



NEI Corporate Engagement Focus List

Q2 Update: June 2017



Company	Overview	ESG Issues	Dialogue Results	Holdings
CONSUMER				
Aramark	<p>Aramark provides food service, facilities and uniform services to businesses around the world.</p> <p>www.aramark.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Aramark to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, highlighting recent commitments and disclosures on this topic.</p>	<p>NEI Generational Leaders Fund</p> <p>Northwest Global Equity Fund</p>
Aritzia	<p>Aritzia is a Canadian women's fashion apparel and accessories retail company.</p> <p>www.aritzia.com</p>	<ul style="list-style-type: none"> • Responsibility to respect human rights - supply chain • Governance matters - enhancing ESG disclosure 	<p>In June 2017 we met with Aritzia for the first time to discuss its plans for ESG disclosure and annual reporting. As a recent IPO, the company was in the process of developing its reporting frameworks and providing more disclosure on its corporate website. We shared our recommendations for ESG disclosure best practices in the apparel sector, including expectations for carbon disclosure and responsible sourcing.</p>	<p>Ethical Special Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Campbell Soup</p>	<p>Campbell Soup Company is an U.S.-based producer of canned soups and related products.</p> <p>www.campbellsoupcompany.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets 	<p>We were part of an investor collaboration that wrote to Campbell Soup to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Campbell Soup responded to our letter, indicating that it was firmly committed to setting a science-based target of a 25% reduction in GHG emissions by 2025. The company also planned to increase its portfolio of renewable energy as part of this strategy.</p>	<p>Northwest Global Equity Fund</p>
<p>Charoen Pokphand</p>	<p>Headquartered in Thailand, Charoen Pokphand is a conglomerate with interests in food and agriculture, retail and communications.</p> <p>www.cpgroupglobal.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Charoen Pokphand, a new company within the 2016 Business Benchmark on Farm Animal Welfare, highlighting investor interest in animal welfare issues and encouraging enhanced performance in this area. The company responded, expressing openness to further dialogue.</p>	<p>Northwest Global Equity Fund</p>
<p>Coca-Cola</p>	<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"> • Farm to fork - access to nutrition 	<p>With the CEO transition in Spring 2017, Coca-Cola announced new strategy, including an enhanced focus on nutrition (including sugar concerns), product innovation and social license - issues that had been key topics of the ICCR collaborative engagement that we initiated several years earlier. Given the significant re-organization within the company as a result of the strategy changes, it was agreed that the next meeting with the investor collaboration would be scheduled for the next quarter.</p>	<p>Ethical Global Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



Compass	<p>Headquartered in the U.K., Compass is a multi-national food and support services company.</p> <p>compass-group.com</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to Compass to encourage the company to take steps to enhance its performance on animal welfare, as its performance tier had declined in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, highlighting recent commitments and disclosures on this topic.</p>	<p>NEI Generational Leaders Fund</p> <p>Northwest Global Equity Fund</p>
Danone	<p>Danone is a multinational food products corporation based in Paris, France.</p> <p>www.danone.com</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to Danone to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, highlighting recent commitments and disclosures on this topic.</p>	<p>Ethical International Equity Fund</p>
Darden	<p>Headquartered in the U.S., Darden operates a variety of full-service restaurant chains.</p> <p>www.darden.com</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to Darden to encourage the company to take steps to enhance its performance on animal welfare, as its performance tier had declined in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Ethical Global Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



General Mills	<p>General Mills is a multinational manufacturer and marketer of branded consumer foods sold through retail stores, based in the U.S.</p> <p>www.generalmills.com</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to General Mills to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, highlighting recent commitments and disclosures on this topic.</p>	Ethical Global Dividend Fund
Greggs	<p>Based in the U.K., Greggs is a bakery and convenience food company.</p> <p>www.greggs.co.uk</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to Greggs to congratulate the company on being one of the small number of upper-tier performers in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, commenting on the value of the benchmark exercise as a driver for change.</p>	Ethical Global Equity Fund
Hilton	<p>Hilton Worldwide is an American multinational hospitality company that manages and franchises a broad portfolio of hotels and resorts</p> <p>hiltonworldwide.com</p>	<ul style="list-style-type: none">• Energy transition - science based targets	<p>We were part of an investor collaboration that wrote to Hilton to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Hilton responded to our letter, noting its public support for the Paris Agreement and indicated that it would be interested in further dialogue.</p>	NEI Generational Leaders Fund



