



# NEI Corporate Engagement Focus List

Q1 Update: April 2018



Company	Overview	ESG Issues	Dialogue Results	Holdings
<b>CONSUMER</b>				
<b>Amazon</b>	<p>Amazon.com Inc is an American electronic commerce company and one of the largest internet retailers in the world.</p> <p><a href="http://www.amazon.com">www.amazon.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Cyber Security</li> <li>• Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In the context of a PRI collaboration for which we co-lead engagement with Amazon, the company replied to our earlier letter regarding the company's cyber security governance and responsible data stewardship by outlining processes it has in place. We requested a more in-depth follow-up meeting with company representatives.</p> <p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Amazon asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for GHG reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Ethical Global Equity Fund</b></p> <p><b>NEI Northwest Global Equity Fund</b></p>
<b>Dr. Pepper Snapple Group</b>	<p>Dr Pepper Snapple Group is an American soft drink company based in Texas. Famous brands include Dr.Pepper, 7Up and Canada Dry.</p> <p><a href="http://www.drpeppersnapplegroup.com">www.drpeppersnapplegroup.com</a></p>	<ul style="list-style-type: none"> <li>• Farm to Fork - Access to Nutrition</li> </ul>	<p>In January 2018 we participated in a collaborative engagement meeting with Dr. Pepper Snapple Group to discuss the company's health and nutrition targets. The company explained that it had made progress on its Balance Calories Initiative 2025 goal to reduce the beverage calories consumed per person by 20% and that it remained committed to reducing sugar content in its beverages.</p>	<p><b>NEI Ethical Global Dividend Fund (SOLD)</b></p>



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<p><b>General Mills</b></p>	<p>General Mills is a multinational manufacturer and marketer of branded consumer foods sold through retail stores, based in the U.S.</p> <p><a href="http://www.generalmills.com">www.generalmills.com</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect Human Rights - Responsible Supply Chains</li> </ul>	<p>In the context of the PRI Collaboration on labour standards in the agricultural supply chain, we participated in a collaborative engagement meeting with General Mills in January 2018 to discuss the company's supply chain due diligence efforts. We discussed the company's implementation of its supplier code including details on third-party audits.</p>	<p><b>NEI Ethical Global Dividend Fund</b></p>
<p><b>Hershey's</b></p>	<p>Hershey's is an American chocolate manufacturer founded in 1894 and is one of the largest chocolate manufacturers in the world. Brands include Reese's, KitKat and Hershey's Kisses.</p> <p><a href="http://www.hersheys.com">www.hersheys.com</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect Human Rights - Responsible Supply Chains</li> </ul>	<p>In January 2018 we participated in a collaborative engagement meeting with Hershey's to discuss the company's supply chain due diligence efforts with respect to living wage and child labour in cocoa production. The company discussed its partnership with International Cocoa Initiative (ICI), an initiative to promote child protection in cocoa-growing communities.</p>	<p><b>NEI Ethical Global Dividend Fund (Sold)</b></p>
<p><b>Kao Corporation</b></p>	<p>Kao Corporation is a Japanese chemical and cosmetics corporation, founded in 1887.</p> <p><a href="http://www.kao.com">www.kao.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Board Diversity</li> </ul>	<p>Given significant exposure across our funds to Japanese companies, we implemented specialized proxy voting guidelines for the market in 2017 aiming to incentivize board independence and diversity in line with local market best practice. In this context we wrote to Kao Corporation in March 2018 to inform the company how we intended to vote at its upcoming Annual General Meeting. Specifically, we expressed concern about the lack of gender diversity on the board and encouraged the company to disclose to investors how it plans to address this. We outlined our view on leading practices, including publishing an official board diversity policy. Kao responded to our letter noting that it recognized the value of diversity and was actively trying to recruit female board members. The company also outlined its training strategy to increase the number of female executive managers.</p>	<p><b>NEI Ethical Global Dividend Fund</b></p>



