

At NEI Investments, our ESG team actively engages companies across our funds to drive change on behalf of our investors. Through dialogue, we alert companies to the environmental, social and governance risks they are facing. We propose solutions to help them overcome tough challenges and improve their ESG performance, with the goal of protecting and growing value for shareholders. We also vote at Annual Shareholder Meetings on matters such as board appointments, good governance and shareholder proposals. This quarterly report shows the progress and outcomes of our engagement and policy activity.

Corporate engagement by the numbers

855

Shareholder meetings voted

170

Focus List dialogues

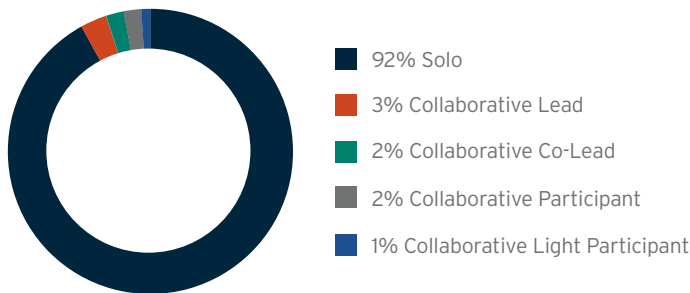
34

Policy actions

Year to date

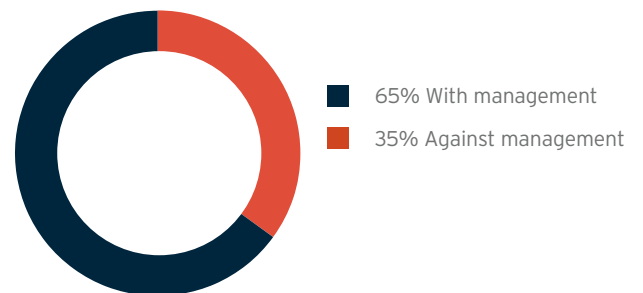
NEI engagement role

In Q4 we led 97% of our engagements, meaning that we either conducted the engagement ourselves, or led or co-led a collaboration with other investors. Leads are responsible for setting the agenda, and chairing and organizing the investor group's meetings with a company.

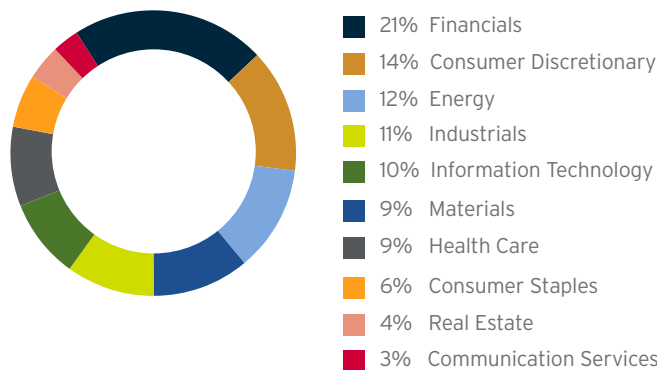


Vote instruction

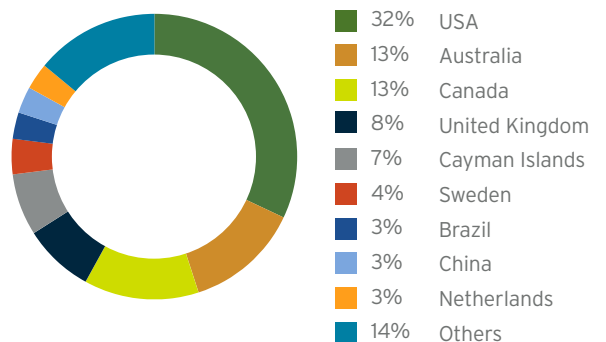
In Q4 we voted against company management on 35% of agenda items at Annual Shareholder Meetings. Voting against management is one indicator to determine whether proxy votes are actively managed by a fund company, rather than set to automatically vote in favour of management.



Engagement by sector



Votes by market



Progress toward positive change and profitability in a year like no other

David Rutherford, VP ESG Services

A most historic year ended as we lived for much of it; penned in by the coronavirus (and its newest variants); consumed with the notion of somehow “getting back to normal” (and with the vaccine, that became more than a notion); but also understanding that we can’t (and probably shouldn’t) return to, as Barbara Streisand sang, “the way we were.” How’s that for a mouthful?

That’s the kind of year it was in 2020. A lifetime’s worth of events packed into essentially 10 months.

If the pundits are to be believed, 2020 will also go down as the year ESG and responsible investing moved squarely into the mainstream. If record flows into responsible solutions is the measure of the verity of that belief, then yes, history will likely record 2020 as the year responsible investing began to live up to its incredible growth potential.

