



## **NEI ETHICAL FUNDS ANNOUNCES ITS 2014 “MADE IN CANADA” APPROACH TO SHAREHOLDER ACTIVISM**

### **Canada’s Largest Socially Responsible Mutual Fund Family Releases 30-company Corporate Engagement Focus List**

[Toronto, October 25, 2013] – NEI Ethical Funds has released its 2014 Corporate Engagement Focus List, outlining plans to engage in intensive, respectful dialogue with more than 30 companies over the coming year to reduce portfolio risk and help build long term sustainable value for corporate stakeholders – including shareholders. Through environmental, social and governance (ESG) analysis, NEI Ethical Funds will focus on the following key themes:

**GETTING REAL ABOUT THE ENERGY TRANSITION:** NEI Ethical Funds will be asking companies on both sides of the energy equation – suppliers and consumers of carbon-based fuels – to intensify efforts to reduce emissions and to participate constructively in the debate about Canada’s future energy system.

**TOWARDS RESPONSIBLE RESOURCE EXTRACTION:** Extractive industries can benefit communities, but can also exacerbate poverty, corruption and conflict – creating a more challenging operating environment. NEI Ethical Funds will continue to support extractive industry revenue transparency, and to ensure benefits are shared. NEI Ethical Funds will also continue to urge companies to fulfill their responsibility to respect human rights, worker safety, and community viability.

**FOOD FROM FARM TO FORK:** Sustainable food production and human health are foundations for strong economies. NEI Ethical Funds will continue to focus on environmental and social risk in the food supply chain and begin to explore the role of consumer companies in ensuring everyone has access to a healthy diet.

**PAYING A FAIR SHARE:** Economies can’t thrive unless governments have the resources to provide education, healthcare and infrastructure. We will renew our focus on the role of companies in preventing tax base erosion.

**STAKEHOLDER APPROACH TO EXECUTIVE COMPENSATION:** Too much focus on short-term financial indicators threatens the long-term value of companies for all stakeholders, including shareholders. NEI Ethical Funds will continue to ask for pay to be linked to performance on key environmental, social and governance indicators, as well as asking companies to explore ways to curb escalation in top executive compensation.

**BOARD DIVERSITY MATTERS:** Research suggests that an independent board of directors with diverse perspectives contributes to corporate performance – while entrenched boards that encourage group-think may do the opposite. NEI Ethical Funds will continue to encourage companies to increase board diversity.

“Contrary to popular thought, US hedge fund activists did not introduce the idea of shareholders influencing corporate policy and performance,” said Robert Walker, Vice President at NEI Investments and Ethical Funds. “For more than 15 years, NEI Ethical Funds has been encouraging good companies to become better by addressing key environmental, social and governance challenges. Our approach is more ‘Canadian’ in that we frame ESG issues in ways that link to our shared interest in driving long term sustainable value for all corporate stakeholders – including shareholders.”

#### **NEI Investments**

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The full NEI Ethical Funds 2014 Focus List for corporate engagement can be downloaded from the NEI Ethical Funds website here:

[NEI Ethical Funds 2014 Focus List](#)

For reference, the latest update to the 2013 Focus List for corporate engagement can be downloaded here:

[NEI Ethical Funds 2013 Focus List September Update](#)

To discover more on Socially Responsible Investing, see this short video:

[Ethical Funds - Make Money. Make A Difference](#)

## **ABOUT NEI INVESTMENTS**

NEI Investments is a national investment firm with approximately \$5.5 billion in assets under management. It offers Canadian retail investors unique access to top independent money managers through high quality investment solutions in two fund families, NEI Ethical Funds and NEI Northwest Funds. Its products provide investors with a full range of investment management styles as well as conventional and socially responsible investment choices.

NEI Investments is 50% owned by the Provincial Credit Union Centrals and 50% by Desjardins Group, united in their focus to strengthen and serve the cooperative financial movement across Canada. This backing of experience and resources allows NEI Investments to actively support business growth in these networks as well as independent advisor channels.

NEI Investments has offices in Toronto, Vancouver and Montreal.

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