote instruction

Q2 marked the peak of proxy season, the time when most companies in North America, Europe and Japan hold their annual general meetings. We voted 691 meetings representing nearly 7 times the number of meetings voted the previous quarter. We voted against company management on 38% of agenda items to promote better governance practices.

Despite notable progress at several companies, we remain concerned about the lack of board diversity, excessive and inequitable executive compensation, and companies’ climate risk oversight, among other things. Our internal discussions on proxy voting matters intensified during this period as we sought to make thoughtful voting decisions on regular items even as new issues emerged. There were new requests for companies to hold an advisory vote on their climate strategy, to re-examine their corporate purpose, and to strengthen their human capital management.

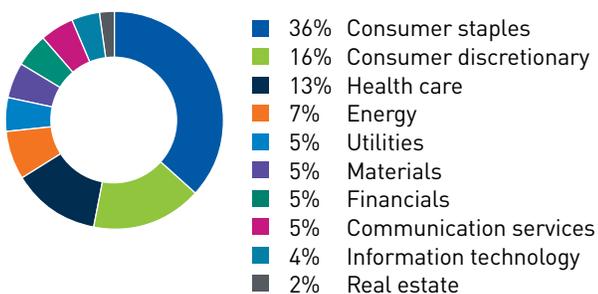


What is active ownership?

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

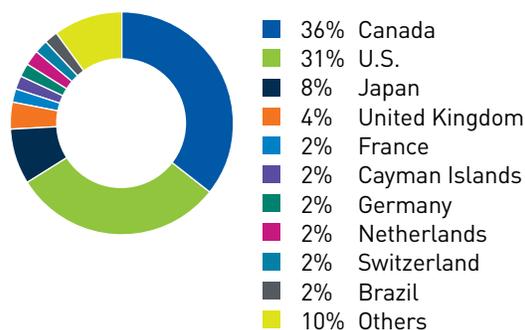
Notably, in sectors where we had fewer engagements, we often held a lead or co-lead role in dialogues. For example, we led or co-led all Q2 engagements with companies in the communication services, energy, materials, and real estate sectors. Companies in the consumer staples and consumer discretionary sectors constituted a significant portion of our “light participant” engagements (where we did not lead or co-lead) due to our support for the Global Investor Collaboration on Farm Animal Welfare, facilitated by the Business Benchmark on Farm Animal Welfare. Health care engagements continued to be a priority due to the pandemic. Together, those 3 sectors absorbed approximately two-thirds of our Q2 engagement efforts.



Votes by country

About two-thirds of the meetings we voted in Q2 were at Canadian and U.S. companies. This should come as no surprise given that NEI funds are more heavily invested in those countries than others, and because most annual general meetings in North America occur in the second quarter.

Japanese proxy season starts in early June. Japanese meetings represented 8% of total meetings voted, followed by votes in the UK, which came in at 4%. The remainder of the figure reflects our exposure to international markets including in European countries and emerging markets.



ESG in the news

Despite the plethora of post-pandemic pronouncements, companies do not appear to be getting the message that excessive executive compensation represents a significant business risk related to income inequality. A report from the Institute for Policy Studies found that 51 of the 100 S&P 500 firms with the lowest median worker wage revised their pay rules in 2020 so that median worker pay fell 2%, while CEO pay rose—by 29%! And 16 of those 51 companies lost money in 2020. This is why we continue to table this issue with companies, carefully scrutinize recommended pay packages, and encourage investors to shift their thinking on excessive pay to consider social inequality implications.

ENERGY TRANSITION

FOCUS THEME SPOTLIGHT: ENERGY TRANSITION

What's next for net zero?

By Jamie Bonham, Director, Corporate Engagement

The last quarter saw a flurry of energy-related developments that were dizzying in scope and precedent-setting in scale. They are indicative of the growing prominence of net zero as the focal point for investor engagement, which was a big factor in most if not all these developments.

In short: the International Energy Agency released a net-zero scenario that called for no new oil and gas exploration and development; ExxonMobil lost a proxy battle with an activist investor bent on a more robust climate strategy; several climate-themed resolutions received majority support from investors; and Royal Dutch Shell was ordered by a court to set more ambitious greenhouse gas reduction targets. (See [our blog](#) for more detail.)