Yet it begs the question: what is a responsible investment? It’s a question that standards setters, as you can read in our policy overview below, tried to answer in a more intentional way in 2020. NEI participated in many of these consultations and found that taking ESG mainstream—if that mainstream means not simply flows into funds but also the creation of a simple, easy-to-understand schema for making sense of the efficacy of responsible investing’s many approaches—was not always smooth sailing. It was often complicated; but so, too, are the challenges responsible investing seeks to solve. We can’t lose sight of that fact. Responsible investing is not for the faint of heart. You have to be ready to take on big issues and commit to making big changes.

And in 2020, we didn’t shy away. In our engagement and policy work, we took on big systemic issues, trying to help companies understand these challenges and respond to them. Why set our sights so high? It’s partly because this is increasingly what investors and other stakeholders want from corporations. They want them to help drive positive, societal level changes. And it’s also due to what we have always tried to ensure companies understand: evolving to meet ESG-related risks like climate change, income inequality, diversity and the boatload of resiliency challenges posed by the pandemic is how they will remain viable, profitable long-term investments. We do this so companies will prosper, and so our investors will, too.

The substance of our conversations on the key thematic issues we addressed throughout 2020, including the fourth quarter, is reflected in the following pages. Collectively, the story they tell is one of focus and commitment (both qualities demanded in spades in 2020), and, we are glad to report, of real, meaningful progress.

All in a year like no other.



35

companies engaged on board diversity

36

companies engaged on equitable compensation

17

companies engaged on climate change oversight

Driving change: What happens after the end of proxy season?

Hasina Razafimahefa, Manager ESG Services, and Lucia Lopez, ESG Analyst

The peak proxy season may have reached an end in mid-2020, but our proxy voting work did not stop there. Voting alone is not enough to drive change. To promote good governance practices, we reach out directly to our investee companies to share feedback on how we voted on specific governance issues at their AGMs and why. During our 2020 feedback-on-proxy campaign, we focused on three key issues: board diversity, equitable compensation, and climate change oversight. The full list of companies engaged on these topics is available on page 9 of this report.

Board diversity

Board diversity remains at the top of our agenda given the importance of diversity and inclusion to company performance, and in light of the prevalence of systemic racism in our society.

In Q4, we reached out to 35 North American companies across various sectors where we had voted against members of the nominating committee due to gender and/or racial diversity concerns on the board. It was interesting to find that many of these companies had made diversity commitments, sometimes in the form of a diversity policy. However, we found a disconnect between those commitments and the actual diversity of the board. Wherever applicable, we encouraged companies to have at least two independent women on the board and set a gender-neutral diversity target of between 30% to 40% for each gender. Examples of companies we reached out on these issues include **Maple Leaf Foods**, **Canada Goose Holdings** and **MercadoLibre**.

We also encouraged companies to consider how they can improve their reporting on self-identified ethnic diversity data while also respecting the privacy of individuals by, for example, sharing diversity data on an aggregated basis. To overcome a lack of self-identified corporate diversity data, we have made voting decisions based on the “appearance” of board racial/ethnic diversity. But gaining access to increased disclosure of board diversity beyond gender would help us develop a more robust process.

For companies that seemed to lack racial diversity on the board, such as **Lululemon Athletica**, **Village Farms International** and **Auto Canada**, we further encouraged them to consider how the board is currently limited by a lack of diverse perspectives and backgrounds, informing the company’s strategic direction and approach. We also raised concerns about the use of the “meritocracy” argument as a defence against target setting for diversity strategies at companies such as **Saputo Inc**, **HLS Therapeutics Inc** and **CAE Inc**. Indeed, we expect companies to seek the very best candidates, but we also vehemently contend it is a false construct to suggest seeking diversity requires a trade-off on talent or acumen.

Equitable compensation

As we made clear in our [recent research around the impact of executive compensation](#), COVID-19 has accentuated income inequality. While millions of people have lost their jobs during the pandemic, hundreds of executives announced voluntary cuts in their base salary in solidarity. However, this gesture masked the fact that the bulk of executive compensation is equity-based.

In our quest to address income inequality, we wrote in December to 36 companies in various sectors in Canada and in the U.S., where we voted against the advisory vote on executive compensation, as well as against the compensation committee members in some cases, due to concerns about excessive or extremely excessive executive pay in the context of societal income inequality. We encouraged the companies to assess the quantum of their executive pay in the broader societal context, set a cap and demonstrate why their level of pay is equitable and socially acceptable. That last request is certainly challenging, but we do not believe that challenge should prevent companies from taking explicit action to tackle the issue.

While we have yet to see how companies will address our concerns, we are encouraged by the willingness that several companies—including **Manulife**, **Intel** and **Visa**—have shown to discuss the issue following our outreach. In December, we met with Manulife’s board representatives and appreciate that the company recognized the need to address income inequality and to consider how executive pay levels and incentives could be adjusted as a result.