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<p><b>Leon's Furniture</b></p>	<p>Leon's is a Canadian furniture and appliance retailer.</p> <p><a href="http://www.leons.ca">www.leons.ca</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect - Responsible Supply Chains</li> <li>• Governance Matters - Advancing ESG Management and Disclosure</li> </ul>	<p>In February 2018, we met with Leon's to continue our dialogue on enhancing ESG disclosure. We discussed progress in updating the supplier code of conduct and related policy updates.</p>	<p><b>NEI Ethical Special Equity Fund</b></p>
<p><b>Loblaw</b></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><a href="http://www.loblaw.ca">www.loblaw.ca</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect - Responsible Supply Chains</li> <li>• Farm to Fork - Access to Nutrition, Food Waste &amp; Animal Welfare</li> </ul>	<p>Partly in the context of a PRI collaboration on labour standards in the agricultural supply chain, we led a meeting with Loblaw in January 2018 to discuss its supply chain due diligence efforts. We highlighted increased investor interest in grievance mechanisms for workers in the supply chain and independent third party audits of company factories. We also discussed Loblaw's approach to farm animal welfare and the company's membership in the National Farm Animal Care Council (NFACC). In January 2018 the company published an updated farm animal welfare policy.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>
<p><b>Metro</b></p>	<p>Metro Inc. is a food retailer operating in the provinces of Quebec and Ontario, based in Montreal.</p> <p><a href="http://www.metro.ca">www.metro.ca</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect - Responsible Supply Chains</li> <li>• Farm to Fork - Access to Nutrition, Food Waste &amp; Animal Welfare</li> </ul>	<p>Partly in the context of a PRI collaboration on labour standards in the agricultural supply chain, we met with Metro in February 2018 to discuss the company's supply chain due diligence efforts, access to nutrition and animal welfare practices. We discussed the company's efforts to implement its Responsible Procurement Framework and Supplier Code of Conduct for Responsible Procurement as well as animal welfare and nutrition-based commitments.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p> <p><b>NEI Northwest Specialty Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>



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<p><b>Nestlé</b></p>	<p>Nestlé is a global nutrition and health company, headquartered in Switzerland.</p> <p><a href="http://www.nestle.com">www.nestle.com</a></p>	<ul style="list-style-type: none"> <li>• Farm to Fork - Community Relations</li> </ul>	<p>Following up on an earlier collaborative investor letter, we participated in a meeting with Nestlé sustainability representatives in March 2018. In the context of the controversies surrounding Nestlé's bottling operations in Ontario and Michigan, we discussed how the company's Community Relations Programs could work to mitigate the social risk of drawing water in water-stressed regions.</p>	<p><b>NEI Ethical International Equity Fund</b></p>
<p><b>Target</b></p>	<p>Target is the second-largest department store retailer in the United States.</p> <p><a href="http://www.target.com">www.target.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Cyber Security</li> </ul>	<p>In the context of a PRI collaboration on cyber security for which we are leading engagement with Target, we wrote to the company in January 2018 to learn more about its cyber security governance, including board oversight and director skills, cyber security auditing and employee training. Target responded to our letter by outlining some of the processes and policies it has in place to address risks and implement best practices, noting it was open to further discussion with investors.</p>	<p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>



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<p><b>Canadian Tire</b></p>	<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><a href="http://www.canadiantire.ca">www.canadiantire.ca</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Responsibility to Respect - Bangladesh Apparel Factory Safety</li> </ul>	<p>After the Rana Plaza disaster in 2013, we joined the Bangladesh Investor Initiative supporting the Accord for Fire and Building Safety (the Accord). Five years on, 85% of factory safety issues identified during initial inspection have been addressed, but further effort is required to complete remediation and build effective worker safety committees within all factories. As such we signed an ICCR statement in January 2018 calling on global apparel brands and retailers to join the extension of the Accord. In that context, in March 2018 we led a collaborative investor letter to Canadian Tire asking the company how it planned to follow up on its participation in the parallel Alliance for Bangladesh Worker Safety, which planned to phase out in 2018.</p> <p>We also led a collaborative meeting with Canadian Tire in February 2018 to share investor expectations arising from the recommendations of the Task Force on Climate-related Financial Disclosures. The company was keen to learn more about investor expectations for climate disclosure in the consumer sector and asked for feedback on upcoming reporting. We provided the company with best practice examples of disclosure in other industries and suggestions on aspects of disclosure on which the company could focus its attention.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>
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## ENERGY

