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leader in
Socially
Responsible
Investing

Every year on behalf of Ethical Funds' investors, the NEI Investments ESG Services team produces a Focus List. This list identifies companies that we target to encourage the adoption of sustainable and positive environmental, social and governance practices.

Companies listed here as part of our Corporate Engagement Program Report may or may not be held in Ethical Funds at this specific time. To confirm if a company listed is currently held in Ethical Funds please contact your Sales Representative

Company	Company Overview	ESG Issues	Dialogue Updates	Holdings
ENERGY				
CNRL	<p>Canadian Natural Resources Limited (CNRL) is an oil and gas exploration, development and production company with its corporate head office in Calgary, Alberta.</p> <p>www.cnrl.com</p>	<ul style="list-style-type: none"> Oil sands GHG emissions, climate policy and energy transition Unburnable carbon and stranded assets 	<p>In June 2016 we met with CNRL to discuss its Aboriginal engagement strategy and relationship with key Aboriginal communities, as well as the company's participation in the drafting of the Canadian Association of Petroleum Producers' discussion paper on the UN Declaration on the Rights of Indigenous Peoples. We continued our dialogue on reducing the company's methane emissions. We also discussed CNRL's approach to low carbon strategic resilience and possible venues for improving disclosure on this issue.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
Gibson Energy	<p>Gibson is a North America-focused midstream oil and gas company that provides storage and transportation services.</p> <p>www.gibsons.com</p>	<ul style="list-style-type: none"> GHG emissions, climate policy and energy transition Board diversity Enhancing ESG disclosure 	<p>In May 2016, Gibson wrote to alert us that it had published a new website section dedicated to its environmental and social policies and practices. We indicated that we would provide feedback to the company as it worked to improve upon this disclosure.</p>	<p>Ethical Canadian Equity Fund</p>

Company	Company Overview	ESG Issues	Dialogue Results	Holdings
Suncor	<p>Suncor Energy Inc. is Canada's largest integrated energy company, focused on development of the Athabasca oil sands.</p> <p>www.suncor.com</p>	<ul style="list-style-type: none"> Oil sands GHG emissions, climate policy and energy transition Unburnable carbon and stranded assets Oil-by-rail safety 	<p>Supported by the company, in April 2016 our shareholder proposal on Suncor's strategic resilience in a low-carbon future received over 98% support at the AGM. This exceptional result set a new bar for the Canadian oil and gas industry.</p> <p>In June 2016 we met with the company to review progress in meeting the terms of the shareholder proposal. The company had already found that the process of developing the disclosure was beneficial, but the timeline for making the disclosure public had been held up by the need to focus on dealing with the Fort McMurray forest fires. We discussed Suncor's plans for meeting the new Alberta tailings management framework and its strategy for improving Syncrude's performance after taking majority ownership. We also discussed its participation in drafting the Canadian Association of Petroleum Producers' discussion paper on the UN Declaration on the Rights of Indigenous Peoples, as well as the company's strategic approach to Aboriginal engagement and the issue of free, prior and informed consent.</p>	Ethical Canadian Equity Fund
UTILITIES				
Canadian Utilities / ATCO	<p>ATCO is an Alberta-based diversified corporation whose businesses include structures and logistics, electricity and pipelines. Canadian Utilities is an ATCO company.</p> <p>www.atco.com</p> <p>www.canadianutilities.com</p>	<ul style="list-style-type: none"> GHG emissions, climate policy and energy transition 	<p>In April 2016, we met with ATCO/Canadian Utilities to discuss ESG disclosure and climate change strategies, including plans to capitalize on the energy transition. We shared the comments that we had submitted to the Financial Stability Board (FSB) Task Force on Climate-Related Financial Disclosures. The company was continuing to improve its ESG disclosure and following energy transition developments closely.</p>	Ethical Canadian Equity Fund