Climate change oversight

We believe climate change is the defining ESG issue of our time, and effective governance of the risks related to climate change should be a strategic priority for companies, particularly companies with high exposure to climate-related physical and transition risks. As such, we would expect these companies to have robust climate change and energy transition strategies in place, provide adequate disclosure on how they are addressing the risks, and demonstrate effective oversight of climate-related risks at the board level.

In this context, we have started to vote against the chair of the board at companies that failed to demonstrate an adequate management of climate risks. In Q4, we wrote to 17 companies to express our concerns. These included **Toromont Industries**, **Freehold Royalties Ltd.** and **Hubbell**. We encouraged the companies to progressively align their disclosures with the Task Force on Climate-related Financial Disclosures (TCFD), and to integrate, as an important step, the oversight of climate-related risks into the board or a key board committee mandate.



Despite pandemic hurdles, the arc toward 'net zero' is firmly in place

Jamie Bonham, Director Corporate Engagement

We were certain at the start of 2020 that climate would be *the* dominant theme for the year, and that all signs pointed to big developments on this front. Then the pandemic hit. Early signs were that the all-encompassing emergency response to the virus would derail many if not all major climate-related developments—whether it was oil and gas companies cancelling proposed renewables projects, or governments loathe to add any kind of regulatory burden into the mix of a wounded economy. Outside of the temporary lull in global emissions brought about by the grinding halt to the economy, things looked relatively bleak for climate-related progress.

And that certainly was how things started out. Some of our engagements went on pause. Hit by the double whammy of a drop in global demand and a Saudi-led flooding of the oil market, our engagements in the energy sector went quiet for the first half of the year as companies struggled to make sense of things.

But despite these headwinds, 2020 turned out to be a big year in the steady (but still too slow) march to net zero. Perhaps it was all the attention that “building back better” received; perhaps it was the realization that, when pressed, the world really can act in concert on important issues; perhaps it was because of the existential crisis caused by the steep drop in oil demand as companies were visited by the spectre of what future demand could look like.

Ultimately, it was probably all of those reasons. But it was also because investors refused to take their eyes off the ball. Being in the midst of one systemic risk didn't prevent us from continuing to plan for the really big one: climate change. Our Q4 activities showcased this persistence, as we worked to ensure the surprising momentum of 2020 continues into 2021.

Our focus going into 2020 was to drive progress on the path to net zero, and we continue to see consolidation around the goal from the big energy players in Canada. We recently met with Enbridge, who became the latest big name in the oil patch to announce a **net zero target** that aligns with Paris—an ask that investors such as ourselves had been pushing for. While the leadership of the company seems committed to the target, we shared our expectations of some concrete reporting on the potential pathways to net zero, and noted that ideally the company would embrace a target that covered their Scope 3 emissions (the emissions from the sale of the end product they are transmitting). Setting the latter target would incent truly transformative change.

Other Q4 engagements of note in the energy sector included:

- **Meeting with the board of Suncor as part of our Climate Action 100+ collaborative engagement.** We were impressed with how engaged the board is in pushing management to be ambitious in its efforts to align with Paris. However, we raised several areas where the board could do more—from tying compensation to progress on GHG reductions, to hosting more external experts on topics such as disruption and innovation, to encouraging the adoption of a net zero target. In a separate solo meeting with the company, we again urged Suncor to adopt a robust net zero target. Notably, the company has created a new position at the VP level that is exclusively responsible for stewarding the company's transformation work—a role focused on diversification opportunities that align with the energy transition.
- **A CA100+ meeting with Canadian Natural Resources.** Here we focused on the company's emission reduction targets and the pathway to its net zero commitment. The company will be revisiting its short-term targets and we again urged the company to detail how its capital spending priorities will align with a net zero pathway. We also noted the company had responded to our earlier request to provide better climate-related disclosure as evidenced by its jump from a D to a B in its **CDP** Score.
- **Meeting with Cenovus on the impact of the proposed Husky merger.** Cenovus and Husky recently announced the intention to merge and both companies had already set a net zero target for 2050, which had been a topic of our dialogue with both companies. We met with Cenovus to touch base on plans to align net zero plans should the merger be approved and to discuss broader industry initiatives to enhance ESG disclosure.

On the climate-related policy front, we presented to Export Development Canada's CSR advisory committee on the role that EDC could be playing in helping its customer base (small to medium Canadian businesses) improve their climate-related reporting. Additionally, we continue to be active participants in the Energy Futures Lab, where we are part of a coalition of stakeholders working on policy solutions that will increase the pace of the energy transition in Alberta, while optimizing the economic benefits of that transition to Alberta-based companies. In Q4 we began a series of “design sprints” for the development of our policy proposal.

And finally, as noted above in the story on our feedback-on-proxy campaign, we wrote to 17 companies to explain how climate-related concerns led us to vote against certain members of the board.