Closer to home, Suncor [released a net-zero strategy](#) that met a longstanding ask of investors, including NEI, who have wanted to see the company combine all the work it has been doing on low-carbon technologies into a cohesive, net-zero strategy (more on that on page 7). Two different low-carbon hydrogen projects were announced in Alberta (one by [Suncor and ATCO](#), the other by [Air Products](#)). Finally, all the major oilsands companies announced a [combined strategy](#) to achieve net-zero emissions by 2050 using shared carbon capture and storage infrastructure. This last announcement, though very dependent on yet-to-be-announced government incentives, is striking for its potential to help decarbonize other heavy-emitting industries in the region.

But will all this make any difference in the fight against climate change, or is it just a distraction while companies pursue a business-as-usual approach? Undoubtedly, it will be both. The stated ambition to align with a net-zero future is undeniably necessary. We will not get there without industry doing some heavy lifting, and as the balance shifts toward companies aligning their strategy with a net-zero

goal, we are assuredly in a better place. At the same time, it is easy to see the appeal of making a 2050 commitment for current managers who will be enjoying their company-sponsored pensions when the time comes to be held accountable. Likewise, it is relatively easy to make a commitment when the onus is on government to provide financial or regulatory incentives to make it viable. Finally, there are legitimate concerns that industry will lean too hard into the “net” of net-zero, choosing to buy offsets instead of substantively changing strategy. When so much of the net-zero pathway is uncertain, investors must be wary of vague commitments that seem divorced from current strategy.

And therein lies the path forward on net-zero plans. They must be wedded to corporate strategy. Not just a bolt-on or parallel path—a net-zero plan needs to be *the* strategy if it is to be credible. To make it credible, investors must push for quantifiable, near-term targets that are accompanied by detailed transition plans that chart the path to significant emissions reductions, increased low-carbon investments, and that ultimately result in business model transformations. All this needs to be resourced adequately through capital allocation and human resource commitments.

There is a great deal of uncertainty (and outright pessimism) about how we will make the seemingly impossible possible. We need to start with ambition, and we need to give companies the space to voice this ambition. But ambition needs to be paired with a genuine strategy that starts now, not in twenty years. This next phase in the net-zero conversation is critical to get right and will continue to be a focus of our engagements this year.

ENGAGEMENT HIGHLIGHTS

Pushing for more disclosure from Aritzia

British Columbia-based fashion retailer Aritzia has taken an important step by conducting a human rights impact assessment within their company, and they appear to have a solid handle on their supply chain risks; now it's time to go further. NEI met with the sustainability team in April to discuss their disclosure framework, and we urged them to make public the findings from their impact assessment. When it comes to diversity and inclusion, the company is building its strategy under the leadership of its chief operating officer. We encouraged them to set time-bound targets and we look forward to seeing how they incorporate feedback from employees into their strategy.

Next steps: We intend to follow up later this year to further encourage Aritzia toward public disclosure of their sustainability progress and goals.

Supply chain success at Canadian Tire

Canadian Tire is a national leader when it comes to supply chain considerations, and their work in plastics reduction is highly commendable. On the emissions front, however, there's substantial work to be done. NEI led a small group meeting with like-minded investors and senior leaders from the firm in June, where the agenda ran the gamut from net-zero planning to plastics to supply chain to human capital management. As one might imagine, Canadian Tire has an extremely layered supply chain with many areas of potential exposure, yet they appear to be well-attuned to the risks. Their leaders were able to confidently answer many pointed questions from the group. So far, however, they are without a plan to achieve net-zero status.

Next steps: One area we did not dive into as deeply as we'd hoped is around premium pay for workers during the pandemic, and general employee health and safety matters. We will follow up when appropriate.

CVS, Walgreens, Walmart must elevate H&S protocols

Three of America's biggest drug retailers have been challenged to recognize the health and safety risks facing their workers during the pandemic, but the wheels are in motion for improved protocols. NEI is playing a key role in a collaborative engagement led by IOPA, Investors for Opioid and Pharmaceutical Accountability, who met with CVS, Walgreens and Walmart in April. We are pushing these companies to improve the mechanisms by which information travels up to executive and board levels from workers on the frontlines, ensuring minimal distortion of the message and prompt, effective reaction to protect health and safety.