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MATERIALS				
Alcoa	Alcoa is one of the biggest operators in the production of bauxite, alumina and aluminium products. www.alcoa.com	<ul style="list-style-type: none"> GHG emissions and climate policy 	In May 2016 we wrote to Alcoa to highlight our interest in the company's climate change strategy and to learn more about its involvement with the Aluminium Stewardship Initiative (ASI).	Ethical American Multistrategy Fund Ethical Global Equity Fund
Potash Corp	PotashCorp is a global agricultural products company producing three critical crop nutrients: potash, nitrogen and phosphate. www.potashcorp.com	<ul style="list-style-type: none"> Respecting Human Rights 	Following up on earlier dialogue on the company's human rights due diligence relating to sourcing phosphate from the disputed territory of Western Sahara, in June 2016 we wrote to the PotashCorp board explaining the reasoning behind our support for the shareholder proposal at the 2016 AGM asking for a human rights impact assessment on this issue. The company responded to our letter, highlighting the due diligence it had undertaken while acknowledging that the full scope of its effort in this area to date had not been disclosed to investors.	Ethical Balanced Fund Ethical Canadian Equity Fund
Stella-Jones	Stella-Jones is a producer and marketer of pressure treated wood products. www.stella-jones.com	<ul style="list-style-type: none"> Board Independence 	In June 2016, we wrote to the Stella-Jones board explaining our concerns about board independence and the lack of a nominating committee.	Ethical Special Equity Fund
Winpak	Winpak manufactures and distributes packaging materials and packaging machines. Winpak is part of a global packaging group that operates ten production facilities in Canada, the United States and Mexico. www.winpak.com	<ul style="list-style-type: none"> GHG Emissions and climate policy Enhancing ESG disclosure 	In April 2016 we met with Winpak to discuss the role of innovation and R&D in creating new packaging products with a lower environmental footprint throughout the lifecycle. We also discussed the company's climate change strategy and future disclosure of climate change-related information.	Ethical Special Equity Fund

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HEALTH CARE				
Johnson & Johnson	Johnson & Johnson is an American multinational medical devices, pharmaceutical and consumer packaged goods manufacturer founded in 1886. www.jnj.com	<ul style="list-style-type: none"> Access to medicine Clinical trials transparency Preventing tax base erosion 	J&J responded to the earlier collaborative engagement letter on participation in the Access to Medicine Index research, indicating that it was active in gathering feedback to generate a robust report.	Ethical American Multistrategy Fund Ethical Global Dividend Fund Ethical Global Equity Fund
Novartis	Novartis is a global healthcare company, based in Switzerland. www.novartis.com	<ul style="list-style-type: none"> Access to medicine 	Novartis responded to the earlier collaborative engagement letter on participation in the Access to Medicine Index research, indicating that access to medicine was integrated to its business strategy, and that the ATMI submission was treated as a priority. The company stated it was open to further dialogue with investors on this issue.	Ethical Global Equity Fund
Novo Nordisk	Novo Nordisk is a global healthcare company headquartered in Denmark. www.novonordisk.com	<ul style="list-style-type: none"> Access to medicine 	Novo Nordisk responded to the earlier collaborative engagement letter on participation in the Access to Medicine Index research, indicating its support for ATMI and intention to participate fully in the data collection process.	Ethical International Equity Fund
Roche	Roche is a global healthcare company, headquartered in Switzerland. www.roche.com	<ul style="list-style-type: none"> Access to medicine 	<p>In May 2016 we were signatory to a collaborative engagement letter to Roche in response to the company's decision not to participate in the Access to Medicine Initiative process this year.</p> <p>We also joined an ICCR collaborative engagement meeting with Roche to discuss drug pricing and encourage the company to reconsider its decision not to participate in ATMI data collection.</p>	Ethical International Equity Fund