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Kroger</p>	<p>Kroger is retail company founded in 1883, which operates the largest supermarket chain in the U.S. based on revenue.</p> <p>www.kroger.com</p>	<ul style="list-style-type: none"> • Responsibility to respect human rights - supply chain • Farm to fork - Animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Kroger to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Ethical Global Equity Fund</p>
<p>Lassonde</p>	<p>Lassonde Industries is a Quebec-based food company.</p> <p>www.lassonde.com</p>	<ul style="list-style-type: none"> • Responsibility to respect human rights - supply chain • Governance matters - enhancing ESG disclosure 	<p>Following up on earlier engagement, we corresponded with Lassonde in April 2017, learning more about the company's approach to supply chain management. The company published a sustainable development report in May 2017, focused on water, packaging and health & safety issues.</p>	<p>Ethical Special Equity Fund</p> <p>Northwest Specialty Equity Fund</p>
<p>LKQ Corporation</p>	<p>LKQ Corporation is an American auto parts company that provides wholesale used and refurbished auto parts via its subsidiaries across the United States and the world.</p> <p>www.lqkcorp.com</p>	<ul style="list-style-type: none"> • Governance matters - enhancing ESG disclosure 	<p>As part of our engagement collaboration with partners in the Impax Environmental Leaders strategy, we wrote to LKQ in May 2017 to encourage the company to improve its ESG disclosure. We provided our rationale on how disclosing on ESG performance could create tangible value for the company and expressed our interest in engaging the company further on the issue. In June 2017 we followed up with LKQ to express our continued interest in a dialogue.</p>	<p>NEI Environmental Leaders Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Loblaw</p>	<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"> • Responsibility to respect human rights - supply chain • Farm to fork - access to nutrition, food waste & animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Loblaw to acknowledge the improvement in its performance tier in the 2016 Business Benchmark on Farm Animal Welfare. The ESG risk posed by animal abuse was highlighted in June when cruelty to chickens at a supplier of Loblaw and other Canadian supermarket chains received significant media coverage.</p> <p>Also in April, we were signatory to a global investment statement marking the anniversary of the Rana Plaza disaster, and calling for the extension of efforts by apparel brands to influence factory safety in the supply chain. We were encouraged when Loblaw, as owner of the Joe Fresh brand, announced in June 2017 that it would renew its commitment to the Accord on Fire and Building Safety in Bangladesh.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
<p>McDonald's</p>	<p>McDonald's operates and franchises restaurants globally. The restaurants offer food items including hamburgers, french fries, salads, and beverages.</p> <p>www.mcdonalds.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to McDonald's to congratulate the company on being one of the small number of upper-tier performers in the 2016 Business Benchmark on Farm Animal Welfare</p>	<p>Ethical US Equity Fund</p> <p>Ethical Global Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Nestle</p>	<p>Nestlé is a global nutrition and health company, headquartered in Switzerland.</p> <p>www.nestle.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Nestlé to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare. The company provided a detailed response on its updated commitments and disclosure plans.</p>	<p>Ethical International Equity Fund</p>
<p>Pepsico</p>	<p>Pepsico is an American multinational food, snack and beverage corporation.</p> <p>www.pepsico.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets 	<p>We were part of an investor collaboration that wrote to Pepsico to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Pepsico responded to our letter, indicating that it had set a science based target of reducing its emissions across its entire value chain by 20% by 2030.</p>	<p>Ethical US Equity Fund</p> <p>Ethical Global Dividend Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
<p>Restaurant Brands International</p>	<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"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Restaurant Brands, a new company within the 2016 Business Benchmark on Farm Animal Welfare, highlighting investor interest in animal welfare issues and encouraging enhanced performance in this area. We corresponded with the company to arrange an introductory meeting on ESG matters.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Sodexo</p>	<p>Headquartered in France, Sodexo provides food and facility services.</p> <p>www.sodexo.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Sodexo to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Ethical International Equity Fund</p>
<p>Sysco</p>	<p>Headquartered in the U.S., Sysco is a food service distribution company.</p> <p>www.sysco.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Sysco to acknowledge the improvement in its performance tier in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Ethical Global Equity Fund</p> <p>Ethical Global Dividend Fund</p>
<p>Target</p>	<p>Target is the second-largest department store retailer in the United States.</p> <p>www.target.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets • Farm to fork - animal welfare 	<p>We were part of an investor collaboration that wrote to Target to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Target responded to our letter, indicating that it was determining the best way to set science based targets that would reflect its extensive supply chain. It also noted it had 2020 goals of having solar installations on 500 of its stores and having 80% of its buildings Energy Star certified.</p> <p>In April 2017 we were part of an investor collaboration that wrote to Target to encourage the company to take steps to enhance its performance on animal welfare, as it was ranked in the lowest tiers of the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Tyson Foods</p>	<p>Tyson Foods is a meat and prepared foods company, headquartered in the U.S.</p> <p>www.tysonfoods.com</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Tyson to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Ethical US Equity Fund</p>
<p>Unilever</p>	<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"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Unilever to congratulate the company on being one of the small number of upper-tier performers in the 2016 Business Benchmark on Farm Animal Welfare. The company responded, commenting on the value of the benchmark exercise as a driver for change</p>	<p>Ethical Global Dividend Fund</p> <p>NEI Generational Leaders Fund</p> <p>Northwest Global Equity Fund</p> <p>Northwest Canadian Dividend Fund</p>
<p>Walmart</p>	<p>Walmart Stores Inc (Walmart) is an American multinational retail corporation, operating a chain of markets, discount department stores and grocery stores.</p> <p>www.walmart.ca</p>	<ul style="list-style-type: none"> • Farm to fork - animal welfare 	<p>In April 2017 we were part of an investor collaboration that wrote to Walmart to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Northwest Global Equity Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



