

NEI

# MAKE A GLOBAL IMPACT

*NEI Global Sustainable Balanced Fund*

Do you know the companies around the world that are working on solutions to the world's biggest challenges? From small, incremental improvements to big, bold steps, these innovators are helping build a more sustainable future for people and the planet.



NEI Global Sustainable Balanced Fund provides the opportunity to invest in the companies that are shaping a better future, offering you the chance to achieve your financial goals – while making a positive impact on the world.

## WHY IMPACT INVESTING?

The term “impact investing” has been around for more than a decade. It challenges the view that the pursuit of financial returns and finding solutions to the world’s environmental and social problems are mutually exclusive. Investors have discovered that not only is it possible to pursue both at the same time, but that doing so significantly increases the potential to drive positive change.

The case for impact investing is easy to make: if you can achieve your financial goals *and* help solve environmental and social problems, why wouldn’t you? Many investors have chosen to do just that.

The 2018 Responsible Investment Association states that from 2014 to 2017 Canadian assets in impact investments nearly doubled – from just over \$8 billion to almost \$15 billion. The Association says investors “overwhelmingly reported that performance has met or exceeded their expectations.”



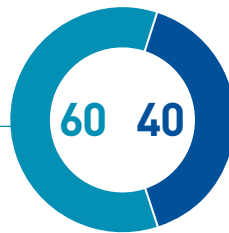
**An increasing number of people are recognizing that their money should do more than just make more money. Their investments can – and should – also seek to fuel meaningful, sustainable social and environmental impact.”**

*Global Impact Investing Network*

# INSIDE NEI GLOBAL SUSTAINABLE BALANCED FUND

When you choose NEI Global Sustainable Balanced Fund for your portfolio, you get a strategic mix of 60% equity and 40% fixed income investments in a single fund. Equities and Fixed Income investments typically have a negative correlation. As a result, a portfolio that combines both may offer a potentially smoother investment experience with lower volatility over the long term. The two allocations are divided into different areas of impact:

## Equity



## Fixed income

### New energy

- Alternative energy
- Energy management & efficiency

### Mobility

- Transport solutions

### Sustainable food

- Sustainable food & agriculture

### Water

- Water infrastructure & technologies

### Circular economy

- Resource efficiency & waste management

### Smart environment

- Environmental services & resources
- Digital infrastructure

The **equity allocation** is made up of an investment in NEI Environmental Leaders Fund, which selects companies involved in environmental markets and resource optimization.

- Companies located anywhere in the world
- Generally large and medium-sized businesses
- Companies deriving 20% revenue from environmental markets
- Fossil fuel exclusions (no investments in oil and gas companies)\*\*

- Affordable Housing
- Community Development
- Education
- Environment & Energy
- Gender Equality & Women's Empowerment
- Sustainable Development
- Sustainable Infrastructure
- Sustainable Products & Services

The **fixed income allocation** is made up of individual bonds.

- Minimum 50% allocation to impact bonds
- Predominantly government and high-grade corporate bonds, with a small portion of high-yield
- Corporate bonds issued by companies with products and services that address global sustainability challenges, including:
  - Healthcare innovation and access
  - Automotive and energy efficiency
  - Resource conservation

# PUT YOUR MONEY TO WORK FOR THE WORLD

NEI Global Sustainable Balanced Fund is sub-advised for NEI Investments by Impax Asset Management, a specialist in responsible investing. Impax is responsible for researching, analyzing, and selecting which stocks and bonds the fund will invest in.

Impax, as the name implies, is committed to helping investors make a positive *impact* with their money. One of the defining features of impact investing is the measurement and reporting of progress toward objectives.

Impax provides details about how investors are contributing to improving the environment through more efficient use of resources. Here's what that looked like in 2021 for both the equity and fixed income allocations of the fund for every \$10 million invested:

## Equities<sup>1</sup>



**150 Mwh** of renewable energy generated equals 40 households' annual electricity consumption



**100 megalitres** of water saved & treated equals 640 households' annual water consumption



**340 tonnes** of materials recovered & treated equals 360 households' annual waste

## Fixed income<sup>2</sup>



**-1,920 tonnes** of net CO<sub>2</sub> impact<sup>3</sup>



**1302 Mwh** of renewable energy generated



**44 megalitres** of water saved and treated



**5 tonnes** of waste recovered and treated



**2 affordable** units financed



**11 education** loans financed  
**3 graduate** loans financed

Source: Impax Investments. The impact data for the NEI Global Sustainable Balanced Fund is as follows: <sup>1</sup>Equity sleeve data is representative of the portfolio holdings and AUM as of December 31, 2021. This data is based on the most recently reported annual environmental data for all holdings and is based on a C\$10 million investment. For further explanation of the impact methodology (which is based on equity value) please see <https://impaxam.com/assets/pdfs/sustainability/impax-impact-report-2022.pdf>. The NET CO<sub>2</sub> impact number is derived from 1,300 CO<sub>2</sub> emitted minus 1,300 CO<sub>2</sub> avoided <sup>2</sup>Fixed income sleeve is representative of the portfolio holdings and AUM as of December 31, 2021. This data is based on the most recently reported annual environmental data for all holdings and is based on a C\$10 million investment. For further explanation of the impact methodology (which is based on portfolio value) please see <https://impaxam.com/assets/pdfs/sustainability/impax-impact-report-2022.pdf> <sup>3</sup> The NETCO<sub>2</sub> impact number is derived from 247 CO<sub>2</sub> emitted minus 2,167 CO<sub>2</sub> avoided.

# Three reasons to consider NEI Global Sustainable Balanced Fund for your portfolio:

## One decision

Equity and fixed income investments are strategically combined in a single diversified solution.

## Innovative

Invested in companies on the cutting edge of resource optimization and fixed income opportunities focused on positive change.

## Measurable impact

Get a by-the-numbers look at how your money is being put to work improving society and the environment.



**In our view, impact investments can drive positive societal and environmental outcomes, improve portfolio diversification and risk management, and generate competitive returns.”**

*Impax Asset Management*

## Opportunity for income

Consider NEI Global Sustainable Balanced Fund for your income needs. The fund has a 5% annual distribution, which is paid monthly. You can reinvest in additional fund units (to increase your impact) or take the distribution in cash. Talk to your advisor about what makes the most sense for your circumstances.

## Fund codes and fees

	Series A	Series F	Series P	Series PF
Fund code	NWT064	NWT964	NWT8064	NWT8964
MER*	2.16	1.05	1.90	0.76

Talk to your advisor today about how NEI Global Sustainable Balanced Fund can fit your portfolio.

# NEI

\*Audited as of September 30, 2022.

\*\*For more information on NEI fossil fuel exclusions, please refer to page five of NEI's RI policy. <https://www.neiinvestments.com/content/dam/nei/docs/en/responsible-investing/reports/NEI-RI-Policy.pdf>. The Fund will exclude all companies with sustained revenues over 10% associated with the below industries, for the securities which the Portfolio Manager has full discretion. The Portfolio Manager does not have full discretion over third-party funds and derivatives. The industries below may be amended from time to time while continuing to align with the Fund's responsible investing approach: • Nuclear power (with exception for certain companies that are transitioning towards renewable energy or non-nuclear low carbon solutions as explained in the NEI Responsible Investment Policy) • Gambling • The extraction and production of fossil fuel or owning fossil fuel reserves • The distribution of automatic or semi-automatic weapons intended for civilian use • The distribution of tobacco and/or tobacco-related product.

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. Mutual funds are not guaranteed, their values change frequently, and past performance may not be repeated. 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, expressor implied, in respect thereof, takes no responsibility for any errors and omissions contained herein.

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