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Sanofi	<p>Sanofi is a global healthcare company headquartered in France.</p> <p>www.sanofi.com</p>	<ul style="list-style-type: none"> Access to medicine 	<p>Sanofi responded to the earlier collaborative engagement letter on participation in the Access to Medicine Index research, indicating that it had integrated access to medicine to its business strategy and was committed to providing a comprehensive response to ATMI.</p>	<p>Ethical International Equity Fund</p>
Thermo Fisher	<p>Thermo Fisher Scientific is a U.S. multinational scientific equipment and services company.</p> <p>www.thermofisher.com</p>	<ul style="list-style-type: none"> Respecting human rights 	<p>As part of a collaborative engagement with partners in the Environmental Leaders strategy, we wrote to Thermo Fisher Scientific (TFS) in June 2016 to request dialogue on ESG risks and opportunities.</p> <p>TFS provides products and services that enable innovation in life sciences. Although the company was reporting on conflict minerals, supply chain management and environmental performance, we queried the lack of disclosure on social topics including human rights, clinical trial ethics, access to medicine, health and safety and product quality.</p>	<p>NEI Environmental Leaders Fund</p> <p>Ethical American Multistrategy Fund</p> <p>Ethical Global Equity Fund</p>

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IT				
Mitel	<p>Mitel is a multinational corporation specializing in business communications technology, including phone systems, on-site and cloud-based collaboration and contact center solutions. Mitel is headquartered in Ottawa, Canada.</p> <p>www.mitel.com</p>	<ul style="list-style-type: none"> • Respecting privacy and human rights • Board diversity • Cybersecurity governance • Anti-corruption • Enhancing ESG disclosure 	<p>In May 2016 we wrote to Mitel to provide more background on responsible investment and key ESG issues for an emerging IT company, focusing on anti-corruption policy and processes, board diversity, say-on-pay, and disclosure of material ESG issues. We met with Mitel in June 2016 to continuing dialogue on these topics. The company outlined how it was working to address high-priority governance issues.</p>	Ethical Special Equity Fund
TELECOM				
Manitoba Telecom	<p>Manitoba Telecom Services, or MTS, is the primary telecommunications carrier in the Canadian province of Manitoba and the fourth largest telecommunications provider in Canada.</p> <p>www.mts.ca</p>	<ul style="list-style-type: none"> • GHG emissions and climate policy • Respecting privacy and human rights • Cybersecurity governance 	<p>We wrote to Manitoba Telecom in June 2016 to provide feedback on our proxy voting at the AGM, in the context of the planned acquisition by BCE. We had been able to support all items on the ballot, including the advisory vote on executive compensation. We recognized positive changes in incentive programs, quantum, pay-for-performance alignment and incorporation of ESG performance metrics, and considered the company's scorecard approach to be an executive compensation good practice example in Canada.</p> <p>We noted that several of the company's good governance and transparency practices were not yet followed by BCE, and expressed the view that the continuing company should consider adopting these practices.</p>	Ethical Special Equity Fund

Company	Company Overview	ESG Issues	Dialogue Results	Holdings
CONSUMER				
Canadian Tire	<p>Canadian Tire Corporation is a general retailer offering everyday products and services through more than 1,700 retail and gasoline outlets across Canada.</p> <p>www.canadiantire.ca</p>	<ul style="list-style-type: none"> • GHG emissions and climate policy • Sustainable apparel supply chains • Cybersecurity governance • Enhancing ESG disclosure 	<p>We wrote to Canadian Tire in May 2016 encouraging the company to provide more robust and timely public disclosure of its Responsible Sourcing and Business Sustainability activities and initiatives, including more details of the supplier auditing process and supply chain country risk analysis. In June 2016 we joined an ESG investor meeting organized by the company on its Responsible Sourcing and Business Sustainability initiatives. The company encouraged investors to provide feedback on upcoming ESG disclosures. We discussed the company's climate policy positioning, its involvement in the CottonConnect initiative, and its relatively stronger performance compared to Canadian peers in World Vision's recent benchmarking of supply chain labour risk. We again encouraged the company to disclose more information about the responsible sourcing program, including the countries to which its supply chain is exposed. We also highlighted the issue of cybersecurity governance.</p>	Ethical Canadian Equity Fund
Coca-Cola	<p>The Coca-Cola Company is an American multinational beverage corporation and manufacturer, retailer and marketer of non-alcoholic beverage concentrates and syrups.</p> <p>www.coca-cola.com</p>	<ul style="list-style-type: none"> • Access to nutrition • Equitable compensation linked to ESG performance 	<p>In May 2016, we led an ICCR collaborative engagement meeting with Coca-Cola to discuss nutrition matters, including strategy, transparency initiatives, innovation and R&D programs. We commended the significant progress on scientific funding transparency and asked it to ensure that information was provided on scientific and partnership funding activities globally. We encouraged more disclosure on country-specific strategies related to product reformulation and labelling. The company also provided an overview of its robust R&D governance structure and process, and the network of global R&D centres. We encouraged the company to provide investors with more context on the R&D program, which is relevant for understanding the company's potential to adapt to changing consumer preferences and trends.</p> <p>Coca-Cola maintained its ranking and slightly improved its score in Oxfam's 2016 "Behind the Brands" benchmarking of a range of environmental and social issues.</p>	Ethical Balanced Fund Ethical Global Equity Fund Ethical American Multistrategy Fund