<p><b>Chevron Corporation</b></p>	<p>Chevron Energy is one of the world's largest integrated oil &amp; gas companies, headquartered in California, U.S.</p> <p><a href="http://www.chevron.com">www.chevron.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Advancing the U.S. Energy Transition</li> </ul>	<p>In January 2018, we met with Chevron to discuss the shareholder resolution we co-filed with the company on separating the CEO and Chair positions. Our rationale for the proposal was in part influenced by our concern that the board was not adequately addressing several key ESG risks, from human rights concerns to climate change, and that enhanced independent oversight was required. The company indicated that it did not foresee separating the roles of CEO and Chair at the current time and as a result the resolution would go to a vote at the AGM.</p> <p>In March 2018, Chevron released an updated low-carbon resiliency report, Climate Change Resilience: A Framework for Decision Making. In 2017 we were part of an investor group that had filed a shareholder resolution asking for the report, and had withdrawn the resolution with the understanding that the company would be addressing our concerns. While we were pleased that the company had significantly improved its disclosure on the risks it faced from a low-carbon future, we still saw many flaws in the disclosure. The company had utilized the framework of the Task Force on Climate-related Financial Disclosures, which was an important milestone for the industry. However, the report did not provide assurance that the company saw action on climate change as a priority, pointing to the need for further dialogue on the company's strategy in this respect.</p>	<p><b>NEI Northwest Global Equity Fund</b></p> <p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>
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<p><b>Enbridge</b></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><a href="http://www.enbridge.com">www.enbridge.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Advancing the Canadian Energy Transition</li> </ul>	<p>We met with Enbridge in March 2018 to continue discussion on our request for improved disclosure on its strategic resilience to a low-carbon future. We also shared key developments in low-carbon resiliency reporting in the energy sector, and noted our expectation that the company include methane emission management as a key aspect of its mitigation strategy. We also discussed Enbridge's recent announcements relating to divestment of some of its onshore renewable energy assets. The company reiterated that it remained committed to growing its renewable energy business but had decided to offload certain non-operated assets in order to reduce its debt load.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>
<p><b>Exxon</b></p>	<p>Exxon, headquartered in Houston, Texas, is the world's largest publicly traded oil &amp; gas company.</p> <p><a href="http://www.exxonmobil.com">www.exxonmobil.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Advancing the U.S. Energy Transition</li> </ul>	<p>In February 2018 Exxon published the report 2018 Energy &amp; Carbon Summary: Positioning for a Lower-Carbon Energy Future. The report was the company's response to a 2017 shareholder resolution that gained majority support from investors. The release of the report was a significant milestone for the company, and more broadly for the industry. While we had some reservations about the content of the report, we felt that in general that it was a positive development compared with previous disclosures. Several aspects of the report reflected the dialogue we had with the company, in particular the explicit support for a price on carbon, the use of 2°C scenario analysis, and discussion of the various indicators that Exxon was tracking to gauge the pace of the energy transition. The tone of the report, which generally conceded the imperative to transition the energy system, was a significant step for US progress on climate change.</p>	<p><b>NEI Ethical Global Equity Fund</b></p> <p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>



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<p><b>Gibson Energy</b></p>	<p>Gibson Energy is a Canadian energy services company based in Alberta. It operates refineries, storage facilities and trucking services.</p> <p><a href="http://www.gibsons.com">www.gibsons.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Governance Matters - Enhancing ESG Management &amp; Disclosure</li> </ul>	<p>We met with Gibson Energy's CFO in January 2018 to continue our dialogue with the company on its management and disclosure of key ESG issues, specifically in regard to climate change risks and opportunities, and safety performance. The company had recently changed leadership, and part of the new strategic mandate for the executive team was to increase transparency. In response to a request from Gibson Energy, we shared best practice examples of disclosure from the company's peers, and noted that investor interest in climate-related disclosures was increasing dramatically. The company noted that it already tracked key metrics relevant to climate change issues and agreed that its current disclosure likely could be improved.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Special Equity Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>
<p><b>Mullen Group</b></p>	<p>Mullen Group provides specialized transportation and related services to the oil and natural gas industry in western Canada.</p> <p><a href="http://www.mullen-group.com">www.mullen-group.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Governance Matters - Enhancing ESG Management &amp; Disclosure</li> </ul>	<p>We met with company executives in January 2018 to discuss Mullen Group's management and disclosure of key ESG issues, including climate change risks and opportunities, diversity, and safety performance. The company continued to improve its ESG reporting and noted that it was discussing the possibility of enhancing its ESG-related disclosure in the annual information form in response to our dialogue. In regard to the energy transition, the company noted that the board regularly reviewed this topic, and that it was pursuing several mitigation strategies, ranging from enhanced fuel efficiency through the SmartWay Initiative, to meeting with auto manufacturers to understand developments in new engine technologies such as electrification. The company was also actively seeking ways to increase diversity internally through its succession planning and leadership training initiatives. In February 2018 the company released its Annual Information Form which contained enhanced ESG disclosure on issues we had been discussing in our dialogue.</p>	<p><b>NEI Ethical Special Equity Fund</b></p>