All in all, momentum on climate change is greater than we would have thought, considering the impact of the pandemic (to wit: we didn't even mention the **Federal Climate Strategy** or the Paris ambitions of the incoming **Biden administration**). While the trajectory of our recovery from the pandemic is still uncertain, the arc toward a net zero future is firmly in place.

Partnerships, accountability and transparency mark the road ahead for Big Pharma

Jonathan Bey, Senior ESG Analyst

Over the past quarter, we saw the first wave of COVID-19 vaccines roll out with optimism, challenges, and scrutiny. Pharmaceutical companies including **Pfizer**, **Moderna** and **AstraZeneca** have become ubiquitous names in the media. With public health and economic resilience linked closer than ever before, it's time to think about how the pharmaceutical industry must evolve to meet society's needs in the future.

The response to the pandemic clearly demonstrates that global access to pharmaceutical products can be advanced when companies collaborate, both within the industry and with public, private and multinational organizations. For that reason, we believe there is an opportunity for pharma players to reimagine transparency and evolve toward a model that goes beyond compliance and strengthens society's trust. In fact, that collaborative future may have already arrived.

Many pharma companies embraced working collaboratively to manage manufacturing constraints on the road to COVID-19 treatments and vaccines throughout the pandemic. This past quarter we met with AstraZeneca to better understand how collaboration enabled the company to stand up a globally independent supply chain. AstraZeneca worked with **more than 20 supply partners in more than 15 countries**, mobilizing a supply chain (a process that would normally take years) in just a matter of months to protect regions against vaccine nationalism. Through speaking with their team and understanding the coordinated effort, we believe AstraZeneca proved more can be achieved through collaboration without compromising stakeholder perspectives.

We have also seen the industry set aside competition to address COVID-19 supply challenges. In a move that went unchallenged by the **US Department of Justice**, several companies such as **Eli Lilly**, **AbCellera Biologics**, **Amgen**, AstraZeneca, **Genentech**, and **GlaxoSmithKline** sought approval to share information with their competitors to expedite the production of safe and effective monoclonal antibody treatments for COVID-19. Given the undeniable benefits of collaborating to rapidly scale up manufacturing and distribution capabilities to address our recent global health concerns, we intend to continue the dialogue with companies on sharing knowledge and facilities beyond COVID-19.

And finally, we observed significant public-private partnerships in the pharmaceutical sector. Many pharma companies received government funding for research and development to help spur the rapid development of COVID-19 vaccines and therapeutics, and for the establishment of national-level advance purchase agreements. If these partnerships are fairly and equitably implemented, pharma companies should recognize the public's financial contribution and consider pricing their products in a way that facilitates accessibility and affordability. They should also, because this requires public financial support, operate with the highest degree of transparency.

Expectations on transparency are shifting. The Global Health Innovation Alliance Accelerator has launched the **Master Alliance Provisions Guide (MAPGuide)**, a database of actual and template contractual provisions from global health alliance agreements "that addresses key principles on which partnerships are built." Investor expectations of industry players will likely continue to move toward enhanced disclosure so investors can better understand these relationships and verify their intended impact on society.

As innovative partnership models evolve, we will continue to ask the questions necessary to further meaningful collaboration, accountability, and transparency.

Spike in post-COVID policy activity raises caution to not lose sight of the big picture

Jamie Bonham, Director Corporate Engagement

In the days and years to come we will likely start to define policy developments as either pre- or post-COVID, as the pandemic has created such a distinct fissure in how we view the world. The world of ESG and responsible investment is a case in point, particularly if we look through the lens of ESG-related policy developments. Pre-COVID, most substantive ESG-related policy and standards developments were unique to Europe, while global progress was faltering. Here in Canada, there was little sign of any progress. Likewise, investor appetite to actively court public policy developments was limited to only the most active ESG investors, with NEI among the most prominent. By the time we can call ourselves post-COVID, we are likely to see a very different regulatory environment when it comes to ESG reporting requirements—for both companies and investors.

It has been evident to engaged investors for some time that we face two core challenges when it comes to corporate ESG reporting and getting robust, material ESG disclosures from companies. First, there are simply not enough companies providing adequate levels of disclosure. While ESG disclosure rates have grown tremendously, the depth and breadth of reporting is all too often lacking. And a second, seemingly contradictory challenge, is that for the companies that do disclose there is *too much* disclosure; too many frameworks and too many accounting methodologies, making comparisons of ESG reporting exceedingly difficult. This lack of standardization is bemoaned by investors while the plethora of reporting options is a bane to corporate issuers.

At the same time, with the rush of new players throwing their hats into the ring, the lack of any standard definition of what constitutes an RI or ESG product has become an increasingly acute issue.

Despite these failings, there had been little sign of any appetite to change the situation in North America (despite progressive policy developments in Europe), either from the regulators who could invoke mandatory reporting or from the various reporting frameworks jockeying for position as the go-to framework.

