



NEI Corporate Engagement Focus List

Q2 Update: June 2018



Company	Overview	ESG Issues	Dialogue Results	Holdings
CONSUMER				
Amazon	<p>Amazon.com Inc is an American electronic commerce company and one of the largest internet retailers in the world.</p> <p>www.amazon.com</p>	<ul style="list-style-type: none"> Governance Matters - Cyber Security 	<p>In May 2018 we co-led a meeting with Amazon on its cyber governance practice, in the context of a PRI collaboration on the topic. The company explained how responsibility for cyber security and consumer privacy risk management is structured within both its Amazon and Amazon Web Services business lines, and how the board is periodically updated on risks as well as on an ad-hoc basis when issues come up. The company noted that each business had its own specialized data security officer. We also discussed the company's emergency breach response process and compliance with stringent emerging regulations such as the European General Data Protection Regulation (GDPR).</p>	<p>NEI Global Equity RS Fund*</p> <p>NEI Global Equity Fund*</p>
Aramark	<p>Aramark is an American food service, facilities, and uniform services provider to clients in fields including education, healthcare, business, corrections, and leisure.</p> <p>www.aramark.com</p>	<ul style="list-style-type: none"> Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Aramark to acknowledge the improvement in its performance tier in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Equity Fund*</p> <p>NEI Generational Leaders Fund</p>



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<p>Canadian Tire</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>www.canadiantire.ca</p>	<ul style="list-style-type: none"> • Responsibility to Respect - Responsible Supply Chains • Responsibility to Respect - Bangladesh Apparel Factory Safety 	<p>In June 2018 we led a collaborative meeting with Canadian Tire, following up on an earlier letter asking the company how it would be participating in next steps for Bangladesh factory safety initiatives. We discussed the transition process for the Alliance for Bangladesh Worker Safety, in which Canadian Tire has been an active participant, and collaboration with the parallel Transition Accord. We also discussed supply chain country risk assessment processes, including best practice in use of risk indices, as well as processes for screening and auditing of suppliers in higher-risk countries and how the company is working to bring its family of brands under common responsible supply chain standards through the Business Social Compliance Initiative (BSCI).</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p>
<p>Cineplex</p>	<p>Cineplex is a Canadian entertainment and media company most known for its cinema chain.</p> <p>www.cineplex.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure 	<p>In May 2018 we wrote to Cineplex to highlight the importance of management of key ESG issues, including climate change risks and opportunities. We provided an investor perspective on climate change risks to media-related companies and in that context shared our endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. We provided an assessment of the gaps in Cineplex's climate-related disclosures as they aligned with the TCFD recommendations.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Growth & Income Fund</p> <p>NEI Canadian Equity Fund*</p>
<p>Conagra Brands</p>	<p>Conagra Brands is a North American packaged foods company. Brands include Hunt's, Bertolli ready meals and Healthy Choice.</p> <p>www.conagrabrands.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Conagra to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Dividend RS Fund*</p>



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<p>Danone</p>	<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 May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI International Equity RS Fund*</p>
<p>Darden Restaurants</p>	<p>Darden Restaurants is an American restaurant operator. Restaurant chains include Olive Garden and Steakhouse.</p> <p>www.darden.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 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 it had remained a mid-tier performer in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Dividend RS Fund*</p>
<p>Denso</p>	<p>Denso Corporation is a global automotive components manufacturer headquartered in Japan.</p> <p>www.denso.com/global/en</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Denso in May 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 Denso 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.</p>	<p>NEI Global Dividend RS Fund*</p>



