

# NEI ESG Canadian Enhanced Index Fund<sup>1</sup>

Benefits of industry-leading responsible investing program in a competitively priced solution.

NEI

## Core RI exposure

A diversified Canadian equity solution focused on enhanced management of ESG risks.

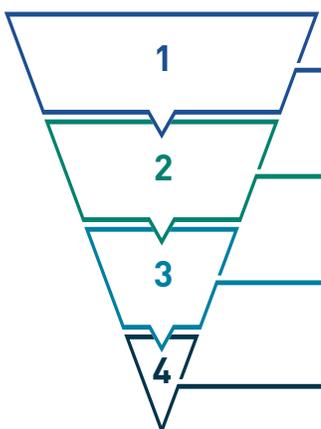
## Benefits of leading RI program

The fund provides exposure to NEI's comprehensive, proprietary RI program.

## Competitive price

The value of NEI's most comprehensive ESG program at a competitive price.

## Only companies that pass NEI's proprietary ESG evaluation framework are eligible for inclusion



### 1. Solactive Canada Broad Market (CBMI) Index universe

Broad access to mid and large-cap companies across all sectors.

### 2. Automatic exclusions

**a.** Companies with market capitalization of less than a \$750 million are automatically excluded **b.** Companies that derive 10% or more of their revenue from the manufacture and sale of tobacco, weapons, nuclear power, pornography and gambling are automatically excluded from the Fund.<sup>2</sup>

### 3. Proprietary ESG evaluations

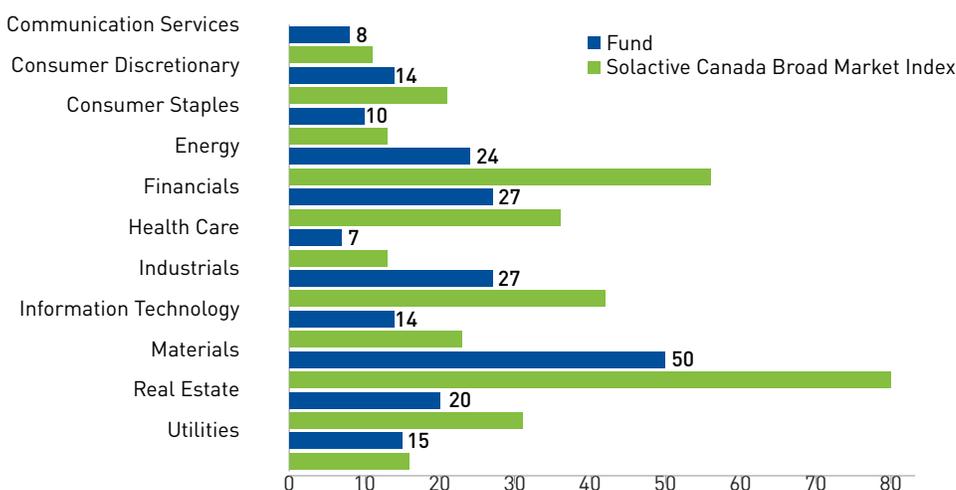
**a.** Diverse ESG data is used to inform a proprietary evaluation process. **b.** Companies are evaluated based on ESG risks specific to their industries to ensure a more meaningful assessment. **c.** Companies are further evaluated for headline risks to identify controversial or misaligned business practices. **d.** Companies that fail to meet NEI ESG expectations or lack sufficient ESG disclosures are excluded from the Fund.

### 4. Overweight ESG leaders

**a.** ESG leaders are overweighted relative to their CBMI weight **b.** Portfolio companies are monitored regularly, and the index is updated on a quarterly basis.

## A risk/return profile aligned with core Canadian equities, with enhanced management of ESG risks

### Holdings by sector



Fund characteristics	Fund
Holdings <sup>3</sup>	216
Holdings excluded based on their size	81
Holdings automatically excluded based on responsible screen	7
Exclusions for failing ESG evaluations	30
Pending evaluations	8
Companies categorized as ESG Leaders	52
Corporate engagements in Q1 2022	19

<sup>1</sup>Formerly NEI Jantzi Social Index<sup>®</sup> Fund. <sup>2</sup>For more information about NEI's Responsible Screens, please refer to NEI's RI policy. <sup>3</sup>Holdings represent companies that passed our evaluations. Company eligibility status as of April 28, 2022. Fund rebalancing date as of May 4, 2022.

Holdings can change at any time without notice. Unless otherwise indicated, all fund and index data is in C\$, sourced from NEI Investments. Values may be rounded.