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<p><b>Occidental Petroleum</b></p>	<p>Occidental Petroleum is an international oil &amp; gas company with operations in the United States, Middle East and Latin America.</p> <p><a href="http://www.oxy.com">www.oxy.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Advancing the U.S. Energy Transition</li> </ul>	<p>In March 2018, Occidental released its low-carbon resiliency report Climate-Related Risks and Opportunities: Positioning for a Lower-Carbon Economy. We were pleased that many recommendations from earlier dialogue were included in the final report and felt it represented a significant milestone for the company.</p>	<p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>
<p><b>Secure Energy Services</b></p>	<p>Secure Energy Services Inc. provides fluids and solids solutions to the oil and gas industry.</p> <p><a href="http://www.secure-energy.com">www.secure-energy.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>Governance Matters - Enhancing ESG Management &amp; Disclosure</li> <li>Governance Matters - Board Diversity</li> </ul>	<p>We met with Secure Energy's CEO in January 2018 to continue our dialogue on the company's management and disclosure of key ESG issues and its ongoing strategy to diversify its business. The company continued to see opportunities in the area of water management and was actively pursuing continued growth in this key area. In response to our dialogue Secure Energy continued to enhance the integration of ESG disclosure into its Annual Report and acknowledged the need to improve disclosure related to climate change risks and opportunities. In regard to our ongoing dialogue on board diversity, the company noted that it had hired a firm to find qualified female candidates.</p>	<p><b>NEI Ethical Special Equity Fund</b></p>
<p><b>Suncor Energy</b></p>	<p>Suncor Energy Inc. is Canada's largest integrated energy company, focused on development of the Athabasca oil sands.</p> <p><a href="http://www.suncor.com">www.suncor.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Advancing the Canadian Energy Transition</li> </ul>	<p>In January 2018 we met with Suncor Energy at the company's request to provide detailed feedback on its sustainability disclosures. In March 2018 we were invited by the company to be part of a multi-stakeholder expert group tasked with providing guidance and input to the company on its strategy for measuring and meeting its greenhouse gas (GHG) emissions reduction target. The company had set a target of reducing the GHG-intensity of its production by 30% by 2030. This session provided Suncor with guidance on how to best measure progress against this goal, and what kind of metrics would incent actual reductions and support the creation of a company culture around GHG-efficiency.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>



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<p><b>Superior Plus</b></p>	<p>Superior Plus distributes and markets propane and natural gas in North America and internationally.</p> <p><a href="http://www.superiorplus.com">www.superiorplus.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Governance Matters - Enhancing ESG Management &amp; Disclosure</li> </ul>	<p>We met with senior executives at Superior Plus in January 2018 to continue our dialogue on the company's management and disclosure of key ESG issues, including safety culture, safety performance, and climate change risks and opportunities. The company noted that it had been tasked by the board to address its lack of ESG disclosure, and that our previous dialogue had been helpful in raising the prominence of this issue. We provided the company with relevant best practice examples of disclosure by its peers and suggestions on where it could focus its attention.</p> <p>In March 2018, we met with Superior Plus to follow up on our January conversation and to provide specific feedback on the company's plans to improve its ESG disclosure in response to our previous input. We were pleased that the company planned to address several of the material issues we identified in our earlier meetings and we provided further feedback on how disclosure could be enhanced. The company subsequently published enhanced ESG disclosure in its 2018 Annual Information Form.</p>	<p><b>NEI Ethical Special Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>
<p><b>AltaGas Ltd.</b></p>	<p>AltaGas is a North American-focused energy infrastructure company with assets in gas, power, and utilities.</p> <p><a href="http://www.altagas.ca">www.altagas.ca</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Governance Matters - Enhancing ESG Management &amp; Disclosure</li> </ul>	<p>In March 2018 we met with AltaGas to discuss progress relating to our request that the company improve disclosure on its strategic resilience to a low-carbon future. We also discussed the status of the company's methane-related projects and plans in Alberta. The company provided an update on recent mergers and its plans for enhancing sustainability reporting.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Special Equity Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>



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## FINANCE

<p><b>Bank of Montreal</b></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><a href="http://www.bmo.com">www.bmo.com</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect</li> <li>- Responsible Lending</li> </ul>	<p>In February 2018 we met with BMO to follow up on our earlier letter regarding strengthening the Equator Principles framework for responsible lending, and to learn more about the company’s environmental and social due diligence processes. We emphasized that relying on regulatory compliance may not be sufficient to address social risks, noting the Indigenous opposition to the Dakota Access Pipeline and the related risks to the financial institutions financing this controversial project. We also highlighted the increased expectations that banks should demonstrate a constructive role in engagement with clients regarding controversial loans.</p>	<p><b>NEI Northwest Canadian Dividend Fund</b></p> <p><b>NEI Generational Leaders Fund</b></p>
<p><b>CIBC</b></p>	<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><a href="http://www.cibc.com">www.cibc.com</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect</li> <li>- Responsible Lending</li> <li>• Getting Real About the Energy Transition - Advancing the Canadian Energy Transition &amp; Implementing TCFD Recommendations on Climate Disclosure</li> </ul>	<p>In February 2018 we met with CIBC to follow up on earlier dialogue where we had expressed concern about the absence of a publicly-disclosed social risk management policy. We emphasized that social due diligence should apply to all corporate lending transactions - not just to project finance covered by the Equator Principles framework. We also emphasized that relying on regulatory compliance may not be sufficient to address social risks, noting the Indigenous opposition to the Dakota Access Pipeline and the related risks to the financial institutions financing this controversial project.</p> <p>In collaboration with SHARE, we met with CIBC in March 2018 to discuss its role in the transition to a low-carbon economy and to better understand its perspectives on the recommendations of the Task Force on Climate-related Financial Disclosures. We encouraged the bank to play a more active role by engaging its clients on climate change, and to set a low-carbon financing target.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>