Walt Disney	<p>The Walt Disney Company is a global entertainment company.</p> <p>www.thewaltdisneycompany.com</p>	<ul style="list-style-type: none">• Governance matters - policy lobbying	<p>In June 2017 Disney's CEO announced his resignation from the U.S. President's business advisory council, because the company disagreed with the decision to withdraw the U.S. from the Paris Climate Agreement.</p>	<p>Ethical Global Equity Fund</p> <p>Ethical Global Dividend Fund</p>
WH Group	<p>Headquartered in Hong Kong, WH Group is an integrated pork production company with worldwide operations.</p> <p>www.wh-group.com</p>	<ul style="list-style-type: none">• Farm to fork - animal welfare	<p>In April 2017 we were part of an investor collaboration that wrote to WH Group to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2016 Business Benchmark on Farm Animal Welfare.</p>	<p>Northwest Global Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



ENERGY

<p>AltaGas</p>	<p>AltaGas is a North American-focused energy infrastructure company with assets in gas, power, and utilities.</p> <p>www.altagas.ca</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy • Governance matters - enhancing ESG disclosure • Aboriginal engagement strategy 	<p>We met with Altagas in May 2017 to discuss the company's ESG disclosure plans, energy transition strategy, and Aboriginal engagement strategy. We provided the company with feedback on its current reporting and recommendations for future improvement. We discussed Altagas' strategy for the energy transition, where it is focused on opportunities related to low-carbon power generation, and the company's emphasis on building long-term relationships with Aboriginal communities. We also discussed the prevailing situation in regard to its Alton gas project, where it was working with the local Aboriginal community to address environmental concerns and build a long-term benefits agreement.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Special Equity Fund</p> <p>Ethical Canadian Equity Fund</p>
<p>Cenovus</p>	<p>Cenovus Energy is a Calgary-based integrated oil & gas company with a focus on in-situ oilsands operations in Alberta.</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>In response to our ongoing dialogue about providing disclosure on the company's strategic resilience in a low-carbon future, Cenovus published a commitment in its 2017 proxy circular to produce a report on this topic for investors. The company noted the materiality of this issue and committed to provide reporting that addressed, among other things, the company's strategy for staying resilient through lowering its carbon footprint, and the results of its 2°C scenario analysis. We met with Cenovus in May 2017 to discuss this commitment and to provide early feedback on what we saw as best practice in low-carbon resiliency reporting.</p>	<p>Northwest Canadian Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Chevron</p>	<p>Chevron Energy is one of the world’s largest integrated oil & gas companies, headquartered in California, U.S.</p> <p>www.chevron.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>In April 2017 Chevron produced a report on its resiliency in a low-carbon future. Subsequently, the investor coalition in which we were participating decided to withdraw the shareholder proposal it had filed on this topic. The decision to withdraw was intended to acknowledge the company's efforts to address shareholder concerns and to encourage further dialogue on the topic. However, in our view the company could greatly improve the quality of its report and future engagement would focus on its low-carbon strategy.</p>	<p>Northwest Global Equity Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
<p>CNRL</p>	<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"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>We met with CNRL in May 2017 to discuss recent developments in low-carbon strategic resiliency reporting among its peers, and to further the conversation about the company's own assessment of climate-related risks. We also commended CNRL on its efforts to avoid significant layoffs during the downturn and learned how the company had used the downturn to reassign internal talent to new ESG-related challenges, such as increasing the pace of its reclamation efforts and reducing its methane emission rate. On the topic of methane we noted our support for the continued reduction in venting associated with its heavy oil operations and discussed the company's future plans for reductions in light of the provincial and federal targets of achieving a 45% reduction in methane emissions.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p> <p>Northwest Canadian Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Enbridge / Spectra</p>	<p>Enbridge is an energy infrastructure company based in Alberta, Canada. It focuses on the transportation, distribution and generation of energy, primarily in North America.</p> <p>www.enbridge.