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Empire (Sobeys)	<p>Empire Company Limited is a Canadian conglomerate engaged mostly in food retail and corporate investments. The company is headquartered in Stellarton, Nova Scotia. Empire owns the Sobeys supermarket chain.</p> <p>www.empireco.ca</p>	<ul style="list-style-type: none"> Food waste, animal welfare and access to nutrition Cybersecurity governance Enhancing ESG disclosure 	<p>In May 2016, we met with Empire (Sobeys) to provide more background on responsible investment processes and share our perspective on retail sector ESG issues, focusing on the company's supply chain transparency disclosure. We also highlighted a range of other ESG topics including cybersecurity, food waste, animal welfare and access to nutrition. The company expressed interest in discussing these issues further.</p>	<p>Ethical Special Equity Fund</p> <p>Ethical Canadian Equity Fund</p>
Kellogg	<p>The Kellogg Company is a multinational food company headquartered in Michigan.</p> <p>www.kelloggcompany.com</p>	<ul style="list-style-type: none"> Access to nutrition 	<p>In May 2016, we joined an ICCR collaborative engagement meeting with Kellogg to discuss the company's nutrition and responsible marketing programs and access to healthy foods initiatives. The company shared its perspective on the Access to Nutrition Index (ATNI) and its ranking within the Index. ATNI results had fostered internal discussion about nutrition disclosures and strategy. The company was asked about efforts to improve the nutritional profile of children's cereals, and indicated that it was making progress against targets for reduced sugar content.</p>	<p>Ethical Special Equity Fund</p>
Leon's	<p>Leon's is a Canadian furniture and appliance retailer.</p> <p>www.leons.ca</p>	<ul style="list-style-type: none"> Enhancing ESG disclosure 	<p>We met with Leon's in April 2016 to discuss current and emerging ESG issues in the retail sector. We briefed the company on responsible investment processes, focusing on the importance of supply chain disclosure, specifically on the supplier code of conduct, supply chain contry risk exposure, and supplier auditing. The company expressed interest in learning more about responsible investment expectations, so we followed up with a written briefing on disclosures that would enable investors to better analyse ESG risk in the company supply chain.</p>	<p>Ethical Special Equity Fund</p>