## Engagement by sector

As of March 31, 2022



	Current %
Consumer Discretionary	11
Consumer Staples	5
Energy	5
Financials	32
Industrials	11
Information Technology	21
Materials	16

## Fast facts

- ✓ Managed by **NEI Investments, a leader in responsible investing**, with over 30 years of experience evaluating ESG risks
- ✓ **Sector normalization**, to ensure characteristics reflective of a broad Canadian index
- ✓ **Proprietary ESG evaluations** process guided by internationally accepted standards, including OECD Guidelines, UN Global Compact, UN SDGs, UN Guiding Principles for Business and Human Rights, TCFD and various standards developed by the International Labour Organization
- ✓ NEI corporate engagement program, consistently rated A or A+ by PRI, applied across the entire portfolio<sup>4</sup>

<sup>4</sup> PRI signatories are required to report on their responsible investment activities annually. The results are made available to the public in a document called a Transparency Report. Transparency Reports are available on the [PRI website here](#). To review NEI's latest Transparency Report, [click here](#).

## Companies engaged

As of March 31, 2022

Bank of Montreal	Kinaxis Inc.
Bank of Nova Scotia	Magna International Inc.
Canadian Imperial Bank of Commerce	Open Text Corp.
Canadian Natural Resources Limited	Restaurant Brands International Inc.
Canadian Pacific Railway Limited	Royal Bank of Canada (RBC)
CCL Industries	Saputo Inc.
Docebo Inc	Stella Jones
Enghouse Systems Ltd.	Toronto-Dominion Bank (TD Bank)
Gfl Environmental Inc	Winpak Ltd.
iA Financial Corp Inc	

## Engagement by ESG theme

As of March 31, 2022



	%
Human Rights	21
Energy Transition	8
OECD due diligence	21
Net-zero alignment	17
Inequality	25
Governance matters	8

## Performance

As at March 31, 2022

	Annualized returns %						
	1 yr	3 yr	5 yr	10 yr	SI	MER %*	Inception date
NEI ESG Canadian Enhanced Index A	18.2	9.5	7.4	7.2	5.8	1.82	2001-03-30
NEI ESG Canadian Enhanced Index F	19.6	10.9	8.7	8.4	5.6	0.61	2008-02-28
NEI ESG Canadian Enhanced Index P	18.4	9.7	-	-	10.3	1.66	2018-12-03
NEI ESG Canadian Enhanced Index PF	19.7	11.0	-	-	11.6	0.50	2018-12-03

(Effective May 1, 2020, the Fund's name was changed from NEI Jantzi Social Index<sup>®</sup> Fund to NEI ESG Canadian Enhanced Index Fund. The investment objectives of the Fund were changed to allow the Fund to invest in companies with an enhanced ESG profile that are contained within a Canadian broad market equities index. Consequently, the Fund changed its benchmark index from the S&P/TSX 60 TR Index to Solactive Canada Broad Market Index. As a result of the change, the Fund also reduced its fees.) The performance of this Fund for the period prior to this date may have been different had the current investment objectives and strategies been in place during that period.

\* Audited as of September 30, 2021.

## Fund codes

Prefix: NWT

Series	FE	NL
<b>A</b>	003	-
<b>F</b>	-	90303
<b>O</b>	-	90403
<b>P</b>	8003	-
<b>PF</b>	-	8303

You can obtain a copy of the Assessment Report from the UN PRI at your request, and at no cost, by calling 1-888-809-3333, email at [NEIclientservices@NEIinvestments.com](mailto:NEIclientservices@NEIinvestments.com), or by writing us at Northwest & Ethical Investments L.P., 151 Yonge Street Suite 1200, Toronto, ON M5C 2W7. Additional information about the assessment process and methodology can be found on the PRI website here: <https://www.unpri.org/signatories/reporting-and-assessment>. Series F/P/PF units are only available to investors who participate in eligible fee-based programs with their registered dealers that have entered into a Series F/PF Distribution agreement with NEI Investments. Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus and/or Fund Facts before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any securityholder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. In situations where a fund's or series' fixed distributions exceed net income and realized capital gains of that fund or series, the distributions may consist in whole or in part of a return of capital, which could diminish the ability to generate future earnings. 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. Please consult with your own professional advisor on your particular circumstances. NEI Investments endeavors to ensure that the contents have been compiled or derived from sources that we believe are reliable and contain information that is accurate and complete. However, NEI Investments makes no representation or warranty, express or implied, in respect thereof, takes no responsibility for any errors and omissions contained herein. 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 the 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.

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