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy • Aboriginal engagement strategy 	<p>In May 2017 we met with Enbridge to discuss ESG concerns in the context of its merger with Spectra Energy, its plans to address ongoing risks associated with Aboriginal opposition to pipelines, and its plans to provide enhanced disclosure on low-carbon resiliency strategy. Enbridge noted that it treated the merger as a transformational process, and that part of this effort was to align the Spectra assets with the company's plans to create carbon reduction targets for all of its business units. We noted Enbridge's strategy going forward was to shift towards the low-carbon opportunities of the energy transition, and urged the company to consider enhancing its disclosure to investors by providing details of scenario analysis for a low-carbon future. In regard to Aboriginal engagement issues, Enbridge explained that it was focused on providing enhanced disclosure on its processes and activities in light of concerns surrounding the company's involvement with the Dakota Access Pipeline, and its Line 3 project.</p>	<p>Northwest Canadian Dividend Fund (Enbridge Income Fund Holdings)</p> <p>Northwest US Dividend Fund (Spectra)</p> <p>Northwest Tactical Yield Fund (Spectra)</p>
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NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>ExxonMobil</p>	<p>Exxon, headquartered in Houston, Texas, is the world's largest publicly traded oil & gas company.</p> <p>www.exxonmobil.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>We voted to support several climate-related proposals at Exxon's 2017 AGM, as we had discussed with the company in earlier correspondence. The proposal asking Exxon to provide a report to investors on its carbon asset risk (i.e. low-carbon resiliency reporting) passed with 62% support. This was one of the first climate-themed resolutions to win majority support.</p> <p>In June 2017 Exxon announced that it was a founding member of the Climate Leadership Council, a bi-partisan organization of companies and other stakeholders committed to pushing for a price on carbon in the U.S. Our engagement had focused on the opportunities for Exxon to show leadership on this front in light of its potential significant impact on U.S. politics. We felt this was a notable positive development in the effort to develop effective carbon policy in the U.S.</p>	<p>Ethical Global Equity Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
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NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Occidental Petroleum</p>	<p>Occidental Petroleum is an international oil & gas company with operations in the United States, Middle East and Latin America.</p> <p>www.oxy.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>We were part of a group of investors that met with Occidental in April 2017 to discuss the company's activities in regard to climate change-related lobbying. The company noted that it was not actively involved in lobbying against climate-related regulations but was still a member of various organizations that did. Occidental explained that it had formed a coalition with environmental groups in order to lobby congress on supporting the ongoing development of carbon capture and storage technology, which the company has been very active in developing. We urged the company to consider being more vocal in support of other climate-related regulations, and to engage with its various industry associations on the topic as well.</p> <p>In June 2017 we voted in favour of a shareholder resolution at the company AGM that asked Occidental to provide reporting to shareholders on its strategies in regard to a low-carbon future. The proposal received 67% support from shareholders - an unprecedented result that will form the basis of future dialogue with the company on low-carbon resiliency.</p>	<p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
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NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Suncor</p>	<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"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>In April 2017 Suncor published its low-carbon resiliency report to investors, as it had committed to do in supporting our 2016 shareholder resolution. This marked the first time a Canadian energy company had provided a report to investors on how it planned to stay resilient through the energy transition. The disclosure provided a substantive discussion of its strategy in relation to its oil sands assets, efforts to reduce its carbon footprint, exposure to carbon pricing impacts, its plans for diversification into renewables, and the risks facing some of its proposed projects in a low-carbon future. We met with Suncor in May 2017 to discuss the report and its experience in performing scenario analysis. The company reiterated that the process was extremely valuable and had helped inform company strategy and risk management.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>
<p>FINANCIALS</p>				
