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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				
Ensign Energy Services	Based in Calgary, Ensign Energy Services delivers oilfield services in Canada, the U.S. and internationally. www.ensignenergy.com	<ul style="list-style-type: none"> GHG emissions, climate policy and energy transition Board diversity 	In August 2016 we wrote to the Ensign board to provide feedback on our proxy voting decisions at the 2016 AGM. We reiterated our concerns regarding the absence of strategic disclosure on climate change risk and strategy, noting this continued to be a barrier to voting in support of the chair of the board. We also questioned the lack of diversity policy and targets. While acknowledging the board's disclosure that it valued diversity, we believed the company would benefit from a more proactive strategy. We commended the company for adopting the advisory vote on executive compensation.	Ethical Special Equity Fund Ethical Canadian Equity Fund
Gibson Energy	Gibson is a North America-focused midstream oil and gas company that provides storage and transportation services. www.gibsons.com	<ul style="list-style-type: none"> GHG emissions, climate policy and energy transition Board diversity Enhancing ESG disclosure 	We wrote to the Gibson board in July 2016, commending the company for adopting the advisory vote on executive compensation, and noting that we were able to support the pay approach. We appreciated the enhanced linkage of compensation to safety performance and improved disclosure on how safety performance impacted actual pay in 2015. We reiterated our request that the company develop a diversity policy.	Ethical Special Equity Fund Ethical Canadian Equity Fund

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Mullen Group	<p>Mullen Group provides specialized transportation and related services to the oil and natural gas industry in western Canada.</p> <p>www.mullen-group.com</p>	<ul style="list-style-type: none"> GHG emissions, climate policy and energy transition Board diversity Enhancing ESG disclosure 	<p>In July 2016 we wrote to the Mullen board to commend the concrete commitment to enhance diversity by seeking to recruit two new female directors in 2017. We saw this as an effective response to our requests for proactive strategy to increase board diversity. We also commended the profit-sharing approach for CEO pay and the explicit linkage of executive compensation to safety performance. However, we expressed concern about director over-boarding and requested further detail on the compensation framework.</p>	Ethical Special Equity Fund
Pembina Pipeline Corporation	<p>Pembina is a mid-stream pipeline company operating mainly in Alberta and BC.</p> <p>www.pembina.com</p>	<ul style="list-style-type: none"> Enhancing ESG disclosure GHG emissions, climate policy and energy transition 	<p>In August 2016 we met with Pembina to discuss improving its disclosure on GHG emissions and climate strategy. The company was receptive to our input, indicating that it was reviewing its disclosure practices and planned to update its approach. We agreed to follow up on the discussion in the coming year.</p>	Ethical Balanced Fund
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>We wrote to the Suncor board to commend its support for our shareholder proposal on strategic resilience in a low-carbon economy. However, we explained we had voted against the executive compensation package because of concerns relating to internal inequity: namely, the quantum of CEO compensation in the context of significant lay-offs at the company in 2015. Although we acknowledged the executive team's strong relative performance in steering the company through an industry downturn, we felt that apparent disparity in the treatment of energy company employees at different levels could create human resource risk in the longer term.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
MATERIALS				
Agrium	<p>Agrium is a global agricultural products and services company producing and marketing three critical crop nutrients: potash, nitrogen and phosphate.</p> <p>www.agrium.com</p>	<ul style="list-style-type: none"> Respecting human rights 	<p>In August 2016 we wrote to Agrium to thank the company for its response to our earlier proxy voting feedback. We also commended the company for undertaking and publishing a Human Rights Impact Assessment on its sourcing relationships in the disputed territory of Western Sahara, something we had previously requested that the company should do.</p>	<p>Ethical Canadian Equity Fund</p> <p>Ethical Global Equity Fund</p>

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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 	The dialogue was paused as a result of portfolio changes.	
Alumina	Alumina Limited owns 40% of a joint venture that is the largest bauxite miner and alumina refiner. www.aluminalimited.com	<ul style="list-style-type: none"> GHG emissions and climate policy 	We had intended to engage with Alumina as part of a wider exploration of the high-emissions aluminum industry, but before we could meet with the company, the dialogue was cancelled as a result of portfolio changes.	
Goldcorp	Goldcorp is a gold producer headquartered in Vancouver, engaged in gold mining and related activities including exploration, extraction, processing and reclamation. www.goldcorp.com	<ul style="list-style-type: none"> GHG emissions and climate policy Responsible water use Respecting human rights 	The dialogue was paused as a result of portfolio changes.	
PotashCorp	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 	In July 2016 PotashCorp responded to our earlier letter on its sourcing relationship in the disputed territory of Western Sahara, offering to facilitate dialogue with OCP, the site operator. Appropriate next steps would be determined in collaboration with other investors.	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>