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<p>Ford Motor Company</p>	<p>Ford Motor Company (Ford) is an American multinational automobile maker, founded in 1903.</p> <p>www.ford.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Advancing the U.S. Energy Transition 	<p>In April 2018 we were part of an investor collaboration that wrote to Ford to request that the company continue to support strong vehicle fuel efficiency standards at the U.S. federal level, and ensure that the industry associations it was a member of did not directly contradict company efforts on this front. Some industry associations had been supporting action by the U.S. administration to weaken the existing standards for fuel efficiency set by the previous administration. Subsequent to our meeting, the CEO of Ford made a public statement that the company was not in favour of weakening the standards and would rather see them remain in place.</p> <p>In June 2018 we joined the same investor collaboration in meeting with Ford to continue the conversation on federal vehicle fuel efficiency standards, and to ensure the company was aligning its strategy with a low-carbon future regardless of any possible weakening of U.S. standards. We urged the company to be vocal in its opposition to weakening the standards, and to actively refute the position of its industry association, the Alliance of Automobile Manufacturers (which had publicly supported rolling back the existing standards). The company welcomed our perspective and noted that its strategy for resilience in a low-carbon future was independent of any regulatory requirements, which did not adequately address our concerns.</p>	<p>NEI Global Equity RS Fund*</p>
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<p>General Motors</p>	<p>General Motors an American multinational corporation manufacturing vehicles based in Detroit.</p> <p>www.gm.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Advancing the U.S. Energy Transition 	<p>In April 2018, we wrote to General Motors (GM) as part of an ICCR collaboration to voice our concerns regarding the Alliance for Automobile Manufacturers' (the Alliance) stance on climate change and efforts to weaken emission-related standards in the U.S.</p> <p>In May 2018, the collaboration met with the Sustainability team at GM. In our conversation GM highlighted its efforts in moving towards a low carbon economy and its climate policy. We urged the company to be vocal in its opposition to weakening the standards, and to actively refute the position of its industry association, the Alliance of Automobile Manufacturers (which had publicly supported rolling back the existing standards). The company advocated a harmonized modern standard and as such supported re-opening the CAFE fuel economy standards. GM believed its membership in the Alliance best positioned it to work towards the goal of a modern harmonized emission standard, which did not adequately address our concerns.</p>	<p>NEI Global Value Fund</p>
<p>Kraft-Heinz</p>	<p>The Kraft Heinz Company is an American food company formed by the merger of Kraft Foods and Heinz in 2015.</p> <p>www.kraftheinzcompany.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Kraft-Heinz to acknowledge the improvement in its performance tier in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Dividend RS Fund*</p> <p>NEI US Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>



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Lassonde	Lassonde Industries is a Quebec-based food company. www.lassonde.com	<ul style="list-style-type: none">• Governance Matters - Advancing Governance of Canadian Holdings	As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Lassonde in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We identified concerns with the low independence level of the board, its non-independent chair, the lack of a lead independent director position that could mitigate independence concerns, and the lack of a formal nominating committee.	NEI Canadian Small Cap RS Fund* NEI Canadian Small Cap Fund*
Leon's Furniture	Leon's is a Canadian furniture and appliance retailer. www.leons.ca	<ul style="list-style-type: none">• Governance Matters - Advancing Governance of Canadian Holdings	As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Leon's Furniture in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. In particular, we identified concerns regarding non-independence of the chair, the lack of a formal nominating committee and excessive loans that were made to company executives. We noted that the company did not have a Lead Independent Director in place, which could mitigate chair independence concerns.	NEI Small Cap Equity RS Fund*



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<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 - Responsible Supply Chains • Farm to Fork - Access to Nutrition, Food Waste & Animal Welfare 	<p>Responding to earlier engagement, Loblaw's 2017 Corporate Social Responsibility report provided information on the grievance mechanism provided to supply chain factory workers through the company's participation in the 2013 Accord on Fire and Building Safety in Bangladesh. Loblaw was one the first companies to sign on to the Transition Accord, intended to complete the work of the 2013 Accord in remediation of factory buildings and empowerment of workers to address safety issues.</p> <p>In May 2018 we were part of an investor collaboration that wrote to Loblaw to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p>
<p>McDonald's</p>	<p>McDonald's operates and franchises restaurants globally. The restaurants offer a range of food items including hamburgers, french fries, salads, and beverages.</p> <p>www.mcdonalds.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI U.S. Equity RS Fund*</p> <p>NEI Global Dividend RS Fund*</p>
<p>Nestlé</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 May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI International Equity RS Fund*</p>