Company	Company Overview	ESG Issues	Dialogue Results	Holdings
Loblaw	<p>Loblaw Companies Limited is Canada's largest food retailer and a leading provider of drugstore, general merchandise and financial products and services.</p> <p>www.loblaw.ca</p>	<ul style="list-style-type: none"> • GHG emissions and climate policy • Food waste, animal welfare and access to nutrition • Sustainable apparel supply chains • Cybersecurity governance • Enhancing ESG disclosure 	<p>In May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying Loblaw of its benchmark ranking and asking the company whether enhancements in animal welfare policy and practices could be expected in 2016.</p> <p>Loblaw released its Corporate Social Responsibility Report, reporting progress against 2015 targets and objectives and outlining strategic direction for 2016. We contacted the company to plan the next stage of dialogue.</p>	Ethical Canadian Equity
McDonald's Corporation	<p>McDonald's operates and franchises restaurants globally. The restaurants offer a range of food items including hamburgers, french fries, salads, and beverages.</p> <p>www.mcdonalds.com</p>	<ul style="list-style-type: none"> • Access to nutrition 	<p>In May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying McDonald's of its benchmark ranking and commending the company for making a strong commitment to farm animal welfare.</p>	Ethical Balanced Fund
Metro	<p>Metro Inc. is a food retailer operating in the provinces of Quebec and Ontario, based in Montreal.</p> <p>www.metro.ca</p>	<ul style="list-style-type: none"> • Food waste, animal welfare and access to nutrition • Cybersecurity governance • Enhancing ESG disclosure 	<p>In April 2016, Metro responded to our earlier letter providing feedback on our proxy voting decisions, indicating that it had taken note of our perspective.</p> <p>The company released its 2016 Corporate Responsibility Report, highlighting progress against targets established under its four CR pillars. In June 2016 Metro released a Local Purchasing Policy, emphasizing its support for regional food producers and processors, infrastructure for local agriculture, and innovative suppliers following sustainable agriculture practices.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>

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Nestlé	<p>Nestlé is a global nutrition and health company, headquartered in Switzerland.</p> <p>www.nestle.com</p>	<ul style="list-style-type: none"> Animal welfare and access to nutrition 	<p>We joined an ICCR collaborative engagement meeting with Nestlé in May 2016 to discuss nutrition and responsible marketing programs and initiatives on access to healthy foods.</p> <p>Also in May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying Nestlé of its benchmark ranking and asking the company if any action could be expected to strengthen its approach to managing farm animal welfare.</p>	<p>Ethical Global Equity Fund</p> <p>Ethical International Equity Fund</p>
Restaurant Brands International	<p>Restaurant Brands is the Canada-based holding company for Tim Hortons and Burger King.</p> <p>www.rbi.com</p>	<ul style="list-style-type: none"> Animal welfare 	<p>In May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying Restaurants Brands of its benchmark ranking and asking the company if any action could be expected in 2016 to strengthen its policy and practice in managing farm animal welfare.</p>	<p>Ethical Canadian Equity</p>
Unilever	<p>Unilever is a multinational consumer goods company for food, beverages, household and personal care products, co-headquartered in the Netherlands and the UK.</p> <p>www.unilever.com</p>	<ul style="list-style-type: none"> Animal welfare 	<p>In May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying Unilever of its benchmark ranking and commending the company for its strong commitment to farm animal welfare.</p>	<p>Ethical Global Dividend Fund</p> <p>Ethical Global Equity Fund</p>
Yum Brands	<p>Yum Brands is one of the world's largest restaurant companies, with brands including KFC, Pizza Hut and Taco Bell.</p> <p>www.yum.com</p>	<ul style="list-style-type: none"> Animal welfare and access to nutrition 	<p>In May 2016, we were signatory to a collaborative engagement letter coordinated by the Business Benchmark on Farm Animal Welfare, notifying Yum Brands of its benchmark ranking and asking the company if improvements in animal welfare policy and practices could be expected in 2016.</p>	<p>Ethical American Multistrategy Fund</p> <p>Ethical Global Equity Fund</p>

