Nexteer is a global leader in advanced steering and driveline systems, as well as advanced driver assistance systems and automated driving technology. The company is viewed as an industry leader for sustainable product solutions. Nexteer partners with global automotive OEMs to help them in the transition from traditional internal combustion engines to electric transmission, while launching new, fuel efficient, low emission vehicles. The automotive industry is amid a transition towards megatrends that include electrification, software, mobility, connectivity, advanced driver assistance, and autonomous driving. Nexteer’s product offering is at the forefront for this change through its electronic power steering product line. This includes its Steer By Wire technology that enables collision avoidance technology in addition to its Quiet Wheel Steering that allows the steering wheel to remain still during automated driving.

The focus on sustainability begins with products, processes, packaging, and services designed for continuous environmental improvement and end-of-life considerations. Nexteer works to identify opportunities to conserve energy and water resources, reduce air pollution and greenhouse gas emissions and recycle and reuse materials. In 2015, Nexteer established the Sustainability Work Group, a cross-functional, multinational team of experts that were granted the responsibility and authority to develop and implement policies, practices and procedures that directly impact the company’s direction and performance in sustainability. This work group established five key focus areas within Sustainability: Business Ethics; Health, Safety and Environment; Supply Chain; Community; and Value Creation.

Nexteer’s focus on sustainability extends to its external stakeholders. The company requires all new suppliers to adhere to the company’s Corporate Social Responsibility Supplier Principles that include eliminating discrimination, offering fair remuneration, respecting health and safety and increasing investment in research to bring products up to a higher environmental standard. Nexteer also works to improve the communities in which it operates through three distinct approaches: scholarships to students pursuing college degrees in STEM or business fields, grants to local organizations and charitable partnerships to meet immediate community needs. In Queretaro, Mexico, Nexteer has partnered with Banco de Tapitas, a local non-profit organization, that provides much needed medical treatment to children with cancer. The company’s three operating plants in the region have set up recycling bins for bottle caps which provides additional income for Banco de Tapitas to provide its services.

The focus on sustainability has also been beneficial as automotive industry trends are shifting to greater safety, technology, and fuel efficiency. Nexteer works to provide value to its customers through constant innovation and partnership with its global automotive OEMs to help them meet the current demands for electric vehicles, increased driver assistance technologies and the push for more autonomous driving. These efforts have been rewarded as Nexteer has retained 100% of incumbent customer bookings for two consecutive years and was awarded a record number of new customer programs in 2019. Through its focus on sustainability, Nexteer is making driving safer, more fuel efficient and more fun both today and for an automated future.
Important Disclosure Information

Past performance is not indicative of future performance. This Company was not selected for performance-based reasons, and was instead selected to emphasize the types of issuers that Zeo Capital Advisors, LLC (“Zeo”) seeks to invest in based on its sustainability mandate.

The methodology for initially preparing a Sustainability Profile for an issuer requires the issue to be among the Sustainable Credit Strategy’s largest holdings as of quarter-end. As of September 30, 2020, Zeo’s clients owned securities issued by this Company. Sustainability Profiles are shared to provide information about the sustainability selection process and may be used even after an issue is no longer one of the largest holdings in the strategy.

Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the investments and/or investment strategies recommended or undertaken by Zeo, or any non-investment related content, made reference to directly or indirectly in this commentary will be profitable, equal any corresponding indicated historical performance level(s), be suitable for your portfolio or individual situation, or prove successful. Due to various factors, including changing market conditions and/or applicable laws, the content may no longer be reflective of current opinions or positions. Moreover, you should not assume that any discussion or information contained in this commentary serves as the receipt of, or as a substitute for, personalized investment advice from Zeo.

A copy of the Zeo’s current Form ADV Part 2A and Form CRS are available upon request.

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