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<p><b>Laurentian Bank</b></p>	<p>Laurentian Bank of Canada is a Quebec banking institution operating across Canada, providing a full suite of financial products.</p> <p><a href="http://www.laurentianbank.com">www.laurentianbank.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Advancing Governance of Canadian Holdings</li> </ul>	<p>In March 2018, we wrote to Laurentian Bank to share how we might vote at the company's 2018 Annual Meeting. We were pleased that we were able to support all directors on the ballot and that, following our request, the bank had improved disclosures on its executive compensation framework. We also explained our view regarding the shareholder proposals on the ballot, which touched on director nomination, climate change and pay equity. The bank appreciated our outreach and responded by providing further background on the filed shareholder proposals.</p>	<p><b>NEI Ethical Special Equity Fund</b></p> <p><b>NEI Northwest Specialty Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>
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<p><b>TD Bank</b></p>	<p>TD Bank Group, headquartered in Toronto with offices around the world, offers a full range of financial products and services.</p> <p><a href="http://www.td.com">www.td.com</a></p>	<ul style="list-style-type: none"> <li>• Responsibility to Respect</li> <li>- Responsible Lending</li> </ul>	<p>In January 2018, we wrote to TD to follow up on our earlier request that the company should provide an update on its engagement activities in relation to financing of the Dakota Access Pipeline and the Kinder Morgan pipeline. We highlighted the importance of demonstrating that the bank was playing a constructive role with respect to controversial projects, noting that other leading banks had disclosed more information on their engagement with clients and other stakeholders in relation to the Dakota Access Pipeline project.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity</b></p> <p><b>NEI Northwest Growth &amp; Income Fund</b></p> <p><b>NEI Northwest Canadian Equity Fund</b></p> <p><b>NEI Northwest Global Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p>
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<p><b>Wells Fargo</b></p>	<p>Wells Fargo is an American multinational financial services company.</p> <p><a href="http://www.wellsfargo.com">www.wellsfargo.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Business Ethics</li> </ul>	<p>We continued to participate in the steering group for the ICCR dialogue with Wells Fargo on business ethics, through which we had co-filed a shareholder proposal calling for a comprehensive business standards review and report. When the company indicated that it was willing to undertake the review, the collaboration wrote to Wells Fargo to establish terms of reference and a timeline. The company committed in February 2018 to conduct a comprehensive business standards review with stakeholder input, and to issue a report by the end of 2018 as requested by the investor collaboration: as such the co-filers were able to withdraw the shareholder proposal.</p>	<p><b>NEI Ethical U.S. Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p> <p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>
<p><b>HEALTH CARE</b></p>				
<p><b>Bristol-Myers Squibb</b></p>	<p>Bristol-Myers Squibb (BMS) is an American pharmaceutical company founded in 1858, headquartered in New York City.</p> <p><a href="http://www.bms.com">www.bms.com</a></p>	<ul style="list-style-type: none"> <li>• Making Pharma Better - Access to Medicine &amp; Advancing U.S. Health Care</li> </ul>	<p>As part of an ICCR collaboration we met with Bristol-Myers Squibb (BMS) in March 2018 to discuss progress on access to medicine initiatives, implementing the Sustainable Development Goals, and sustainability reporting. BMS had made significant progress on expanding access to affordable healthcare in low-income countries. Investors encouraged the company to measure the impact of its programs in low and middle-income countries and were pleased to hear the company was working to enhance related disclosure in its annual reporting.</p>	<p><b>NEI Ethical U.S. Equity Fund</b></p> <p><b>NEI Ethical Global Dividend Fund</b></p>