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INDUSTRIAL				
Caterpillar	<p>Caterpillar manufactures construction and mining equipment, diesel and natural gas engines, industrial gas turbines and diesel-electric locomotives.</p> <p>www.caterpillar.com</p>	<ul style="list-style-type: none"> GHG emissions and climate policy Respecting human rights Preventing tax base erosion 	<p>In May 2016, we wrote to Caterpillar to request dialogue on the company's human rights due diligence approach and climate change strategy. The company responded in June 2016 to arrange a meeting.</p>	Ethical Global Dividend Fund
CN Rail	<p>The Canadian National Railway Company, headquartered in Montreal, serves Canada and the Midwestern and Southern United States.</p> <p>www.cn.ca</p>	<ul style="list-style-type: none"> GHG emissions and climate policy Safe transportation of oil & hazardous goods 	<p>In June 2016 we wrote to the CN board to share the reasoning behind our proxy voting decisions on board capacity and director "over-boarding" issues.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
Lumenpulse	<p>Lumenpulse Lighting Inc. manufactures high performance, sustainable LED lighting solutions.</p> <p>www.lumenpulse.com</p>	<ul style="list-style-type: none"> Board independence Enhancing ESG disclosure 	<p>In April 2016 we wrote to the Lumenpulse board to share the reasoning behind our proxy voting decisions, noting concerns about chair and committee independence and inadequate disclosure on the executive compensation plan. The company responded explaining the rationale for its governance structure and offering to discuss our concerns further.</p>	Ethical Special Equity Fund

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FINANCIAL				
Bank of Montreal	<p>BMO Financial Group is a financial services provider that serves more than 12 million personal, commercial, corporate & institutional customers in North America and internationally.</p> <p>www.bmo.com</p>	<ul style="list-style-type: none"> • Climate finance • Elimination of cluster munitions • Preventing tax base erosion • Equitable compensation 	<p>In June 2016 we engaged with BMO to obtain feedback on tax engagement questions in the context of our participation in the Principles for Responsible Investment (PRI) Tax Task Force.</p>	Ethical Balanced Fund
Royal Bank of Canada	<p>Royal Bank is Canada's largest company by market capitalization, providing personal and commercial banking, wealth management services, insurance, investor services and capital markets products and services on a global basis.</p> <p>www.rbc.com</p>	<ul style="list-style-type: none"> • Climate finance • Elimination of cluster munitions • Preventing tax base erosion • Equitable compensation 	<p>In June 2016 we engaged with RBC to obtain feedback on tax engagement questions in the context of our participation in the Principles for Responsible Investment RI Tax Task Force.</p> <p>Also June 2016, we wrote to the board of RBC to provide feedback on our proxy voting at the 2016 AGM. While we commended the company for diversity leadership, we were unable to support the executive compensation plan because of concerns about the significant increase in the CEO's compensation, which within two years of appointment would already be approaching the level of his long-incumbent predecessor at retirement. We also queried the rigour of incentive performance targets, while expressing appreciation for clear disclosure on the circumstances under which the performance share unit payout would be reduced to zero.</p>	Ethical Balanced Fund

Company	Company Overview	ESG Issues	Dialogue Results	Holdings
TD Bank	<p>TD Bank Group, headquartered in Toronto with offices around the world, offers a full range of financial products and services.</p> <p>www.td.com</p>	<ul style="list-style-type: none"> • Climate finance • Elimination of cluster munitions • Preventing tax base erosion • Equitable compensation 	<p>In June 2016 we engaged with TD to obtain feedback on tax engagement questions in the context of our participation in the Principles for Responsible Investment (PRI) Tax Task Force.</p> <p>Also in June 2016, we wrote to TD to provide feedback on our proxy voting at the 2016 AGM. We recognized that the bank had addressed several issues that we had raised previously, allowing us to support all management proposals on the ballot. We commended TD for enhancing its diversity leadership by adding a board diversity target, and expressing it in “gender-neutral” terms; and also for adopting and applying a robust board renewal policy. Although we had no significant concerns about executive compensation quantum and performance alignment, we continued to press the issue of seemingly “guaranteed” performance share units lacking a clear threshold for zero payout. We urged the bank to continue to focus on equitable compensation, taking note of additional disclosure on use of vertical metrics.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>

Collaborative Engagement

Responsibility to Respect Human Rights

- We were signatory to an ICCR statement marking the third anniversary of the Rana Plaza factory collapse disaster in Bangladesh, noting the progress that had been made, but calling for enhanced financial support for remediation, establishment of factory safety committees, and better disclosure of suppliers.

Making Pharma Better:

- As an investor supporter of the Access to Medicine Index, in May 2016 we were signatory to a collaborative engagement letter asking Roche to reconsider its decision to not participate in the index data collection process.