Next steps: IOPA is leveraging shared learnings to help support investors in their conversations around pandemic readiness and employee health and safety in the future. More to come.

PROGRESS REPORT: NUTRIEN

Sector

Materials

Focus theme; sub-theme

Energy transition; net zero

Related UN Sustainable Development Goal(s)



Engagement activity

Check-in on strategic goals

Responsiveness

Very responsive

Holding status (subject to change without notice)

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

Ambitious action for the Canadian agriculture sector

Nutrien is taking a bold leap forward with a host of ambitious ESG targets and objectives aimed at achieving a global impact and solidifying their position as a leader among agriculture companies.

NEI met with Nutrien in April, shortly after the release of the company's highly anticipated 2021 ESG report. The meeting was a productive exchange of information and ideas, with NEI providing a supportive voice to help advance Nutrien's objectives.

At the top of our agenda was a conversation about the company's climate strategy. We were happy to hear that Nutrien has set a science-based greenhouse-gas emission reduction target of 30% reduction by 2030. We were pleased to learn the company will be expanding several projects that will improve efficiency and remove significant amounts of GHG emissions well before the target date. Projects include expanding N₂O abatement technology, energy efficiency initiatives, and increasing carbon capture, utilization, and storage.

While Nutrien is demonstrating strong action on reducing GHG emissions, we encouraged them to continue along the path toward setting a net-zero target. We discussed the company's emerging projects in renewable energy generation and the potential for producing green hydrogen for product feedstock.

Nutrien is also exploring a carbon program to better track GHG emissions and water usage throughout the company's value chain. This would enable growers to quantify metrics and take advantage of improvements in fertilizer technology to reduce the environmental impact of growing food. We are excited to see the progress Nutrien is making to further integrate ESG performance throughout the company and its customers.

Next steps: We believe the achievement of bold targets will require greater executive accountability. We will continue to encourage Nutrien to make a tighter connection between its performance metrics around food security, climate change, inclusion, and executive compensation.

PROGRESS REPORT: SUNCOR

Sector

Energy

Focus theme; sub-theme

Energy transition; net zero

Related UN Sustainable Development Goal(s)



Engagement activity

Early look at new strategic plan

Responsiveness

Very responsive

Holding status (subject to change without notice)

NEI Canadian Equity RS Fund; NEI Global Equity Fund;
NEI Canadian Dividend Fund,
NEI ESG Canadian Enhanced Index Fund

Leading the pack in more ways than one

Suncor Energy has laid out an ambitious, groundbreaking plan that has the potential to transform the company into an industry leader in low-carbon energy solutions.

We met prior to the public release of the plan at the company's behest, so they could gauge the response of ESG-focused investors such as ourselves to the climate aspects of the plan, particularly since we have been working together so closely on the need for such a strategy for years. Judging by the share price reaction to newsflow in the weeks that followed, we think Suncor should be confident investors have "approved" the plan.

Headlines have reflected Suncor's commitment to achieving net-zero status by 2050, which of course is a critical end goal. But the company's plan goes deeper. Suncor says they intend to invest heavily in game-changing technologies where the real value, in our view, will kick in after 2030. That's when we expect to see the full bloom of Suncor's leadership as access to and adoption of technology solutions such as hydrogen and carbon capture spreads throughout the domestic industry, and ideally, beyond. And while a scope 3 commitment was not part of the announcement, there was a clear focus on how Suncor can help its clients transition to zero emission technologies—such as by building out its EV charging network and helping the airline industry decarbonize.

Suncor is also chasing down practical and environmentally friendlier uses for bitumen that don't involve burning it, including carbon fibre and asphalt. Success in this area would turn what's increasingly being perceived as a liability into a strength.

All this is easier said than done. These are extremely capital-intensive projects, with many of them dependent on government assistance in one form or another. But it is becoming increasingly clear that transformative thinking will be required to ensure success in a net-zero world.

Next steps: One aspect of the plan we would like to see developed is the explicit linking of executive compensation to the company's transition goals. Overall, we look forward to continuing our work with Suncor as they enter this important stage of their transition.

