



March 19, 2014

NPRI Team
Environment Canada
10th Floor, Fontaine Building
200 Sacre-Coeur Blvd.
Gatineau, QC K1A 0H3

Sent by email to: inrp-npri@ec.gc.ca

Re: National Pollutant Release Inventory – Consultation with Data Users

We are writing to offer comments from an investor perspective on the National Pollutant Release Inventory (NPRI)¹, in the context of Environment Canada’s consultations with NPRI data users. We commend Environment Canada for engaging data users in dialogue to drive improvements to the program.

As a Canadian investment management company with \$6 billion in assets under management, NEI Investments’ approach to investing incorporates the thesis that companies integrating best environmental, social and governance (ESG) practices into their strategy and operations will build long-term sustainable value for all stakeholders and provide higher risk-adjusted returns to shareholders. Companies responsible for significant levels of pollution may be exposed to increased operational, regulatory and reputational risks. We value NPRI data and have been making use of it for a number of years to assess pollution-related risk in the context of the ESG company evaluations, corporate engagement and research activities that we conduct to fulfill our responsible investment commitments.

Investors should be considered as an important future audience for NPRI information. Globally, an increasing number of institutions are beginning to explore the implications of environmental issues, including pollutant releases, for their investment decision-making. Over 1200 investment institutions representing some U.S. \$34 trillion in assets under management are signatories to the Principles for Responsible Investment (PRI)², a global collaboration to advance the practice of responsible investment. The annual CDP³ disclosure initiatives on climate, water and forest disclosure are supported by more than 700 investment institutions representing over U.S. \$92 trillion in assets under management.

Based on our experience as an NPRI data user, we believe providing the option to search and consolidate data by company as well as by facility could help investors and investment research providers to incorporate NPRI information into their

¹ <http://www.ec.gc.ca/inrp-npri/default.asp?lang=En&n=4A577BB9-1>

² <http://www.unpri.org/>

³ <https://www.cdp.net/en-US/WhatWeDo/Pages/investors.aspx>. NEI Investments is an Investor Member and signatory of CDP.

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analysis. We seek ESG data at the level of the entity that issues the financial instruments in which we are invested (for example, the listed company in the case of our equity holdings). At present, NPRI data is presented by facility, and considerable effort is required from the data user to aggregate data by company. In some instances facility names cannot be easily matched to companies, creating a concern that some data may be omitted from the company total.

Making it easier for investors and investment research providers to associate NPRI data with investee companies could create an added incentive for those companies to invest in pollution management and reduction measures, leading to improved environmental outcomes.

As of February 28, 2014, NEI Investments' assets under management included over \$300 million in Canadian Federal fixed income instruments, so we also offer our perspective as a financial stakeholder in Canada's own investment offerings.

If you have any questions regarding this letter, please do not hesitate to contact **Michelle de Cordova, Director of Corporate Engagement & Public Policy, NEI Investments** (mdecordova@neiinvestments.com 604-742-8319).

Sincerely,

NEI Investments

A handwritten signature in black ink, appearing to read "Robert Walker", with a long horizontal flourish extending to the right.

Robert Walker
Vice President, ESG Services & NEI Ethical Funds

CC:

Board of Directors, NEI Investments

Ms. Michelle de Cordova, Director, Corporate Engagement & Public Policy, NEI Investments

Mr. Omar Dominguez, ESG Analyst, NEI Investments