This was all slowly beginning to shift pre-COVID (thanks to active investors who pushed the agenda) and the trickle became a flood in 2020. The rush of new ESG products launched in 2020, and the surprising resilience of ESG investing in the face of the pandemic's turmoil, and the increasingly emboldened investor base hungry for better data, all led to some surprising developments.

On ESG reporting requirements, we have thought for some time that we are on an inevitable arc toward mandatory reporting requirements. In 2020, this arc seemed to shorten significantly. While a universal, standardized ESG framework is still elusive, investors are increasingly aligned on two key frameworks: the Task Force on Climate-related Financial Disclosure (TCFD) and the Sustainability Accounting Standards Board (SASB). We frequently recommend both frameworks to issuers who are looking to start reporting, based on our belief that these will become the bedrock of any future mandated disclosure. Proof of investor alignment came this November when eight of Canada's leading pension funds **issued a public statement** identifying those two frameworks as critical building blocks of sustainable value creation.

We also co-wrote a collaborative investor submission to the Ontario Capital Markets Modernization Task Force this year, making the case for mandatory ESG disclosure in line with the TCFD and SASB. The **task force's final recommendations** include a call for mandatory TCFD-aligned reporting for issuers in Ontario, a significant feat considering the implicit mandate of the organization to reduce regulatory burdens for issuers, not add new requirements. At the same time, we spoke to the OSC's consultation on sustainability disclosure as part of the International Organization of Securities Commissions' Sustainable Finance Task Force, where one of the topics of discussion was mandatory ESG disclosure. As well, the federal government's pandemic assistance for large employers came with the requirement to provide climaterelated disclosures in line with the TCFD. All these developments bring us closer to the inevitable world of

mandated ESG disclosure.

Standardization took big steps forward in 2020 as well, as five of the leading ESG disclosure frameworks (CDP, CDSB, GRI, IIRC, SASB) announced a shared vision for a comprehensive reporting system. This announcement was followed shortly by the news that SASB and IIRC planned to create a merged organization, simplifying the reporting landscape further. And finally, in the end of Q4, the International Finance Reporting Standards (IFRS) Foundation announced a consultation on whether it should helm an effort to create one consolidated ESG reporting framework. We believe the momentum toward standardization and simplification of the reporting landscape is also now inevitable.

The third pillar came with a dramatic increase in the number of organizations proposing to define what constitutes a sustainable investment program, or ESG investing product. In the U.S., the Securities and Exchange Commission has started to raise questions about how investors can validate the ESG claims of fund companies. In Canada, we saw CIFSC propose a framework to define what constitutes an ESG investment, while at the same time the CFA Institute initiated a global consultation on ESG investing definitions.

We broadly support the effort to provide investors with clear definitions and standards to assess the ESG characteristics of various investment products, and have advocated previously for rigorous industry standards to this effect. Similar to the arc on mandatory ESG reporting, we feel that here, too, there is an inevitability that investment institutions will face mandatory reporting requirements and definitions.

That said, we have raised a note of caution when it comes to these rapidly increasing calls for standardization and comparability. We fear a rush to simplicity for simplicity's sake. ESG issues are inherently complex, and our understanding of what is material is constantly shifting. Any efforts to simplify reporting requirements down to a set of easily understood metrics might please investors who are building quant models, but it might miss the boat in terms of what should be a key focus: ensuring corporate progress on the path to sustainability. Similarly, a push to simplify the definition of what a responsible investment fund or firm is could also have unintended consequences affecting what should also be a priority: driving the sustainable behaviour of the investment industry.

While we welcome the increasing momentum toward mandatory reporting and standardized frameworks for investors and companies alike, let's just be sure that we don't lose sight of the bigger picture.

Corporate dialogues

Holdings can change at any time without notice.