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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 July 2016 Stella-Jones responded to our earlier letter providing feedback on our proxy voting decisions, stating that it was not considered necessary to establish a nominating committee and tenure policy at present. We wrote back to emphasize the importance of corporate governance best practices and in particular the value of a nominating committee of the board.	Ethical Special Equity Fund
HEALTH CARE				
GlaxoSmithKline	GlaxoSmithKline is a global healthcare company headquartered in the U.K. www.gsk.com	<ul style="list-style-type: none"> Access to medicine 	In September 2016 we participated in an ICCR collaborative dialogue with GlaxoSmithKline, discussing the company's approach to access to medicine, innovation, and supporting the Sustainable Development Goals, as well as areas of special focus for the company's female CEO-designate.	Ethical Global Dividend
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 	We corresponded with Johnson & Johnson in September 2016 to arrange further collaborative dialogue on ethical business practice, product safety and quality management	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 	The dialogue was paused as a result of portfolio changes.	

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Roche	<p>Roche is a global healthcare company, headquartered in Switzerland.</p> <p>www.roche.com</p>	<ul style="list-style-type: none"> Access to medicine 	<p>In September 2016 we participated in an ICCR collaborative dialogue with Roche on R&D to address neglected diseases, the company's decision to not participate in ATMI data collection, its Access to Medicine strategy, and how it incorporates the Sustainable Development Goals into its corporate strategy.</p>	<p>Ethical International Equity Fund</p> <p>Ethical Global 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"> Enhancing ESG disclosure 	<p>In September 2016 we led a collaborative engagement meeting with Thermo Fisher to explore ESG risks and opportunities. We discussed the company's sustainability reporting and potential to enhance disclosure on social concerns including human rights, access to medicine, clinical trial ethics, health and safety, and product quality. We also asked how the company addresses human rights and anti-corruption considerations in the context of mergers and acquisitions.</p> <p>We followed up by writing to the company to share sector-specific resources on sustainability reporting as well as guidance on human rights due diligence.</p>	<p>NEI Environmental Leaders Fund</p> <p>Ethical Global Equity Fund</p>
IT				
CGI	<p>CGI Group Inc. is a multinational information technology consulting, systems integration, outsourcing, and solutions company headquartered in Montreal, Canada.</p> <p>www.cgi.com</p>	<ul style="list-style-type: none"> Respecting privacy and human rights Cybersecurity governance Anti-corruption Enhancing ESG disclosure 	<p>We wrote to CGI in August 2016 to provide feedback on our proxy voting at the AGM. We had withheld our vote from all directors because of our strong concern about dual class stock structures with unequal voting rights, and encouraged the company to consider adopting good governance practices that would emphasize how the interests of subordinate shareholders are taken into account, such as an independent chair and adoption of say-on-pay. We also explained our rationale for supporting a shareholder proposal asking CGI to disclose voting results by class of shares. We commended the board for expressing commitment to board diversity and recruiting another well-qualified independent female director, but encouraged CGI to consider incorporating targets to its diversity policy.</p>	<p>Ethical Canadian Equity</p>

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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>We wrote to Mitel in September 2016 to provide feedback on our proxy voting at the AGM. We had withheld our vote from several directors because of chair and committee independence concerns. Mitel voluntarily adopted the advisory vote on executive compensation in 2016 and we recognized the company's commitment to making progress on corporate governance issues. While we were aware that considerable effort had been invested in enhancing the nominating process, Mitel had not yet succeeded in recruiting any female directors. We encouraged the company to adopt a formal board diversity policy and enhance disclosure on its diversity approach.</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>The dialogue was paused following shareholder and court approval of the acquisition of Manitoba Telecom by BCE.</p>	Ethical Special Equity Fund