<p>Bank of Montreal</p>	<p>BMO Financial Group is a financial services provider that serves more than 12 million personal, commercial, corporate and institutional customers in North America and internationally.</p> <p>www.bmo.com</p>	<ul style="list-style-type: none"> • Energy transition - climate finance • Responsibility to respect human rights • Governance matters 	<p>In May 2017 we participated in BMO's sustainability stakeholder survey and interview process, highlighting the importance of responsible lending policies in the context of the energy transition, as well as customer-oriented business ethics in the wake of the Wells Fargo cross-selling scandal.</p>	<p>Northwest Canadian Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Metlife</p>	<p>Metlife is a global insurance provider founded in 1868 in the US.</p> <p>www.MetLife.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets 	<p>We were part of an investor collaboration that wrote to Metlife to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Collaboration members met with Metlife in April 2017 where the company indicated it was interested in setting science based targets and in further dialogue with investors.</p>	<p>NEI Generational Leaders Fund</p> <p>Northwest Canadian Dividend Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
<p>TD Bank</p>	<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"> • Energy transition - climate finance • Responsibility to respect human rights • Governance matters 	<p>TD was one of several financial services companies involved in the project finance consortium for the controversial Dakota Access Pipeline. We had engaged the bank and other consortium members to encourage transparency on the results of a human rights assessment report commissioned by TD and Citi on behalf of the lenders. The recommendations resulting from the assessment were made public in May 2017, providing guidance around engagement with indigenous peoples and addressing the gap between requirements under current U.S. law and international industry best practices.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p> <p>Ethical Global Dividend Fund</p> <p>Northwest Growth & Income Fund</p> <p>Northwest Canadian Equity Fund</p> <p>Northwest Canadian Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Wells Fargo</p>	<p>Wells Fargo is an American multinational financial services company.</p> <p>www.wellsfargo.com</p>	<ul style="list-style-type: none"> • Governance matters - business ethics 	<p>In April 2017 the shareholder proposal we had co-filed at Wells Fargo calling for a business standards review went to a vote at the AGM, gaining 22% support. In its response to the proposal in the proxy circular, the bank agreed with the need to review business practices in the light of the illegal cross-selling scandal. However, it stated that actions taken or disclosed up to that point, including a report released shortly before the AGM, effectively answered our request. We were not satisfied with the report: we disagreed with the narrow focus on the most recent scandal; some important issues were not fully addressed, including the role of the board and the extent of harm to customers and employees; and indicators to track the rehabilitation of the retail banking business were not presented. Several board members only narrowly achieved a majority vote, indicating widespread dissatisfaction among investors.</p>	<p>Ethical US Equity Fund</p> <p>Northwest Canadian Dividend Fund</p> <p>Northwest US Dividend Fund</p> <p>Northwest Tactical Yield Fund</p>
<p>HEALTHCARE</p>				
<p>Abbvie</p>	<p>Abbvie is an American biopharmaceutical company.</p> <p>www.abbvie.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets 	<p>We were part of an investor collaboration that wrote to Abbvie to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Abbvie responded to our letter and noted its current targets for GHG reduction include a goal of 50% reduction by 2035, including sourcing its electricity needs from 100% renewable energy.</p>	<p>Ethical Global Dividend Fund</p> <p>Northwest Global Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Agilent Technologies</p>	<p>Agilent Technologies is an American Healthcare equipment and services company.</p> <p>www.agilent.com</p>	<ul style="list-style-type: none"> • Governance matters - board structure 	<p>As part of our engagement collaboration with partners in the Impax Environmental Leaders strategy, in May 2017 we wrote to the board of Agilent to ask if it intended to revisit the issue of declassifying the board. The company had previously tried, and failed, to declassify in previous years due to certain restrictions in the bylaws. Agilent responded to our letter, noting that it would be revisiting the idea of declassification prior to the next AGM. We reiterated our desire to see the board address the issue of declassification and committed to further dialogue on the issue.</p>	<p>NEI Environmental Leaders Fund</p>