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<p><b>Johnson &amp; Johnson</b></p>	<p>Johnson &amp; Johnson is an American multinational medical devices, pharmaceutical and consumer packaged goods manufacturer founded in 1886.</p> <p><a href="http://www.jnj.com">www.jnj.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Cyber Security</li> <li>• Making Pharma Better - Access to Medicine &amp; Advancing U.S. Health Care</li> </ul>	<p>In the context of a PRI collaboration on cyber security for which we were leading engagement with Johnson &amp; Johnson, we wrote to the company in January 2018 to request a dialogue on its cyber security governance, including board oversight and director skills, cyber security auditing and employee training. We led a collaborative meeting with J&amp;J; in February 2018 to discuss the central role cyber security played in the company's operations and medical device design, internal responsibilities for cyber security oversight and management and the company's leading part in an FDA pilot project aimed at improving digital health systems and products. We encouraged the company to increase disclosure on its cyber governance, including where it is leading its pharmaceutical peers.</p> <p>We participated in an ICCR collaboration in January 2018 to discuss Johnson &amp; Johnson's access to medicine approach, reporting against the Sustainable Development Goals, and the upcoming annual Transparency Report which would address drug pricing strategies.</p>	<p><b>NEI Ethical U.S. Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p> <p><b>NEI Generational Leaders Fund</b></p>
<p><b>Merck &amp; Co Inc</b></p>	<p>Merck &amp; Co, known as MSD outside of North America, is a global healthcare company founded in 1891.</p> <p><a href="http://www.merck.com">www.merck.com</a></p>	<ul style="list-style-type: none"> <li>• Making Pharma Better - Access to Medicine &amp; Advancing U.S. Health Care</li> </ul>	<p>We participated in an ICCR collaborative meeting with Merck in January 2018 to discuss the company's enhanced reporting against the Sustainable Development Goals, its access to medicine strategies, and US market drug pricing. We met with Merck again in March 2018 to discuss our concerns regarding its decision not to participate in the 2018 Access to Medicine Index (ATMI) data collection process. The Access to Medicine Index benchmark, published every two years, provides investors with an in-depth analysis on how pharmaceutical companies advance access to medicine in low- and middle-income countries and how they integrate access to medicine strategies into their business models. Merck explained its decision did not affect its commitment to providing access to medicine and noted it was re-directing resources that would otherwise be taken up by ATMI participation to focus on the launch of its renewed SDG strategy.</p>	<p><b>NEI Ethical U.S. Equity Fund</b></p> <p><b>NEI Ethical Global Dividend Fund</b></p> <p><b>NEI Generational Leaders Fund</b></p>



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<p><b>Pfizer</b></p>	<p>Pfizer is a global pharmaceutical company headquartered in the U.S. <a href="http://www.pfizer.com">www.pfizer.com</a></p>	<ul style="list-style-type: none"> <li>• Making Pharma Better - Opioid Crisis, Access to Medicine &amp; Advancing U.S. Health Care</li> </ul>	<p>We met with Pfizer in February 2018 in the context of an Investors for Opioid Accountability (IOA) collaboration, to discuss the company's approach to drug pricing, and specifically pricing of opioid overdose treatments such as naloxone, in light of the increased naloxone demands fuelled by the North American opioid crisis.</p>	<p><b>NEI Ethical U.S. Equity Fund</b></p> <p><b>NEI Northwest Global Equity Fund</b></p> <p><b>NEI Generational Leaders Fund</b></p>
<p><b>INDUSTRIALS</b></p>				
<p><b>Canadian National Railway Company</b></p>	<p>Canadian National Railway, also known as CN, is Canada's largest and only transcontinental railway. The company is headquartered in Montreal. <a href="http://www.cn.ca">www.cn.ca</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> </ul>	<p>In February 2018 we met with Canadian National Railway to discuss its management and disclosure of key ESG issues, notably its climate change strategies and plans to enhance relevant disclosure in light of the recommendations of the Task Force on Climate-related Financial Disclosures. We were pleased by the company's ranking on the Carbon Disclosure Project's Climate A-List and we provided additional feedback on how the company's climate-related disclosure could be enhanced.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p> <p><b>NEI Global Value Fund</b></p>
<p><b>Canadian Pacific Railway</b></p>	<p>Canadian Pacific Railway is a rail transport company headquartered in Calgary operating in Canada and 14 US states. The company incorporated in 1881. <a href="http://www.cpr.com">www.cpr.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure</li> <li>• Governance Matters - Advancing ESG Management and Disclosure</li> </ul>	<p>In March 2018 we met with Canadian Pacific Railway to start a dialogue on the company's management and disclosure of key ESG issues. The company had recently released an updated sustainability report and indicated that it planned to continue to enhance its disclosures. We also shared our investor expectations on climate change risks and opportunities in light of the recommendations of the Task Force on Climate-related Financial Disclosures. We provided the company with relevant best practice examples of disclosure by its peers and suggestions on where we thought the company could focus its attention.</p>	<p><b>NEI Ethical Balanced Fund</b></p> <p><b>NEI Ethical Canadian Equity Fund</b></p>