SUB-ADVISOR ENGAGEMENT HIGHLIGHTS

Progress on plastics at Novo Nordisk

Amundi Asset Management

Denmark-based pharmaceutical company **Novo Nordisk** is significantly exposed to plastics through injection devices, such as insulin pens, of which it produces more than 550 million a year. Amundi has been encouraging the company to improve its communications around plastics sustainability and to find solutions for recycling and disposal. In response, Novo Nordisk has addressed the topic on its website, where the company outlines its plan of attack. It has also launched two pilot programs intended to be expanded to achieve large-scale recycling. Amundi continues to encourage Novo Nordisk to set targets around packaging, internal plastic use, and end-user products.

Analyzing physical climate risk at Beijing Enterprise Water Group

Impax Asset Management (2020)

Impax has achieved some success with **Beijing Enterprise Water Group** on the subject of physical climate risk related to the company's water treatment facilities. Using a proprietary tool built for analyzing exposure to risks such as rising sea levels and resource scarcity, Impax provided the company with data on 500 sites in China. The analysis showed water stress and heat stress for some of the plants as well as sea level risk for certain plants in coastal regions. Based on Impax's results, the company has requested further analysis on additional sites and expressed interest in learning more about mitigating physical climate risks.

Compensation programs need work at ING Group and Bunzl

Addenda Capital

Addenda Capital contacted **ING Group** and **Bunzl** over their compensation practices, concerned that the companies' long-term incentive programs were not measuring performance conditions over at least three years. (ING is a financial services company, Bunzl provides food packaging and cleaning supplies.) Addenda explained in an exchange of emails with the companies they will not support plans that do not demonstrate alignment of compensation with the long-term best interest of a company, including shareholders and other stakeholders. Addenda offered to discuss the matter further and supply ideas for how long-term measures could be integrated.

POLICY ADVOCACY

Climate disclosure poised to move past ‘necessary’ to ‘mandatory’

By Jamie Bonham, Director, Corporate Engagement

Despite the significant improvement in climate-related disclosure in recent years—and it really is much better than it has ever been—investors almost universally agree it is still deeply inadequate for the task at hand. Investors require much better levels of disclosure: more companies reporting, more decision-useful information, and more comparability and standardization of the information being disclosed. That is why the clamour for mandatory climate-related disclosure continues to grow and why we will likely see mandatory reporting in Canada become a reality in the near future.

In May, the federal government launched the Sustainable Finance Action Council (SFAC), a realization of one of the key recommendations of the Expert Panel on Sustainable Finance. SFAC has a mandate to help build the critical infrastructure needed to grow sustainable finance in Canada at scale. At the top of its priority list is to improve climate-related disclosure in line with the Taskforce on Climate-related Financial Disclosures. It will not escape SFAC’s attention that the voluntary disclosure standards that have got us to this point have certainly increased the quality and scale of disclosure, but they fall far short of investor expectations. If there is agreement that climate change represents a systemic risk, then the logical next step is to mandate disclosure on that risk. This was the outcome after the 2008 financial crisis, where banks faced mandatory disclosure requirements around liquidity and other attributes because of the systemic nature of the risk.

NEI is a member of a group of investors who have been making just this case to the Ontario Securities Commission. As we noted in our [Q1 Active Ownership Report](#), the province had given the OSC the job of looking at mandatory TCFD-aligned reporting, a recommendation that we had initially put to the government and continue to follow up on. As a result,

we expect the OSC to issue a draft rule on TCFD-aligned reporting that will go through a consultation before hopefully becoming law soon. One challenge facing mandatory reporting in Canada is the fragmentation of securities regulators, where the lack of a single national regulator complicates the picture. Nevertheless, if the OSC moves to mandate TCFD-aligned reporting, it will capture most public companies in this country.

The race is on to become the first jurisdiction in North America to mandate climate-related disclosure. We already have several international jurisdictions who have taken this step, most recently in New Zealand. The U.S. Securities and Exchange Commission has wrapped up its initial consultation on the need to mandate climate-related disclosure for U.S. companies. The input of investors, including NEI, has overwhelmingly favored the SEC taking action on this front. Considering the determination of the Biden administration to make climate change a core legacy of its time in office, we may very well see the SEC move first in issuing a draft rule. It goes without saying that any move by our neighbour to the south will likely have a knock-on effect in Canada.