Company	Sector	Topic	NEI funds
Abbott Laboratories	Health Care	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity RS Fund
Adobe Systems	Information Technology	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity Fund; NEI U.S. Equity Fund
ADT	Industrials	Board diversity	NEI Canadian Equity Fund
Alphabet	Communication Services	Human rights due diligence; Advancing ESG management and disclosure; Equitable compensation	NEI Canadian Dividend Fund; NEI Canadian Equity Fund; NEI Canadian Equity RS Fund; NEI Global Equity Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund
Amazon	Consumer Discretionary	Plastic Solutions Investor Alliance	NEI Global Equity Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI U.S. Equity RS Fund
Ameriprise Financial	Financials	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity Fund
Apple	Information Technology	Advancing ESG management and disclosure	NEI Global Equity Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund
AstraZeneca	Health Care	Advancing the stakeholder theory of the firm	NEI Global Dividend RS Fund
AT&T	Communication Services	Equitable compensation	NEI Global Value Fund; NEI Global Sustainable Balanced Fund; NEI Global Total Return Bond Fund
AutoCanada	Consumer Discretionary	Board diversity	NEI ESG Canadian Enhanced Index Fund
Automotive Properties Real Estate Investment Trust	Financials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Bank of America	Financials	Equitable compensation	NEI Canadian Dividend Fund; NEI Global Equity RS Fund; NEI U.S. Equity Fund; NEI Global Sustainable Balanced Fund; NEI Canadian Bond Fund; NEI Global Impact Bond Fund
Bank of Nova Scotia	Financials	Advancing ESG management and disclosure	NEI Canadian Dividend Fund; NEI Canadian Equity Fund; NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund; NEI Canadian Bond Fund; NEI Global Return Bond Fund; NEI Fixed Income Pool
Berkshire Hathaway	Financials	Implementing TCFD recommendations on climate disclosure	NEI Global Equity RS Fund
CAE	Industrials	Board diversity	NEI Canadian Equity Pool; NEI ESG Canadian Enhanced Index Fund
Canacol Energy	Energy	Board diversity	NEI ESG Canadian Enhanced Index Fund
Canada Goose Holdings	Consumer Discretionary	Board diversity	NEI ESG Canadian Enhanced Index Fund
Canadian National Railway	Industrials	Advancing ESG management and disclosure	NEI Canadian Dividend Fund; NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Global Value Fund; NEI U.S. Equity Fund
Canadian Natural Resources	Energy	Climate Action 100+	NEI Canadian Dividend Fund; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool

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Company	Sector	Topic	NEI funds
Canadian Pacific Railway	Industrials	Equitable compensation	NEI Canadian Equity Rs Fund; NEI ESG Canadian Enhanced Index Fund
Canfor Pulp Products	Materials	Board diversity	NEI Canadian Small Cap Equity RS Fund
Cenovus Energy	Energy	Advancing the Canadian energy transition	NEI ESG Canadian Enhanced Index Fund; NEI Global High Yield Bond Fund
Centene	Health Care	Equitable compensation	NEI Canadian Dividend Fund; NEI Global High Yield Bond Fund; NEI Global Sustainable Balanced Fund
CGI Group	Information Technology	Advancing ESG management and disclosure	NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Equity Pool
CI Financial	Financials	Board diversity	NEI ESG Canadian Enhanced Index Fund; NEI Fixed Income Pool
Citigroup	Financials	Equitable compensation	NEI Canadian Equity Fund; NEI Global Equity RS Fund; NEI Canadian Bond Fund; NEI Global High Yield Bond Fund; NEI Global Total Return Bond Fund
Colliers International Group	Real Estate	Implementing TCFD recommendations on climate disclosure	NEI Canadian Equity Fund; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund
Comcast	Consumer Discretionary	Equitable compensation	NEI Canadian Equity Fund; NEI Global Dividend RS Fund; NEI Global Equity Pool; NEI Tactical Yield Portfolio; NEI U.S. Equity Fund; NEI U.S. Dividend Fund; NEI U.S. Equity RS Fund
Discovery Communications	Consumer Discretionary	Equitable compensation	NEI Global Equity RS Fund
E-L Financial Corp	Financials	Implementing TCFD recommendations on climate disclosure	NEI Canadian Small Cap Equity Fund; NEI Canadian Small Cap Equity RS Fund
Eli Lilly	Health Care	Advancing the stakeholder theory of the firm	NEI Global Equity Fund; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund
Enbridge Inc.	Energy	Advancing the Canadian energy transition; Equitable compensation	NEI Canadian Dividend Fund; NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
Enerflex Ltd.	Energy	Implementing TCFD recommendations on climate disclosure	NEI Canadian Small Cap Equity Fund; NEI ESG Canadian Enhanced Index Fund
Equity LifeStyle Properties In	Real Estate	Implementing TCFD recommendations on climate disclosure	NEI Global Equity Fund
Fidelity National Financial	Financials	Board diversity	NEI Global Equity Fund; NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
Fidelity National Information Services	Financials	Equitable compensation	NEI Global Equity Pool; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund; NEI Canadian Bond Fund
Finning International	Industrials	Equitable compensation	NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund
First Quantum Minerals	Materials	Implementing TCFD recommendations on climate disclosure	NEI Canadian Equity Fund; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund; NEI Global High Yield Bond Fund
Freehold Royalties	Energy	Implementing TCFD recommendations on climate disclosure	NEI Canadian Small Cap Equity Fund; NEI Canadian Small Cap Equity RS Fund; NEI ESG Canadian Enhanced Index Fund
General Electric	Industrials	Equitable compensation	NEI Canadian Equity Fund