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<p>Rakuten</p>	<p>Rakuten is a Japanese electronic commerce and internet company based in Tokyo.</p> <p>www.global.rakuten.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Rakuten in May 2018, encouraging the company to increase its board diversity as it had one woman serving on its board, and outlining our view on leading practices, including publishing an official board diversity policy.</p>	<p>NEI International Equity RS Fund*</p>
<p>Saputo</p>	<p>Saputo Inc. is a Montréal-based Canadian dairy company founded in 1954 by the Saputo family.</p> <p>www.saputo.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure 	<p>In April 2018, we wrote to Saputo to highlight the importance of management of key ESG issues, including climate change risks and opportunities. We commended the company on its continuing commitment to the Carbon Disclosure Project (CDP) and provided context on our endorsement of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The company had completed the 2018 CDP Climate Disclosure round, which was aligned with the TCFD recommendations.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p>
<p>Sodexo</p>	<p>Sodexo is a French food services and facilities management company.</p> <p>www.sodexo.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 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>NEI International Equity RS Fund*</p>



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<p>Starbucks</p>	<p>Starbucks is an American coffee company and coffeehouse chain.</p> <p>www.starbucks.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Starbucks to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI U.S. Equity RS Fund*</p> <p>NEI Global Dividend RS Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>
<p>Suzuki Motor</p>	<p>Suzuki Motor Corporation is a Japanese multinational corporation manufacturing automobiles and other vehicles.</p> <p>www.globalsuzuki.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Suzuki Motor in May 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 Suzuki Motor 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.</p>	<p>NEI Global Equity Fund*</p> <p>NEI Generational Leaders Fund</p>
<p>Sysco</p>	<p>Sysco Corporation is an American multinational corporation marketing and distributing food products to restaurants, healthcare and educational facilities.</p> <p>www.sysco.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Sysco to encourage the company to take steps to enhance its performance on animal welfare, as its performance tier had declined in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Equity RS Fund*</p>



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<p>Toyota Motor</p>	<p>Toyota Motor Corporation is a Japanese multinational automotive manufacturer.</p> <p>www.toyota-global.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity that is in line with local market best practice. In this context we wrote to Toyota Motor in May 2018 to inform the company how we intended to vote at its upcoming Annual General Meeting. We were pleased to note that the company put forward an independent female director nominee at its Annual Meeting in June 2018.</p>	<p>NEI Generational Leaders Fund</p>
<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 May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI U.S. Equity RS 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 May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Dividend RS Fund*</p> <p>NEI Canadian Dividend Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>



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<p>Walmart Inc</p>	<p>Wal-Mart 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/en</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 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 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI U.S. Equity RS Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>
<p>Winmark</p>	<p>Winmark Corporation is an American franchisor of retail businesses specializing in buying and selling used goods.</p> <p>www.winmarkcorporation.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Independence 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Winmark in April 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. In particular, we highlighted potential concerns regarding chair independence and lack of stock ownership among certain directors.</p>	<p>NEI Small Cap Equity RS Fund*</p>
<p>Yahoo Japan Corporation</p>	<p>Yahoo Japan Corporation is a Japanese internet retail company.</p> <p>www.yahoo.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Yahoo Japan in May 2018 to encourage the company, which has two women serving on the board, to enhance its leadership position by adopting practices including publishing an official board diversity policy. We also encouraged Yahoo Japan to increase board independence levels to at least one-third of the board, in line with local good practice.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI International Equity RS Fund*</p> <p>(SOLD)</p>



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<p>Yamada-Denki Co.</p>	<p>Yamada-Denki Corporation is one of the largest consumer electronics retailer chains in Japan.</p> <p>www.yamada-denki.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Yamada-Denki in May 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 Yamada-Denki 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>
<p>Yum! Brands</p>	<p>Yum! Brands is an American fast food company operating brands including Taco Bell, KFC and Pizza Hut.</p> <p>www.yum.com</p>	<ul style="list-style-type: none"> • Farm to Fork - Animal Welfare 	<p>In May 2018 we were part of an investor collaboration that wrote to Yum! Brands to encourage the company to take steps to enhance its performance on animal welfare, as it had remained a mid-tier performer in the 2017 Business Benchmark on Farm Animal Welfare.</p>	<p>NEI Global Dividend RS Fund*</p>