<p>Johnson & Johnson</p>	<p>Johnson & Johnson is an American multinational medical devices, pharmaceutical and consumer packaged goods manufacturer founded in 1886.</p> <p>www.jnj.com</p>	<ul style="list-style-type: none"> • Better pharma 	<p>In the context of our concerns about the impact of income inequality on the economy, in 2017 we extended to the U.S. market our proxy voting guideline capping the level of CEO pay that we can support based on a vertical comparison with median household income. North America has the highest CEO pay in the world and U.S. income inequality is also significant. At Johnson & Johnson’s Annual Meeting in April 2017, we applied this guideline in voting against the CEO pay package of over U.S. \$27 million, and voted against the compensation committee members because of excessive CEO pay.</p>	<p>Ethical US Equity Fund</p> <p>NEI Generational Leaders Fund</p> <p>Northwest Canadian Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Merck</p>	<p>Merck & Co, known as MSD outside of North America, is a global healthcare company founded in 1891.</p> <p>www.merck.com</p>	<ul style="list-style-type: none"> • Better pharma - drug pricing, access to medicine & SDGs • Governance matters - enhancing ESG disclosure • Energy transition - science-based targets 	<p>We were part of an investor collaboration that wrote to Merck to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. Merck responded to our letter, indicating that it had met its earlier reduction targets and would be announcing a new 10-year science-based target in 2017.</p>	<p>Ethical US Equity Fund</p> <p>Ethical Global Dividend Fund</p> <p>NEI Generational Leaders Fund</p> <p>Northwest Global Equity Fund</p> <p>NEI Generational Leaders Fund</p>
<p>IT</p>				
<p>Mitel</p>	<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"> • Governance matters - board diversity, equitable compensation & enhancing ESG disclosure 	<p>In April 2017 we commended Mitel for successfully recruiting a female nominee to its board of directors and for implementing several good pay practices that have been ongoing asks in our engagement. At Mitel's AGM in May 2017 we were able for the first time to support all director nominees, and although we highlighted some concerns, were also able to support its executive compensation plan.</p>	<p>Ethical Special Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Trimble</p>	<p>Trimble is an American manufacturer of GPS receivers and other varieties of navigational products and software processing tools, based in California.</p> <p>www.trimble.com</p>	<ul style="list-style-type: none"> • Governance matters - enhancing ESG disclosure 	<p>As part of our engagement collaboration with partners in the Impax Environmental Leaders strategy, in June 2017 we met with Trimble to discuss opportunities to improve its ESG disclosure. We learned the company has been evaluating different frameworks for disclosure and considers its ESG performance to be a key differentiator for the company. We provided Trimble with recommendations on key disclosure areas to highlight and on useful frameworks to guide its disclosure.</p>	<p>NEI Environmental Leaders Fund</p>
<p>INDUSTRIALS</p>				
<p>3M</p>	<p>3M (formerly called Minnesota Mining and Manufacturing Company) is an American multinational conglomerate.</p> <p>www.3m.com</p>	<ul style="list-style-type: none"> • Energy transition - science based targets 	<p>We were part of an investor collaboration that wrote to 3M to encourage the company to create science-based targets for greenhouse gas (GHG) reductions. The company had previously expressed an interest in pursuing this goal and our letter encouraged the company to continue to work towards this objective. 3M responded to our letter, noting it had achieved a 69% reduction in absolute GHG emissions since 2002, and was currently working to develop a new science-based target. The company currently has goals to increase its energy efficiency by 30% by 2025, and to increase its use of renewable energy to 25% by 2025.</p>	<p>Ethical Global Dividend Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Acuity Brands</p>	<p>Acuity Brands is an American electronics manufacturing company specializing in lighting equipment.</p> <p>www.acuitybrands.com</p>	<ul style="list-style-type: none"> • Governance matters - board capacity, equitable compensation & enhancing ESG disclosure 	<p>As part of our engagement collaboration with partners in the Impax Environmental Leaders strategy, we wrote to Acuity Brands to commend the company for enhancing corporate governance by moving to declassify its board and provide proxy access to investors. We also encouraged the company to consider enhancing overall disclosure to provide more insight into its ESG performance.</p> <p>In June 2017, we wrote to Acuity to further recommend that the company consider enhancing its ESG disclosure and to encourage it to resolve problematic corporate governance issues, such as board independence, director over-boarding, lack of board diversity and excessive executive compensation.</p>	<p>NEI Environmental Leaders Fund</p>
<p>Hubbell</p>	<p>Hubbell is an American manufacturer of electrical and electronic products and lighting.</p> <p>www.hubbell.com</p>	<ul style="list-style-type: none"> • Governance matters - enhancing ESG disclosure 	<p>We were part of an investor collaboration that wrote to Hubbell in May 2017 to encourage the company to improve its ESG disclosure. We provided our perspective on how disclosure on ESG performance could create tangible value for the company and offered to engage with the company further on the issue. In June 2017 we followed up with Hubbell to express our continued interest in dialogue.</p>	<p>NEI Environmental Leaders Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



