



PRESS RELEASE

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Ethical Funds releases 2012 Focus List to engage with more than 60 companies worldwide

Vancouver, BC – October 12, 2011 - Ethical Funds announces plans to formally engage with more than 60 companies worldwide in 2012 to encourage them to become better corporate citizens through the adoption of positive environmental, social and governance practices.

On behalf of Ethical Funds, its family of socially responsible mutual funds, the ESG Services team at NEI Investments will focus on four major issues in their work with companies in 2012: pay-for-performance executive compensation, responsible oil sands development, forest conservation, and access to life-saving medication in developing countries.

“Many investors are keen to maximize their earning potential while recognizing that wealth creation does not have to come at the expense of society,” says Bob Walker, Vice President, Ethical Funds, NEI Investments. “Corporate adoption of positive environmental, social and governance practices is becoming an increasingly important consideration in an investor’s decision making process. By advocating with companies for adoption and improvements of these practices, we not only help our investors to reduce the long term risk of their investments but the organizations become better corporate citizens as well.”

Corporate accountability for fair and performance-based executive compensation packages will continue to be a focus area of the Corporate Engagement Program for the 2012 proxy season. “Adopting pay-for-performance policies when it comes to executive compensation not only enforces accountability and transparency within an organization, but it also ensures that executive rewards are directly tied to the results delivered,” said Jennifer Coulson, Manager, Corporate Engagement, Ethical Funds, NEI Investments.

Last year, NEI Investments engaged several financial services companies on executive compensation; these engagements were, for the most part, positive. However, NEI Investments ultimately filed shareholder proposals with Scotiabank and Laurentian Bank, to address specific aspects of their compensation structure with a focus on using appropriate metrics to align pay with performance. The proposals garnered support from 35% and 27% of shareholders respectively, indicating broad investor interest in changes to compensation design and disclosure.

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Northwest & Ethical Investments L.P. acting through its general partner Northwest & Ethical Investments Inc.



As a signatory to the Forest Footprint Disclosure Project (FFD), NEI Investments encourages companies involved with commodities such as soy, palm oil, timber, cattle products and biofuels to assess both direct and indirect impacts its operations and supply chains may have on forests around the world. NEI Investments is also a signatory to the Investor Statement on Access to Medicine Index, a tool that identifies leading performers in the pharmaceutical industry based on corporate efforts to enhance global access to medicine. Consistent with the 2012 Ethical Funds Focus List objectives, NEI Investments encourages companies to further support the development and distribution of life-saving medication to developing countries, particularly as it relates to tropical diseases.

Every year, Ethical Funds reviews the companies held in its funds and creates a Focus List of Canadian and international companies with whom it will engage the following year in intensive dialogue on a variety of socially responsible business practices. As Canada's leader in socially responsible mutual funds, Ethical Funds has engaged with over 150 organizations over the last 25 years to influence positive social change.

The complete 2012 Focus List showing the selected companies and the specific environmental, social and governance issues to be addressed with each is available on ethicalfunds.com.

ABOUT NEI INVESTMENTS

NEI Investments is a national investment firm with approximately \$5 billion in assets under management. It offers Canadian retail investors unique access to top independent portfolio managers through high quality investment solutions in two fund families, Northwest Funds and Ethical 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 owned 50% 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 vast resources provides economies of scale and 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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