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ENERGY

<p>AltaGas Ltd.</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"> • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure • Governance Matters - Enhancing ESG Management & Disclosure 	<p>In April 2018 we met with AltaGas to provide investor feedback on the sustainability reporting published by its recent acquisition WGL Holdings Inc. We provided the company with examples of areas where we thought climate-related disclosures could be enhanced.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Small Cap RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Balanced RS Fund*</p> <p>NEI Canadian Small Cap Fund*</p>
<p>Bonterra Energy</p>	<p>Bonterra Energy is an oil and gas company headquartered in Calgary, Alberta, Canada.</p> <p>www.bonterraenergy.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Bonterra Energy in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. In particular, we noted concerns regarding the non-independence of the chair, a lack of board diversity, lack of an independent Lead Director, overboarding and several director interlocks. We had understood from engagement dialogue that the company had enhanced its board diversity policy and whilst this policy had not yet resulted in recruiting a female board nominee, we took this progress into consideration in our support for non-interlocked independent director nominees at Bonterra Energy's Annual Meeting.</p>	<p>NEI Growth & Income Fund</p> <p>NEI Canadian Equity Fund*</p> <p>NEI Canadian Small Cap Fund*</p>



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<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> <p>www.cenovus.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Advancing the Canadian Energy Transition 	<p>In May 2018 we met with Cenovus to discuss the company's recently released low-carbon resiliency report along with recent changes in the company structure. The company had previously agreed to produce a low-carbon resiliency report as part of our dialogue in 2017. We noted our concern that the report did not meet our expectations but were aware that the company had gone through several key personnel changes and significant restructuring as a result of corporate acquisitions and changing capital expenditure plans. We provided our input on key information that could be provided in the next report and urged the company to engage with shareholders as it developed its new disclosure. The company was receptive to the input and agreed that there would be value in reaching out to investors more proactively.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>
<p>Chevron Corporation</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"> • Getting Real About the Energy Transition - Advancing the US Energy Transition • Responsibility to Respect - OECD Due Diligence 	<p>In May 2018 the shareholder resolution we co-filed with Chevron on separating the CEO and Chair positions received 26% of the vote at the AGM. The board did not indicate that it would be reviewing its Chair policy, but the new CEO acknowledged the importance of the ESG issues the resolution raised and appeared to be more open to speaking with shareholders on those topics than the previous CEO.</p> <p>In June 2018 the lead investors for the Chevron dialogue within the global Climate Action 100+ investor collaboration, which engages the world's biggest GHG emitters on their strategies to mitigate climate change-related risks and reduce their carbon footprint, met the company on behalf of the group to explain the collaboration priorities and lay the groundwork for future meetings.</p>	<p>NEI Global Equity Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>



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<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"> • Getting Real About the Energy Transition - Advancing the Canadian Energy Transition 	<p>As a co-lead in the PRI investor collaboration on methane, we wrote to the President of CNRL in June 2018 to continue our dialogue on the company's efforts to reduce its methane emissions. Specifically, we asked the company to respond to recent studies showing that methane emissions in Alberta are much higher than have been captured through regulatory reporting, and to consider joining or creating a voluntary industry initiative such as the Guiding Principles on Methane.</p> <p>Also in June 2018, as a co-lead for the CNRL dialogue within the global Climate Action 100+ investor collaboration, which engages the world's biggest GHG emitters on their strategies to mitigate climate change-related risks and reduce their carbon footprint, we wrote to the executive chair of the company to open dialogue on the collaboration's priorities: namely, to implement effective governance oversight of climate-related issues, take action to reduce GHG emissions across the value chain, and report based on the Task Force on Climate-Related Financial Disclosures framework.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<p>Enbridge</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"> • Getting Real About the Energy Transition - Advancing the Canadian Energy Transition 	<p>We met with Enbridge in May 2018 to continue our engagement on its strategic resilience to a low-carbon future. We also discussed the company's recent decision to spin off its renewable energy assets into a joint venture. The company noted that it was a measure to bring down its debt levels, but it remained invested in renewables through the joint venture. We provided our input on key issues the company could address in an investor-facing low-carbon resiliency report, including the role that scenario analysis can play in helping shape corporate strategy. In particular, we noted the company should address how it was proactively playing a role in helping shift to a low-carbon energy system.</p> <p>In June 2018 Enbridge released a discussion paper titled "Indigenous Rights and Relationships in North American Energy Infrastructure." The company had agreed to produce the report as part of the withdrawal conditions for a shareholder resolution filed the previous year. The paper discussed the company's approach to engaging and working with Indigenous communities, including how it assessed the quality of Indigenous engagement in joint ventures and other investments. The company had committed to seeking feedback and engagement on the report with Indigenous groups and other interested stakeholders. We had raised the issue of Indigenous engagement in earlier dialogue and were pleased to see the company take this step.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>
<p>Exxon</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"> • Getting Real About the Energy Transition - Advancing the US Energy Transition 	<p>In June 2018 the lead investors for the Exxon dialogue within the global Climate Action 100+ investor collaboration, which engages the world's biggest GHG emitters on their strategies to mitigate climate change-related risks and reduce their carbon footprint, met the company on behalf of the group to explain the collaboration priorities and lay the groundwork for future meetings.</p>	<p>NEI Global Equity RS Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>