MATERIALS

<p>Teck Resources</p>	<p>Teck is Canada's largest diversified resource company, producing metallurgical coal, copper, zinc and energy.</p> <p>www.teck.com</p>	<ul style="list-style-type: none"> • Governance matters - enhancing ESG disclosure 	<p>At the request of Teck Resources we provided feedback on its approach to communicating with investors on sustainability issues.</p>	<p>Northwest Special Global High Yield Bond Fund (SOLD)</p>
<p>Canadian Utilities / ATCO</p>	<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 www.canadianutilities.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy 	<p>We met with ATCO/Canadian Utilities in April 2017 to discuss the company's strategy in regard to the energy transition, and to learn more about ongoing improvements in its corporate reporting. The company noted that it was aligning its strategy to take advantage of energy transition opportunities, in particular in the area of renewables, transitioning away from coal, and looking into new opportunities in distributed energy, energy efficiency and energy stewardship. ATCO/Canadian Utilities also noted that it was gradually moving to an integrated reporting model, where its ESG disclosure would be produced at the same time as its financial reporting, and was already incorporating key ESG strategy topics in its annual reporting.</p>	<p>Ethical Balanced Fund</p> <p>Ethical Canadian Equity Fund</p>



NEI Corporate Engagement Focus List

Q2 Update: June 2017



<p>Hydro One</p>	<p>Hydro One is an electricity transmission and distribution utility serving the Canadian province of Ontario.</p> <p>www.hydroone.com</p>	<ul style="list-style-type: none"> • Energy transition - climate strategy, GHG emissions & public policy • Governance matters - enhancing ESG disclosure 	<p>We wrote to Hydro One in April 2017 to commend its decision to participate in the CDP survey, as well as the company's overall commitment to integrating ESG practices into its corporate strategy. We specifically commended Hydro One for its active support and corporate leadership in climate change strategy. Additionally, we provided feedback on the company's initial CDP reporting and shared examples of best practices for carbon-related reporting.</p>	<p>Northwest Canadian Dividend Fund</p>
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NEI Corporate Engagement Focus List

Q2 Update: June 2017



Collaborative Engagement

Food from Farm to Fork

- In April 2017 we participated in an investor collaboration writing to all the companies included in the Business Benchmark on Farm Animal Welfare, encouraging enhancements in policy, practice and performance. In June 2017 we provided investor perspective feedback on the Benchmark for its next iteration

Getting Real about the Energy Transition

- In May 2017 we joined a PRI collaboration on reducing methane emissions in the oil and gas industry, where we will be leading the engagement with Canadian Natural Resources Ltd, Vermilion Energy, and Pembina Pipeline Corporation.
- We were part of an ICCR investor collaboration that wrote to several companies including Campbell Soup, 3M, Abbvie and Pepsico, to encourage the companies to create science-based targets for greenhouse gas (GHG) reductions.