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Rogers	<p>Rogers Communications is a diversified Canadian communications and media company that operates in the field of wireless communications, cable television, telephone and internet connectivity</p> <p>www.rogers.com</p>	<ul style="list-style-type: none"> GHG emissions and climate policy Respecting privacy and human rights Cybersecurity governance 	<p>We wrote to Rogers in September 2016 to provide feedback on its 2015 CSR report. The quality of the company's sustainability disclosure had increased over time, and it had responded to several earlier requests, including an increased focus on data privacy and security. In the context of ongoing discussions about the company's approach to climate change, we were encouraged that Rogers would monitor progress on its climate targets to ensure alignment with national and global goals. We also commended the extensive disclosure on supply chain management performance and processes, and the decision to join the Joint Audit Cooperation, a global telecom industry initiative focused on improving social and environmental conditions in the common supply chains of telecom operators.</p>	Ethical Canadian Equity Fund
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>In collaboration with several Canadian investors, we continued to follow up with Canadian Tire in July, August and September 2016 on questions relating to the company's responsible sourcing efforts, and to plan the next stage of dialogue. We encouraged the company to publicly disclose additional information on sourcing including a list of countries from which the company sources products. The company indicated that it would release an online sustainability report providing further details on the environmental and social performance of the company in 2015-2016. We commended these efforts and encouraged the company to provide more detail that would help investors to understand its supply chain due diligence process.</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>We corresponded with Coca-Cola to set up the next stage of collaborative dialogue on nutrition and responsible marketing.</p>	Ethical Global Dividene Fund

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Disney	<p>The Walt Disney Company is a global entertainment company.</p> <p>www.thewaltdisneycompany.com</p>	<ul style="list-style-type: none"> Access to nutrition 	<p>In July 2016 we joined an ICCR collaborative meeting with Disney to discuss the company's Healthy Living Commitment. We asked about the company's nutrition guidelines and responsible marketing efforts, and were satisfied with the initiatives the company had introduced to increase the consumption of healthier food and beverages.</p> <p>The dialogue was paused as a result of portfolio management changes.</p>	
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>The dialogue was paused as a result of portfolio management changes.</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 followed up with Leon's on earlier discussions relating to supply chain due diligence and disclosure.</p>	Ethical Special Equity Fund

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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>We followed up with Loblaw on pursuing dialogue on supply chain issues.</p>	Ethical Canadian Equity
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 September 2016, we wrote to the board of Yum Brands seeking further clarification on the role of the board in CSR governance. We asked for improved disclosure on the CSR credentials of board members and once again asked the company to consider joining industry initiatives on marketing to vulnerable populations, such as children.</p> <p>The dialogue was paused as a result of portfolio changes.</p>	
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 August 2016 we met with Caterpillar to discuss human rights disclosure and climate change and sustainability strategy. The company appeared to be taking a proactive approach to these issues. Caterpillar indicated that it would include more human rights disclosure in future reporting. As well, the company outlined strategies to reduce emissions and integrate sustainability to its business. We shared our submission to the Financial Stability Board's Task Force on Climate-Related Disclosure and we discussed relevant climate change corporate networks. The company expressed interest in feedback on future disclosures.</p> <p>The dialogue was paused due to portfolio changes.</p>	

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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 August 2016 CN responded to our earlier letter providing proxy voting feedback, indicating that the company is taking these governance issues into consideration, especially in regard to director over-boarding.</p>	Ethical Canadian Equity Fund
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 September 2016 we wrote to the Lumenpulse board indicating we had taken its earlier feedback into consideration in 2016 proxy voting decisions. We provided further insight into our continuing concerns regarding board independence and lack of say-on-pay.</p>	Ethical Special Equity Fund
FINANCIAL				
Allianz	<p>Allianz is an international financial services company, providing insurance and asset management products.</p> <p>www.allianz.com</p>	<ul style="list-style-type: none"> Elimination of cluster munitions 	<p>This dialogue was added during 2016 in response to emerging ESG risks and opportunities.</p> <p>Allianz was again mentioned in a report by international civil society campaigners on investment in cluster munitions manufacturers. We wrote to the company in August 2016, encouraging it to review its policies on cluster munitions, and to engage financial companies in its own holdings. The company responded, indicating that its inclusion in the report could result once again from indirect or index investments.</p>	Ethical International Equity Fund