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<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"> • Getting Real About the Energy Transition - Advancing the US Energy Transition 	<p>In May 2018 we met with Occidental to discuss the company's recently released low-carbon resiliency report, its strategic alignment with a low-carbon economy and its plans for future reporting. We encouraged the company to continue to engage with stakeholders as it evolved its reporting and also to actively engage policy-makers on the need for climate-related regulations and incentives. We noted the company was relatively well-positioned among its peers and would likely benefit from carbon pricing initiatives.</p>	<p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>
<p>Raging River Exploration</p>	<p>Raging River Exploration is a junior oil and gas producer based in Calgary, Canada.</p> <p>www.rrexploration.com</p>	<ul style="list-style-type: none"> • Governance matters - board diversity 	<p>Following up on our 2017 dialogue with Raging River on the company's actions to increase the diversity of its board, we were pleased to see the company set a target for board diversity in its 2018 proxy circular. Specifically, the company committed to a target of having at least 25% of the independent directors comprised of women by 2020.</p>	<p>NEI Canadian Small Cap Equity Fund*</p>
<p>Royal Dutch Shell</p>	<p>Royal Dutch Shell, one of the largest companies in the world, is a British-Dutch oil and gas multinational.</p> <p>www.shell.com</p>	<ul style="list-style-type: none"> • Responsibility to Protect - Human Rights Due Diligence 	<p>In April 2018 we joined an ESG analyst call with Royal Dutch Shell senior management to discuss the company's progress on key ESG issues. Topics raised included climate change and low-carbon resilience, corruption charges in Nigeria, and company actions to mitigate and remediate oil spills in the Niger Delta.</p> <p>In May 2018 we voted against the re-election of the chair of the Shell board in light of significant ESG-related concerns surfaced by our OECD due diligence process. While many of the company's ESG challenges resulted from decisions taken prior to the current chair's tenure, we were concerned that the company continued to face severe ESG controversies, in particular to its Nigerian operations.</p>	<p>NEI U.S. Equity RS Fund*</p> <p>NEI Canadian Dividend RS Fund*</p>



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<p>Secure Energy Services</p>	<p>Secure Energy Services Inc. provides fluids and solids solutions to the oil and gas industry.</p> <p>www.secure-energy.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Secure Energy Services in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. Specifically, we noted a concern about the combined role of the CEO and Chair, and also that whilst the board lacked gender diversity, we would take into consideration when voting our positive dialogue with the company on efforts to recruit women candidates.</p>	<p>NEI Canadian Small Cap Equity RS Fund*</p>
<p>FINANCE</p>				
<p>Aozora Bank</p>	<p>Aozora Bank is a Japanese commercial bank headquartered in Tokyo.</p> <p>www.aozorabank.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Aozora Bank in May 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 Aozora Bank 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>