Now that the market has decided it must have better climate-related disclosure, regulators will be compelled to move from seeing climate data as being *necessary*, to being *mandatory*.



POLICY HIGHLIGHTS

Focus theme: Human rights

- Signed investor statement calling on companies to take broad, systemic action to protect human rights defenders and ensure they do not support lawsuits against public participation in peaceful protests aimed at protecting human rights and the environment
- Signed investor statement relaying expectations of companies with business activity in Myanmar to uphold their corporate responsibility to respect human rights by undertaking enhanced due diligence
- Signed investor statement calling on companies to commit to respect human rights by establishing comprehensive policies and due diligence mechanisms sustained by board oversight
- Signed investor statement asking technology companies for more transparent and ethical use of facial recognition technology
- Signed investor statement on the Bangladesh Accord in support of an independent, legally binding approach to find, fix and prevent unsafe working conditions
- Provided feedback on draft version of investor report on UN Guiding Principles on Business and Human Rights that speaks to how investors can integrate human rights due diligence into their processes

Focus theme: Inequality

- Signed investor letter to U.S. companies expressing concern over erosion of political stability, voter suppression and racism
- Met with Ontario government to discuss implementation of recommendations by the Ontario Taskforce on the Modernization of Capital Markets, gave support for strengthened ESG reporting and diversity expectations
- Signed letter to U.S. Congress urging members to support passage of the Disclosure of Tax Havens and Offshoring Act, which would mandate country-by-country disclosure of profit, taxes, revenue, employees and tangible assets



Focus theme: Energy transition

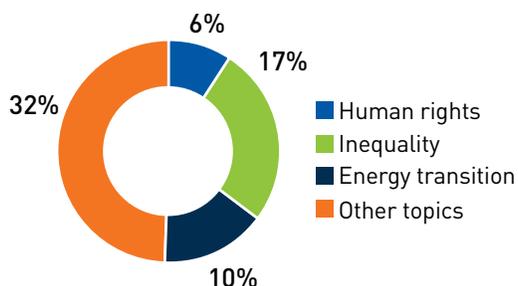
- In relation to the U.S. Securities and Exchange Commission's consultation on climate change disclosures, we:
 - Provided comments directly
 - Signed investor letter organized by sustainability think-tank Ceres
 - Signed letter organized by the Principles for Responsible Investment
- In collaboration with the Energy Futures Lab, proposed a draft bill to the government of Alberta intended to incentivize and remove barriers for the re-use of existing energy assets (e.g., pipelines and wellsites) for low-carbon opportunities such as lithium production and solar energy
- Provided input to government of Alberta on climate change strategy as part of multi-stakeholder group; co-authored section on how mandatory climate-related disclosure can be leveraged for sustainable financing opportunities
- Signed investor statement calling for G20 nations to improve disclosure on targets for emissions reduction specifically related to agriculture
- Joined global investor statement in support of aggressive government action on climate change, timed to be presented at G7 summit in June
- Signed investor statement to U.S. federal government in support of methane emission reduction policies
- Joined investor letter in support of California's proposed bill to mandate corporate reporting aligned with Task Force on Climate-related Financial Disclosures

Other policy activities

- Signed investor letter urging Congressional Review Act disapproval of the U.S. Securities and Exchange Commission's proposed amendments to shareholder rules, which would significantly restrict shareholder rights at U.S. companies.

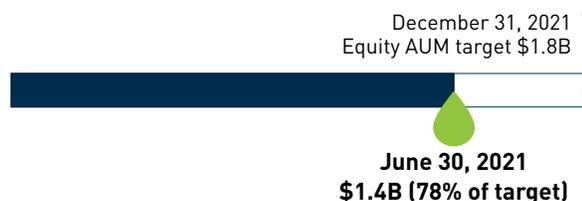
COMPANY ENGAGEMENT LIST

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 June 30, 2021, NEI equity AUM was \$7.1B with an engagement target of \$1.8B.