Corporate dialogues

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Company	Sector	Topic	NEI funds
Gilead Sciences	Health Care	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Impact Bond Fund
Goldman Sachs Group	Financials	Equitable compensation	NEI Global Value Fund; NEI U.S. Equity Fund
H&R Real Estate Investment	Real Estate	Board diversity; Implementing TCFD recommendations on climate disclosure	NEI Canadian Dividend Fund; NEI ESG Canadian Enhanced Index Fund; NEI Fixed Income Pool
Hess	Energy	Board diversity	NEI Global Equity RS Fund
HLS Therapeutics	Health Care	Board diversity	NEI Canadian Small Cap Equity Fund
Honeywell International	Industrials	Equitable compensation	NEI Global Equity Fund; NEI U.S. Equity Fund
Hubbell	Industrials	Board diversity; Implementing TCFD recommendations on climate disclosure	NEI Environmental Leaders Fund
Husky Energy	Energy	Board diversity	NEI Canadian Equity Fund; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund; NEI Fixed Income Pool
Intel	Information Technology	Equitable compensation	NEI Global Value Fund
InterRent Real Estate Investment Trust	Real Estate	Board diversity; Implementing TCFD recommendations on climate disclosure	NEI ESG Canadian Enhanced Index Fund
JPMorgan Chase & Co	Financials	Equitable compensation	NEI Canadian Dividend Fund; NEI Canadian Equity Fund; NEI Global Equity Fund; NEI Global Equity Pool; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund; NEI Global High Yield Bond Fund; NEI Global Total Return Bond Fund
K-Bro Linen	Industrials	Board diversity	Sold
Kinder Morgan	Energy	Board diversity	NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
Kirkland Lake Gold	Materials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Las Vegas Sands	Consumer Discretionary	Board diversity	NEI Canadian Equity Fund
Lightspeed POS	Information Technology	Board diversity	NEI ESG Canadian Enhanced Index Fund
Linamar	Consumer Discretionary	Board diversity	NEI Canadian RS Equity Fund; NEI ESG Canadian Enhanced Index Fund
Loblaws	Consumer Staples	Advancing the stakeholder theory of the firm	NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
Lululemon Athletica	Consumer Discretionary	Board diversity	NEI Global Equity RS Fund
Lundin Mining	Materials	Board diversity	NEI ESG Canadian Enhanced Index Fund
M&T Bank Corp.	Financials	Implementing TCFD recommendations on climate disclosure	NEI Global Equity RS Fund

Corporate dialogues

Holdings can change at any time without notice.

Company	Sector	Topic	NEI funds
Magna International	Consumer Discretionary	Equitable compensation	NEI Canadian Dividend Fund; NEI Canadian Equity Fund; NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund; NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
MAG Silver	Materials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Manulife Financial	Financials	Equitable compensation	NEI Canadian Equity Fund; NEI Canadian Equity Pool; NEI ESG Canadian Enhanced Index Fund; NEI Growth & Income Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
Maple Leaf Foods	Consumer Staples	Board diversity	NEI ESG Canadian Enhanced Index Fund
Marathon Petroleum	Energy	Equitable compensation	NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
MasterCard	Information Technology	Equitable compensation	NEI Canadian Equity Fund; NEI Global Dividend RS Fund; NEI Global Equity Fund; NEI Global Equity Pool; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund
MercadoLibre	Information Technology	Board diversity	NEI Emerging Markets Fund
Merck & Co	Health Care	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity Fund; NEI Global Equity Pool; NEI Tactical Yield Portfolio; NEI U.S. Equity Fund; NEI U.S. Dividend Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund
Morgan Stanley	Financials	Equitable compensation	NEI Canadian Equity Fund; NEI Global Sustainable Balanced Fund; NEI Global Total Return Bond Fund
Nestlé	Consumer Staples	Access to Nutrition Index	NEI Global Equity Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI International Equity Fund; NEI International Equity RS Fund
O'Reilly Automotive	Consumer Discretionary	Implementing TCFD recommendations on climate disclosure	NEI Global Equity RS Fund; NEI Global Value Fund; NEI U.S. Equity RS Fund
OceanaGold	Materials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Open Text	Information Technology	Advancing the stakeholder theory of the firm	NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Global High Yield Bond Fund
Osisko Gold Royalties	Materials	Board Diversity; Implementing TCFD recommendations on climate disclosure	NEI ESG Canadian Enhanced Index Fund
PayPal Holdings	Financials	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity Fund; NEI Global Equity RS Fund
Pfizer	Health Care	Advancing the stakeholder theory of the firm	NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
PRA Health Sciences	Health Care	Board diversity	NEI U.S. Equity Fund
Precision Drilling	Energy	Implementing TCFD recommendations on climate disclosure	Sold
Procter & Gamble	Consumer Staples	Plastic Solutions Investor Alliance; Advancing the stakeholder theory of the firm	NEI Global Dividend RS Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI U.S. Equity RS Fund
Qualcomm	Information Technology	Equitable compensation	NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund

Corporate dialogues

Holdings can change at any time without notice.