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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>We wrote to the board of BMO in August 2016 to provide feedback on our voting at the 2016 AGM. We commended the company for its strong diversity performance and for adopting a gender-neutral board diversity goal. While we appreciated further disclosures on vertical metrics considered by the compensation committee, we had voted against the executive compensation plan based on concerns about the alignment of pay to performance. We also encouraged the company to disclose the circumstances under which performance share unit payouts could be reduced to zero.</p> <p>We met with BMO in September 2016 to further outline our perspective on governance issues, and highlight the importance of equitable compensation in the current social context.</p>	Ethical Balanced Fund
Bank of Nova Scotia	<p>A Canadian-based bank providing a complete range of retail, commercial, corporate, investment and international banking services.</p> <p>www.scotiabank.com</p>	<ul style="list-style-type: none"> • Climate finance • Elimination of cluster munitions • Preventing tax base erosion • Equitable compensation 	<p>We wrote to the board of Scotiabank in August 2016 to provide feedback on our 2016 AGM voting. We commended the company for addressing several issues raised in past discussions, which allowed us to support all management recommendations on the ballot. We appreciated efforts to link executive pay to corporate strategy and ESG metrics, but encouraged the company to disclose the circumstances under which the performance share unit payout could be reduced to zero.</p> <p>We met with Scotiabank in September 2016 to provide more detail on issues raised in our letter and highlight the importance of equitable compensation in the current social context.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>

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CIBC	<p>CIBC is a leading Canadian-based financial institution and provides a full suite of financial products and services in Canada and around the world.</p> <p>www.cibc.com</p>	<ul style="list-style-type: none"> • Climate finance • Elimination of cluster munitions • Preventing tax base erosion • Equitable compensation 	<p>We wrote to the board of CIBC in August 2016 to provide feedback on our 2016 AGM voting. We had voted against the executive compensation plan despite the company's efforts to improve the compensation approach after it lost the advisory vote in 2015. We were concerned that the short-term incentive plan was not sufficiently based on quantifiable metrics. We also encouraged the company to disclose specific performance conditions that would justify incentive awards, including circumstances under which the performance share unit payout would be reduced to zero.</p> <p>In September 2016, CIBC responded to our feedback letter, and we met with the company to exchange views on governance issues. We also highlighted the importance of equitable compensation in the current social context.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
CI Financial	<p>CI Financial is a Canadian wealth management firm.</p> <p>www.cifinancial.com</p>	<ul style="list-style-type: none"> • Elimination of cluster munitions 	<p>This dialogue was added during 2016 in response to emerging ESG risks and opportunities.</p> <p>Responding to a report by international civil society campaigners on investment in cluster munitions manufacturers, we wrote to CI Financial in August 2016 to share our cluster munitions policy, encouraging the company to review its own policies, and to engage financial companies in its own holdings on cluster munitions.</p>	<p>Ethical Canadian Equity Fund</p>

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DBS Group Holdings	<p>Headquartered in Singapore, DBS is a financial services provider in Asia.</p> <p>www.dbs.com</p>	<ul style="list-style-type: none"> Elimination of cluster munitions 	<p>This dialogue was added during 2016 in response to emerging ESG risks and opportunities.</p> <p>Responding to a report by international civil society campaigners on investment in cluster munitions manufacturers, we wrote to DBS in August 2016 to share our cluster munitions policy, encouraging the company to review its own policies, and to engage financial companies in its own holdings on cluster munitions. The company responded that its credit risk policy prohibited the extension of credit to arms-related entities, and that it supported Singapore's commitments to disarmament and non-proliferation of weapons of mass destruction. The company indicated that it had written to civil society campaigners to clarify its position.</p> <p>The dialogue was paused as a result of portfolio changes.</p>	
JP Morgan	<p>JPMorgan Chase & Co. is a leading global financial services firm and one of the largest banking institutions in the United States, with operations worldwide.</p> <p>www.jpmorganchase.com</p>	<ul style="list-style-type: none"> Elimination of cluster munitions 	<p>This dialogue was added during 2016 in response to emerging ESG risks and opportunities.</p> <p>Responding to a report by international civil society campaigners on investment in cluster munitions manufacturers, we wrote to JP Morgan in August 2016 to share our cluster munitions policy, encouraging the company to review its own policies, and to engage financial companies in its own holdings on cluster munitions.</p>	Ethical Global Dividend Fund
Prudential	<p>Prudential plc is an international financial group providing insurance and asset management services.</p> <p>www.prudential.co.uk</p>	<ul style="list-style-type: none"> Elimination of cluster munitions 	<p>This dialogue was added during 2016 in response to emerging ESG risks and opportunities.</p> <p>Prudential was again mentioned in a report by international civil society campaigners on investment in cluster munitions manufacturers. We wrote to the company in August 2016 to encourage it to strengthen its own policies, and to engage financial companies in its own holdings on cluster munitions.</p>	<p>Ethical Global Equity Fund</p> <p>Ethical International Equity Fund</p>