Alphabetical list of companies engaged between April 1 and June 30, 2021

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

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
Algonquin Power & Utilities	Utilities	n/a	Advancing stakeholder theory	NEI Growth & Income; NEI Canadian Equity; NEI ESG Canadian Enhanced Index
Alphabet	Communication services	Human rights	Human rights due diligence	NEI U.S. Equity RS; NEI Global Sustainable Balanced; NEI Global Equity RS; NEI Canadian Equity RS; NEI Canadian Equity; NEI Global Equity; NEI Canadian Dividend; NEI Global Equity Pool
Amazon	Consumer discretionary	n/a	Animal welfare	NEI U.S. Equity RS; NEI Global Sustainable Balanced; NEI Global Equity RS; NEI Global Equity; NEI Global Equity Pool
Aritzia	Consumer discretionary	Human rights; inequality; energy transition	Supply chain risks; alignment to TCFD; diversity and inclusion	NEI Canadian Small Cap Equity RS; NEI ESG Canadian Enhanced Index
Associated British Foods	Consumer staples	n/a	Animal welfare	NEI Canadian Dividend
AT&T	Communication services	Inequality	Equitable compensation	NEI Global Sustainable Balanced; NEI Global Total Return Bond; NEI Global Value

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
Atco	Utilities	Energy transition	Net-zero commitments	NEI Canadian Small Cap Equity RS; NEI ESG Canadian Enhanced Index
Canadian Tire	Consumer discretionary	Human rights; inequality; energy transition	Supply chain risks; alignment to TCFD; human capital; plastics circularity	NEI Canadian Equity RS; NEI Canadian Dividend; NEI ESG Canadian Enhanced Index
CGI	Information technology	Inequality	Human capital	NEI Canadian Equity RS; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Compass Group	Consumer staples	n/a	Animal welfare	NEI Global Equity Pool
CVS Health	Consumer staples	Inequality	Human capital	NEI Global Sustainable Balanced
Danone	Consumer staples	n/a	Animal welfare	NEI International Equity RS
E-L Financial Corp	Financials	n/a	Governance of significant holdings	NEI Canadian Small Cap Equity RS; NEI Canadian Small Cap Equity
Empire Co.	Consumer staples	n/a	Animal welfare	NEI Canadian Equity RS; NEI Growth & Income; NEI Canadian Equity; NEI Canadian Dividend; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Enbridge	Energy	Energy transition	Net zero commitments	NEI Canadian Bond; NEI Canadian Equity RS; NEI Canadian Dividend; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
First Quantum Minerals	Materials	Inequality	Human capital	NEI Growth & Income; NEI Canadian Equity; NEI Global High Yield Bond; NEI ESG Canadian Enhanced Index
Freehold Royalties	Energy	Energy transition; inequality	Governance of significant holdings; alignment to TCFD; diversity and inclusion	NEI Canadian Small Cap Equity RS; NEI Canadian Small Cap Equity; NEI ESG Canadian Enhanced Index
Fresenius SE & Co	Health care	Inequality	Human capital	NEI International Equity RS
General Mills	Consumer staples	n/a	Animal welfare	NEI Global Dividend RS

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
General Motors	Consumer discretionary	Energy transition	Net-zero commitments	NEI Global Equity
GlaxoSmithKline	Health care	n/a	Equitable access	NEI Canadian Dividend
Hormel Foods	Consumer staples	n/a	Animal welfare	NEI Global Dividend RS
ICA Gruppen	Consumer staples	n/a	Animal welfare	NEI Global Dividend RS
Johnson & Johnson	Health care	Inequality	Equitable access	NEI U.S. Equity RS; NEI Canadian Equity RS; NEI Global Dividend RS; NEI Global Equity Pool
JPMorgan Chase	Financials	Energy transition	ESG management and disclosure; alignment to TCFD; advancing stakeholder theory; net-zero commitments	NEI U.S. Equity RS; NEI Global Sustainable Balanced; NEI Canadian Equity; NEI Global Equity; NEI Canadian Dividend; NEI Global High Yield Bond; NEI Global Total Return Bond; NEI Global Total Return Bond; NEI Global Equity Pool
Kerry Group	Consumer staples	n/a	Animal welfare	NEI International Equity RS
Keyera Corp.	Energy	Energy transition	Alignment to TCFD	NEI ESG Canadian Enhanced Index
Koninklijke Ahold	Consumer staples	n/a	Animal welfare	NEI U.S. Equity RS; NEI Global Dividend RS; NEI Global Value; NEI Global Equity Pool
Kroger	Consumer staples	n/a	Animal welfare	NEI Canadian Dividend
Lassonde Industries	Consumer staples	n/a	Governance of significant holdings	NEI Canadian Small Cap Equity RS
Leon's Furniture	Consumer discretionary	n/a	Governance of significant holdings	NEI Canadian Small Cap Equity RS
Loblaw Cos	Consumer staples	n/a	Animal welfare	NEI Canadian Bond; NEI Canadian Equity RS; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index
Maple Leaf Foods	Consumer staples	n/a	Animal welfare	NEI ESG Canadian Enhanced Index
McDonald's	Consumer discretionary	n/a	Animal welfare	NEI U.S. Equity RS; NEI Global Equity Pool