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<p><b>Compagnie de Saint-Gobain</b></p>	<p>Compagnie de Saint-Gobain is a French multinational corporation specializing in construction materials, founded in 1665 in Paris.</p> <p><a href="http://www.saint-gobain.com">www.saint-gobain.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Compagnie de Saint-Gobain asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Ethical Global Dividend Fund</b></p>
<p><b>Kubota Corporation</b></p>	<p>Kubota Corporation is a Japanese tractor and heavy equipment manufacturer founded in 1890.</p> <p><a href="http://www.kubota-global.net">www.kubota-global.net</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Board Diversity</li> </ul>	<p>Given significant exposure across our funds to Japanese companies, we implemented specialized proxy voting guidelines for the market in 2017 aiming to incentivize board independence and diversity in line with local market best practice. In this context we wrote to Kubota Corporation in March 2018 to inform the company how we intended to vote at its upcoming Annual General Meeting. Specifically, we expressed concern about the lack of gender diversity on the board and encouraged the company to disclose to investors how it planned to address this matter. We outlined our view on leading practices, including publishing an official board diversity policy. Kubota responded to our letter, noting that it had recognized board diversity as a matter of concern from a corporate governance perspective and it would take our feedback under consideration.</p>	<p><b>NEI Environmental Leaders Fund</b></p>
<p><b>United Parcel Service Inc (UPS)</b></p>	<p>United Parcel Service (UPS) is an American multinational package delivery and logistics company founded in 1907.</p> <p><a href="http://www.ups.com">www.ups.com</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to United Parcel Service asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>



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## INFORMATION TECHNOLOGY

<p><b>Intel</b></p>	<p>Intel Corporation is an American multinational corporation and technology company headquartered Silicon Valley, California. It is the world's second largest semiconductor chip maker.</p> <p><a href="http://www.intel.com">www.intel.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Intel asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Northwest Global Equity Fund</b></p> <p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>
<p><b>Samsung Electronics</b></p>	<p>Samsung Electronics is a South Korean multinational electronics company and the world's largest memory chips manufacturer.</p> <p><a href="http://www.samsung.com">www.samsung.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Samsung asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals. The company responded positively, indicating that it would be announcing new GHG reduction goals in 2018.</p>	<p><b>NEI Ethical Global Equity Fund</b></p> <p><b>NEI Northwest Emerging Markets Fund</b></p> <p><b>NEI Global Value Fund</b></p>

## MATERIALS

<p><b>Cemex</b></p>	<p>Cemex is a Mexican multinational building materials company founded in 1906 and is the second largest building materials company worldwide.</p> <p><a href="http://www.cemex.com">www.cemex.com</a></p>	<ul style="list-style-type: none"> <li>Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Cemex asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Northwest Specialty Global High Yield Bond Fund</b></p>
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## REAL ESTATE

<p><b>Vonovia SE</b></p>	<p>Vonovia is Germany's largest residential property company and one of the 30 largest companies in Germany.</p> <p><a href="http://www.vonovia.de">www.vonovia.de</a></p>	<ul style="list-style-type: none"> <li>• Getting Real About the Energy Transition - Investor Decarbonisation Initiative</li> </ul>	<p>In February 2018 we were part of the Investor Decarbonisation Initiative that wrote to Vonovia asking the company to commit to sourcing 100% of its electricity needs from renewable energy and to set science-based targets for greenhouse gas (GHG) reductions that would align the company with the Paris Agreement climate goals.</p>	<p><b>NEI Ethical Global Equity Fund</b></p> <p><b>NEI Northwest Global Equity Fund</b></p>
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## TELECOMMUNICATIONS

