

## Ethical Funds Releases 2011 Focus List

### Most extensive engagement team in Canada will target over 50 corporations

**Vancouver, BC – October 20, 2010** - Northwest & Ethical Investments L.P. (NEI), through its ESG Services Team, plans to engage in dialogue with over 50 Canadian and international corporations in 2011 to advance environmental, social, and governance issues, reduce portfolio risk and increase shareholder value.

The role of stock exchanges in bringing stability and credibility to the capital markets is an important focus in this year's engagement work.

"There is now widespread recognition that environmental and social risks can impact shareholder value and stock exchanges have a key role to play in getting such information to investors," says Bob Walker, Vice President of ESG Services at NEI. "As more institutional investors adopt responsible investment policies, the demand for material environmental, social and governance data increases – this demand remains to be filled."

NEI has joined a global group of investors that will approach the global stock exchanges to raise the bar on corporate disclosure. In Canada, NEI has been engaging TMX Group on how it can encourage publicly-traded companies to report on material environmental, social and governance issues.

An additional focus of the Corporate Engagement Program for the 2011 proxy season will be holding corporations accountable for executive compensation packages that are not explicitly linked to company performance. "The era of heads I win, tails you lose needs to end," says Jennifer Coulson, Manager of Corporate Engagement at NEI. "Executive compensation plans need to be based on pay-for-performance principles, in theory and in practice." This should include performance on material environmental, social and governance risks faced by each company to ensure appropriate oversight of such issues at the highest level.

NEI has already approached major financial institutions and oil and gas companies held within Ethical Funds on excessive compensation practices. Depending on the individual company response, shareholder proposals may be filed to draw more attention to the issue.

The complete 2011 Focus List showing the targeted companies and environmental, social and governance issues to be addressed is available on [ethicalfunds.com](http://ethicalfunds.com).

#### **About Northwest & Ethical Investments L.P.**

Northwest & Ethical Investments L.P. (NEI) is owned 50% by the Provincial Credit Union Centrals and 50% by Desjardins Group, and offers a wide range of conventional and corporate class funds from Northwest Funds and the largest sustainable investing funds family in Canada from Ethical Funds. NEI currently has over \$4 billion in assets under management.

NEI has offices in Toronto, Vancouver and Montreal.

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