Responsibility to Respect Human Rights

- In April 2017 we were signatory to a global investment statement marking the anniversary of the Rana Plaza disaster, and calling for the extension of efforts by apparel brands to influence factory safety in the supply chain.



NEI Corporate Engagement Focus List

Q2 Update: June 2017



Proxy Voting

Farm to Fork - Systemic ESG Risks

In the 2017 proxy season we supported several shareholder proposals asking companies to address environmental issues that could pose a systemic risk to long-term sustainable value across our portfolios.

- We supported a shareholder proposal at McDonald's, asking for an environmental assessment of the impact of the company's use of polystyrene foam cups. Polystyrene foam waste is a large contributor to ocean pollution, threatening marine life and potentially human health.
- In the context of the growing health concerns about non-therapeutic use of antibiotics in animal farming and the systemic risk antibiotic resistance presents to human health, we also supported a shareholder proposal at McDonald's asking for disclosure on how it plans to control the use of antibiotics throughout its meat supply chain.
- At PepsiCo and DrPepper, we supported a shareholder proposal asking for the companies to report on plans to minimize use of pesticides in the supply chain that are harmful to bees. Pollinators are of systemic importance to the growing of food and the global agricultural supply chain.

Getting Real about the Energy Transition - Low-carbon resiliency

We supported significant advances on climate change action in the North American oil and gas sector.

- In April 2017 Suncor published its low-carbon resiliency report to investors, as it had committed to through our 2016 shareholder resolution. This marked the first time a Canadian energy company provided a report to investors on how it planned to stay resilient in an economy taking action to keep global climate change under 2°C. In response to our ongoing dialogue, Cenovus published in its proxy circular a commitment to produce a similar report.
- We supported shareholder proposals on low-carbon resiliency reporting, including at Occidental and Exxon, which both passed with well over 60% support. These are among the first climate-themed resolutions in the U.S. to have won majority support.

Governance Matters - Excessive compensation

- In the context of our concerns about the impact of income inequality on the economy, in 2017 we extended to the U.S. market our proxy voting guideline capping the level of CEO pay that we can support based on a vertical comparison with median household income. North America has the highest CEO pay in the world and U.S. income inequality is significant. This led us to vote against pay packages at 29 U.S. companies, and we also voted against 21 compensation committees at companies where the total compensation exceeded US \$21.5 million, such as IBM, Johnson & Johnson, Pepsico, Abbvie, JP Morgan Chase, Discovery Communications, Amazon, Merck & Co, BlackRock, Omnicom Group, Chevron, Exxon Mobil, Facebook, Wal-Mart, Alphabet and Time Warner.



NEI Corporate Engagement Focus List Q2 Update: June 2017



Public Policy

Enabling Responsible Investment

- In May 2017 we signed the Council for Institutional Investors' letter to U.S. legislators, opposing the rollback of shareholder rights through provisions included in the CHOICE Act.

Food from Farm to Fork

- In June 2017 we participated in the National Zero Waste Council's survey on the National Food Waste Reduction Strategy, providing our investor perspective on food waste issues.

Getting Real about the Energy Transition

- In June 2017 we met with representatives from the Ontario Securities Commission and the Alberta Securities Commission to urge them to consider making climate-related disclosure expectations mandatory for issuers.
- In April 2017 the Expert Panel for the Review of Environmental Assessment Processes in Canada released its final report and recommendations. We were pleased to see that two of the key recommendations we made to the Panel in our December 2016 submission were adopted by the Panel. Namely, that individual environmental assessment processes should be informed by Regional Strategic Environmental Assessments that are able to incorporate cumulative effects of development, and that all projects undergoing assessment should be assessed within a strategic framework that accounts for Canada's climate change strategy and targets.