<p><b>Verizon</b></p>	<p>Verizon Communications, originally known as Bell Atlantic, is an American multinational telecommunications conglomerate.</p> <p><a href="http://www.verizon.com">www.verizon.com</a></p>	<ul style="list-style-type: none"> <li>• Governance Matters - Cyber Security</li> </ul>	<p>In the context of a PRI collaboration on cyber security for which we are leading engagement with Verizon, we wrote to the company in January 2018 to request a dialogue on its cyber security governance, including board oversight and director skills, cyber security auditing and employee training. We led a collaborative meeting with Verizon in March 2018 to discuss how it governed and implemented responsible data stewardship and cyber security best practices. The company noted that cyber security was a top priority for the company and outlined the comprehensive management structures and processes it had in place to ensure customer data privacy. Verizon also discussed board responsibilities for oversight and which metrics were reported to the board by management. We encouraged enhanced disclosure to investors on the company's best practices, and were pleased to note that Verizon updated disclosure on cyber security risk oversight in its Proxy Statement.</p>	<p><b>NEI Ethical Global Equity Fund</b></p> <p><b>NEI Northwest Canadian Dividend Fund</b></p> <p><b>NEI Northwest U.S. Dividend Fund</b></p> <p><b>NEI Northwest Tactical Yield Fund</b></p>
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## Collaborative Engagement

### Getting Real About the Energy Transition

- We continued as a lead investor in the PRI collaborative engagement on methane, where we are co-leading engagements with Canadian Natural Resources and Vermilion Energy.
- We continued to be a part of the advisory committee for the PRI Oil & Gas Engagement collaboration. As a member of the advisory committee, we have been providing feedback and guidance to help shape the collaborative engagement. We will also be leading several engagements for the initiative when it begins later in 2018.
- In January 2018, the investor collaboration RE100, which was focused on asking companies to commit to 100% renewable energy for their electricity needs, was rolled into the Investor Decarbonisation Initiative (IDI), to which we are now a signatory. The Investor Decarbonisation Initiative is still urging companies to commit to 100% renewable energy sourcing, but is also asking them to consider setting science-based greenhouse gas (GHG) emissions reduction targets that align with the Paris Agreement climate goals. The IDI sent letters to multiple companies in February 2018, and is now arranging follow-up with companies that expressed interest in engaging further.

### Governance Matters - Cyber Security

- As part of a PRI collaboration on cyber security governance, we led meetings with Johnson & Johnson and Verizon. We also wrote to Target and Amazon to request dialogue on the topic.

### Making Pharma Better - Advancing US Health Care & Access to Medicine

- We continue to participate in collaborative ICCR engagements with the pharmaceutical industry on access to medicine, sustainability disclosure, drug pricing and the Sustainable Development Goals. In that context we met with Merck, Bristol-Myers Squibb, Pfizer and Johnson & Johnson.

### Making Pharma Better - Opioid Crisis

- As part of the Investors for Opioid Accountability (IOA), a coalition of institutional investors addressing the North American opioid crisis through engagement with opioid manufacturers, opioid overdose treatment manufacturers and opioid distributors in our holdings, we engaged Pfizer on overdose treatment pricing.

### Responsibility to Respect - Supply Chain

- In January 2018, we participated in calls with Loblaw, Metro, and General Mills in the context of the PRI collaboration on labour standards in an agricultural supply chain.



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## Policy Actions

### Governance Matters

- In January 2018 we submitted comments to the Canadian Securities Administrators' consultation on the approach to director independence. We explained why a less consistent approach by issuers to director independence assessment would be problematic in the proxy voting context.

### Making Pharma Better

- We provided investor feedback to, and signed, a letter by the Access to Medicine Foundation to the Sustainability Accounting Standards Board (SASB), on how SASB can improve implementation of relevant access to medicine performance indicators that are in line with the Access to Medicine benchmark.

### Responsibility to Respect

- In March 2018 we were part of a small group of investors that wrote to the Equator Principles Association (EPA) to show support for the EPA's commitment to review its framework for responsible project finance and to urge the association to ensure that the updated framework contained adequate measures for the protection of the rights of Indigenous peoples. We also encouraged the EPA to reach out to Indigenous communities to obtain their input on changes to the framework.
- In March 2018, we signed an investor letter to the Roundtable on Sustainable Palm Oil (RSPO) citing the need for a transparent and responsive complaints mechanism given persistent allegations that RSPO failed to uphold labour rights-related standards.
- In January 2018 we were signatory to an investor statement led by ICCR, calling on global apparel brands and retailers to join the extension of the Accord on Fire and Building Safety in Bangladesh, which was adopted following the Rana Plaza factory disaster in 2013. The initiative was extended to allow additional time for factory remediation and building effective worker safety committees. We coordinated collaborative follow-up on the statement for relevant companies in Canada. In February 2018, we also participated in meeting led by ICCR with the parallel Alliance for Bangladesh Worker Safety, to discuss whether this initiative would also be extended.
- In February 2018 we followed up on earlier discussions with Retail Council of Canada, providing an update on emerging investor expectations for ESG disclosures by retailers.
- Following up on our earlier collaborative letter, in March 2018 we participated in a meeting organized by the OECD to explore considerations for developing responsible business conduct guidance for banks.