Company	Sector	Topic	NEI funds
Restaurant Brands International	Consumer Discretionary	Equitable compensation	NEI Canadian Equity Pool; NEI ESG Canadian Enhanced Index Fund
Rogers Communications	Communication Services	Advancing the stakeholder theory of the firm	NEI Canadian Dividend Fund; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Fixed Income Pool
Royal Bank of Canada	Financials	Equitable compensation	NEI Canadian Dividend Fund; NEI Canadian Equity Fund; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Global Equity Pool; NEI International Equity Fund; NEI Canadian Bond Fund; NEI Money Market Fund; NEI Global Total Return Bond Fund; NEI Fixed Income Pool
Salesforce	Information Technology	Equitable compensation	NEI Global Equity RS Fund; NEI U.S. Equity Fund
Saputo	Consumer Staples	Board diversity	NEI Canadian Equity Pool; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
Seabridge Gold	Materials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Starbucks	Consumer Discretionary	Equitable compensation	NEI U.S. Equity Fund
Stock Yards Bancorp	Financials	Board diversity; Implementing TCFD recommendations on climate disclosure	NEI Tactical Yield Portfolio; NEI U.S. Dividend Fund
Suncor Energy	Energy	Advancing the Canadian energy transition; Climate Action 100+	NEI Canadian Dividend Fund; NEI Canadian Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Global Equity Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
Thomson Reuters	Consumer Discretionary	Equitable compensation	NEI Canadian Equity Pool; NEI ESG Canadian Enhanced Index Fund; NEI Global Dividend RS Fund
Toromont Industries	Industrials	Implementing TCFD recommendations on climate disclosure	NEI Canadian Equity RS Fund; NEI Canadian Small Cap Equity RS Fund; NEI ESG Canadian Enhanced Index Fund; NEI Canadian Bond Fund; NEI Fixed Income Pool
True North Commercial REIT	Financials	Board diversity	NEI ESG Canadian Enhanced Index Fund
Village Farms International	Consumer Staples	Board diversity	NEI ESG Canadian Enhanced Index Fund
Visa	Financials	Equitable compensation	NEI Global Dividend RS Fund; NEI Global Equity Pool; NEI Global Equity RS Fund; NEI U.S. Equity Fund; NEI U.S. Equity RS Fund; NEI Global Sustainable Balanced Fund
Walt Disney	Consumer Discretionary	Equitable compensation	NEI Global Equity RS Fund; NEI Global Total Return Bond Fund
Wells Fargo	Financials	Equitable compensation	NEI Canadian Dividend Fund
Westshore Terminals Investment Corporation	Industrials	Implementing TCFD recommendations on climate disclosure	NEI Canadian Small Cap Equity RS Fund; NEI ESG Canadian Enhanced Index Fund
Wipak	Materials	Board diversity	NEI Canadian Equity Pool; NEI Canadian Small Cap Equity Fund; NEI Canadian Small Cap Equity RS Fund; NEI ESG Canadian Enhanced Index Fund

Policy actions

Policy activity	Impact sector	Impact market	SDG theme
We submitted our comments to the Canadian government's consultation on its revised Responsible Business Conduct Strategy, highlighting the need to effectively align with the UN Guiding Principles on Human Rights and to ensure that reconciliation was a central pillar of Canada's strategy.	Canada	All	SDG 16 - Peace, Justice and Strong Institutions
We provided feedback to the UN Human Rights Business and Human Rights in Technology Project (B-Tech) on their investor brief on human rights issues facing technology companies.	Global	Information and Communication Technology	SDG 16 - Peace, Justice and Strong Institutions
We joined a letter organized by the Interfaith Center on Corporate Responsibility in support of strengthening proposed rules for regulating methane emissions in New Mexico.	New Mexico	Oil and gas	SDG 13 - Climate Action
We took part in the OSC's consultation on sustainability disclosure as part of the International Organization of Securities Commissions' Sustainable Finance Task Force, where we advocated for mandatory ESG reporting requirements.	Canada	All	SDG 16 - Peace, Justice and Strong Institutions
We provided comments to the UN Working Group on Business and Human Rights in relation to its consultation related to the 10-year anniversary of the UN Guiding Principles.	Global	All	SDG 16 - Peace, Justice and Strong Institutions
We gathered the support of investors representing \$1.1 trillion in AUM in writing to the B.C. government to express support for the government's passing of Bill 41, a bill designed to guide implementation of integrating the UN Declaration on the Rights of Indigenous Peoples into the laws of B.C.	B.C.	All	SDG 16 - Peace, Justice and Strong Institutions
We acted as a subject matter expert for the B.C. Responsible Minerals and Metals Summit, where the role of finance in driving a responsible mining sector in B.C. was discussed.	B.C.	Mining	SDG 13 - Climate Action; SDG 16 - Peace, Justice and Strong Institutions; SDG 3 - Good Health and Well-Being
We participated in the International Financial Reporting Standards Foundation's open consultation with respect to if and how they could play a role in facilitating consistent sustainability reporting.	All	All	SDG 11 - Sustainable Cities and Communities; SDG 12 - Responsible Consumption and Production; SDG 17 - Partnerships for the Goals



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