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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>We met with RBC in August 2016 to further discuss the issues raised in our feedback letter on proxy voting at the 2016 AGM. We also highlighted the importance of equitable compensation concerns in the current social context. We also had discussions with the company on cluster munitions policy in response to a report by international civil society campaigners on investment in cluster munitions manufacturers.</p>	<p>Ethical Balanced Fund</p>
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 August 2016, TD responded to our feedback letter on proxy voting at the 2016 AGM. The bank clarified its position on performance share units and proposed a meeting to discuss governance issues.</p> <p>Also in August 2016, we met with TD for further discussions on climate finance. The company's financial exposure to high-carbon sectors is relatively limited, and in our analysis it is a Canadian leader within its sector on climate change. We shared insights on the role of finance in the transition to a low-carbon economy.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
Wells Fargo	<p>Wells Fargo is an American multinational financial services company.</p> <p>www.wellsfargo.com</p>	<ul style="list-style-type: none"> • Ethical business conduct 	<p>Following up on earlier dialogue on ethical business conduct at Wells Fargo and responding to the scandal on unauthorized debit and credit card accounts, in September 2016 we participated in the ICCR financial services collaboration's discussions to define an engagement strategy.</p>	<p>Ethical American Multistrategy</p> <p>Ethical Global Equity</p>

Collaborative Engagement

Responsibility to Respect:

We formed an engagement collaboration focusing primarily on social and governance topics with the subadvisor and partners in the Environmental Leaders strategy. We led a meeting with Thermo Fisher to discuss a range of ESG issues. The collaboration also wrote to several companies asking for improvement in diversity performance, including Murata Manufacturing Company, Sekisui Chemical Co., Horiba, SMC Corporation and Trina Solar.

Governance Matters:

We continued to participate in an engagement collaboration organized by ICCR focusing on ethical business policy and practice at major U.S. financial institutions. In July 2016, the group met to identify strategic priorities, and we provided background on compensation practices at Canadian banks. In September 2016, the group met to define engagement strategy for Wells Fargo in light of the scandal on unauthorized debit and credit card accounts.

Public Policy & Standards

Getting Real about the Energy Transition:

- In July 2016 we responded to the Federal Government's request for comments on the draft terms of reference for its Expert Panels on Environmental Assessment Processes and National Energy Board Modernization. In expressing our support for the suggested terms of reference for both initiatives, we encouraged the government to consider investors as stakeholders in both review processes.
- In July 2016 we submitted comments to the Federal Government's consultation on its approach to climate change. Among other recommendations, we expressed support for a price on carbon, highlighted the importance of carbon disclosure so that investors can push companies to develop robust climate change plans, and encouraged the Federal Government to actively support and incent clean technology development.
- In August 2016 we were signatory to an investor letter to the G20 asking member countries to follow through on their commitments to the Paris Accord and further incent carbon disclosure and clean technology investments.
- In September 2016 we provided comments to the CDP on its Oil & Gas sector research project.

Food from Farm to Fork:

- In September 2016 we were signatory to an investor statement on anti-microbial resistance, highlighting the issue of over-use of antibiotics in the food supply chain as a contributing factor.

Enabling Responsible Investment:

- In July 2016 we submitted comments to the U.S. Securities and Exchange Commission's consultation on modernizing disclosure, outlining our perspective on basic ESG disclosure needs that could be articulated as requirements for all companies. We were signatory to a joint letter from members of the PRI tax collaboration highlighting the potential for enhancements in disclosure on tax.
- We provided comments to the Principles for Responsible Investment on the Canadian aspect of its Roadmap project on advancing ESG, and on the organization's forward strategy.
- We provided comments to the World Federation of Exchanges Sustainability Working Group on its voluntary framework for ESG disclosure.