Food from Farm to Fork:

- In May 2016, we were signatory to collaborative engagement letters coordinated by the Business Benchmark on Farm Animal Welfare, notifying companies of their benchmark ranking and seeking a response on next steps in animal welfare policy and practice at Loblaw, Yum! Brands, McDonald's, Unilever, Nestlé and Restaurant Brands International. We were also a founding signatory to the Investor Statement on Farm Animal Welfare, which recognizes this issue as a potentially material risk to long-term investment value.

Governance Matters:

- In June 2016 we engaged a number of Canadian companies to obtain feedback on tax engagement questions, in the context of our participation in the Principles for Responsible Investment (PRI) Tax Task Force.

Public Policy & Standards

Getting Real about the Energy Transition:

We continued to give the high priority to climate and energy policy issues:

- In April 2016 we were signatory to a multi-stakeholder letter to the Ontario government that provided comments on the development of the provincial climate policy, supporting the move to put a price on carbon.
- In April 2016 we co-led the development of an investor statement representing over \$3.6 trillion in assets under management on the importance of government action to curb methane emission in the oil and gas sector, and supporting the stated goals of the U.S. and Canada to reduce methane emissions by 40-45% over the next decade.
- In April 2016 we met with the Alberta government to share our perspective on the province's efforts to update its climate change strategy. We discussed our submission to the Alberta climate leadership panel and how investor interest in climate issues could be leveraged. We also discussed two initiatives we had co-led: the April 2016 methane emissions reduction statement representing over \$3.6 trillion in assets, and the September 2015 investor letter to the Alberta climate change consultations, representing over \$4.6 trillion in assets.
- In April 2016 we submitted comments to the Financial Stability Board Task Force on Climate-Related Disclosure Phase II consultation, highlighting the key information we would like companies to disclose on climate-related risks and opportunities, and which industries should be prioritised for disclosure enhancement.
- In May 2016, at the invitation of the Alberta government, we were present for the press launch of the updated climate change strategy as the first elements of the plan went to a vote in the legislature.
- In May 2016 we wrote to the Ontario Securities Commission (OSC) priorities consultation, asking for guidance on environmental disclosure to be scheduled for update in the context of several important climate disclosure initiatives that are expected to report results in 2016.
- In June 2016 we submitted comments to the consultation on the Federal Sustainable Development Strategy, outlining our perspectives on how the Government of Canada could enable responsible investment through policy changes relating to environmental assessment, climate strategy and carbon pricing, corporate disclosure and a range of other issues.

Responsibility to Respect Human Rights:

- In April 2016 we provided feedback to the Organization for Economic Co-operation and Development (OECD) on its consultation paper on responsible business conduct expectations for investors.
- In May 2016 we were signatory to a letter to the Government of Turkmenistan, signed by 57 companies, human rights NGOs, industry associations, investors, and trade unions, addressing concerns about the obligatory mass mobilization of citizens for the annual cotton harvest.
- In May 2016 we were signatory to the Principles for Responsible Investment (PRI) Statement of Investor Expectations on Labour Practices in Agricultural Supply Chains, calling for supplier codes of conduct, governance and board oversight, traceability, monitoring and corrective action, and target-setting and disclosure.
- In June 2016 we submitted comments on the latest draft of the Initiative for Responsible Mining Assurance (IRMA) Standard for Responsible Mining, reiterating our support for a robust certification system for mining operations while stressing the need to ensure broad uptake of the standard if it is to be useful to investors and other stakeholders.
- In June 2016 our policy against cluster munitions investment was recognized by our inclusion as the first Canadian investment institution in the international civil society Cluster Munitions Hall of Fame.

Governance Matters:

- In June 2016 we joined a meeting with the Alberta government to share our perspective on possible corporate governance enhancements relating to diversity disclosure and the right to file shareholder proposals.

Enabling Responsible Investment:

- In May 2016 we were signatory to an investor letter to the CFA Society Toronto, encouraging the organisation to further integrate ESG to educational materials.