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
Melcor Developments	Real estate	Inequality	Diversity and inclusion; governance of significant holdings	NEI Canadian Small Cap Equity RS
Merck	Health care	Inequality	Equitable access	NEI U.S. Equity RS; NEI Global Sustainable Balanced; NEI Global Dividend RS; NEI U.S. Dividend; NEI Global Equity Pool
Metro	Consumer staples	n/a	Animal welfare	NEI Canadian Bond Fund; NEI Canadian Equity RS; NEI Canadian Dividend; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Microsoft	Information technology	Human rights	Supply chain risks	NEI U.S. Equity RS; NEI Global Equity RS; NEI Global Dividend RS; NEI Global Equity; NEI Canadian Dividend; NEI Global Total Return Bond; NEI Global Equity Pool
Navient	Financials	Human rights	Human rights due diligence; Advancing stakeholder theory	Sold
Nestlé	Consumer staples	n/a	Animal welfare	NEI Global Equity RS; NEI International Equity RS; NEI Global Equity; NEI Global Equity Pool
Nutrien	Materials	Energy transition	Net-zero commitments	NEI Canadian Equity RS; NEI Canadian Dividend; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Pfizer	Health care	Inequality	Equitable access	NEI Canadian Dividend; NEI U.S. Dividend
Restaurant Brands International	Consumer discretionary	n/a	Animal welfare	NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Rio Tinto	Materials	Human rights	Human rights due diligence	Sold
Sanofi	Health care	Inequality	Equitable access	NEI International Equity RS
Saputo	Consumer staples	n/a	Supply chain risks; animal welfare	NEI Canadian Bond; NEI Canadian Equity RS; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index; NEI Canadian Equity Pool
Sodexo	Consumer discretionary	n/a	Animal welfare	NEI International Equity RS

Company	Sector	Focus theme	Sub-theme/topic	NEI holdings
Suncor Energy	Energy	Energy transition	Net-zero commitments	NEI Canadian Bond; NEI Canadian Equity RS; NEI Global Equity; NEI Canadian Dividend; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index
Superior Plus	Utilities	n/a	Governance of significant holdings	NEI Canadian Small Cap Equity RS; NEI Canadian Dividend; NEI ESG Canadian Enhanced Index
Target	Consumer discretionary	n/a	Animal welfare	NEI Global Dividend RS; NEI U.S. Dividend
TELUS	Communication services	Inequality	Diversity and inclusion	NEI Canadian Bond; NEI Canadian Equity RS; NEI Growth & Income; NEI Canadian Equity; NEI Canadian Dividend; NEI Fixed Income Pool; NEI ESG Canadian Enhanced Index
Thermo Fisher Scientific	Health care	Inequality	Equitable access	NEI U.S. Equity RS; NEI Global Equity RS; NEI Global Dividend RS; NEI Global Equity; NEI Global Impact Bond; NEI Global Equity Pool
Unilever	Consumer staples	n/a	Animal welfare	NEI Canadian Dividend; NEI U.S. Dividend
Walgreens Boots Alliance	Consumer staples	Inequality	Human capital	NEI Canadian Dividend; NEI U.S. Dividend
Walmart	Consumer staples	Inequality	Human capital; animal welfare	NEI U.S. Equity RS; NEI Global Equity Pool



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

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