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<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"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosures • Responsibility to Respect - Responsible Lending 	<p>In collaboration with Boston Common and SHARE, we met with BMO in May 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 (TCFD). We appreciated the bank's efforts to overcome challenges in implementing the TCFD recommendations and emphasized the important role that it could play in engaging its clients on climate change. We also encouraged BMO to set and publish a low-carbon financing target.</p> <p>Also in May 2018, we wrote to BMO to provide feedback on our proxy voting at the 2018 Annual Meeting, and draw attention to environmental, social and governance (ESG) issues that we felt should be included in board priorities. In our letter, we discussed the company's disclosures on governance of ESG matters and called the board's attention to three key issues: climate change, responsible lending and consumer protection. Bank consumer protection emerged as a key concern following the 2016 cross-selling scandal at Wells Fargo, which sparked media exposés and regulatory investigations at Canada's largest banks. Drawing on our extensive engagement with Wells Fargo, and the report released by the Financial Consumer Agency of Canada on its review of the domestic bank retail sales practices at Canada's largest banks, we decided to approach all five of the largest Canadian banks to urge them to strengthen their oversight of sales practices risk and reinforce their risk mitigation controls. In June 2018, we followed up with BMO to arrange a meeting to discuss our letter in detail.</p>	<p>NEI Canadian Dividend Fund*</p> <p>NEI Generational Leaders Fund</p>
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<p>CIBC</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>www.cibc.com</p>	<ul style="list-style-type: none"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure • Responsibility to Respect - Responsible Lending 	<p>Following our earlier concerns about the lack of disclosure on the consideration of social risk in commercial lending at CIBC, we wrote to the bank in April 2018 to escalate our concerns. We emphasized our increased expectations of quality disclosure on the bank's lending due diligence processes considering the growing reputational risks facing lenders to controversial companies and high-impact projects such as the Dakota Access Pipeline and the Kinder Morgan TransMountain Expansion.</p> <p>In May 2018, we wrote to CIBC to provide feedback on our proxy voting at the 2018 Annual Meeting, and draw attention to environmental, social and governance (ESG) issues that we felt should be included in board priorities. In our letter, we discussed the company's disclosures on governance of ESG matters and called the board's attention to three key issues: climate change, responsible lending and consumer protection. Bank consumer protection emerged as a key concern following the 2016 cross-selling scandal at Wells Fargo, which sparked media exposés and regulatory investigations at Canada's largest banks. Drawing on our extensive engagement with Wells Fargo, and the report released by the Financial Consumer Agency of Canada on its review of the domestic bank retail sales practices at Canada's largest banks, we decided to approach all five of the largest Canadian banks to urge them to strengthen their oversight of sales practices risk and reinforce their risk mitigation controls. In June 2018, we met with CIBC to follow up on our letter. The bank responded positively to suggestions regarding disclosure on social credit assessment. We encouraged the bank to disclose on its actions to enhance management of sales practices risk.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<p>E-L Financial</p>	<p>E-L Financial Corporation Limited is an investment and insurance holding company in Canada.</p> <p>www.e-lfinancial.ca/</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to E-L Financial in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We raised concerns about the non-independence of the Chair, the lack of gender board diversity and the fact that several director nominees were overboarded. We also queried the time availability for a combined CEO-Chair to fulfill supervision and oversight role at E-L Financial whilst occupying multiple other CEO roles.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Small Cap RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p>
<p>Prudential</p>	<p>Prudential plc is a British multinational life insurance and financial services company.</p> <p>www.prudential.co.uk</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Investor Decarbonisation Initiative 	<p>We were part of the Investor Decarbonisation Initiative that wrote to Prudential in 2017, 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. In May 2018 the company announced that it would be joining the RE100 initiative and committed to meeting a 100% renewable energy goal by 2025.</p>	<p>NEI Global Equity RS Fund*</p> <p>NEI Global Equity Fund*</p> <p>NEI Global Equity Fund*</p> <p>NEI Generational Leaders Fund</p>



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<p>Royal Bank of Canada</p>	<p>Royal Bank is Canada's largest company by market capitalization, providing personal and commercial banking, wealth management services, insurance, investor services and capital markets products and services on a global basis.</p> <p>www.rbc.com</p>	<ul style="list-style-type: none"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosures • Responsibility to Respect - Responsible Lending 	<p>In collaboration with Boston Common and SHARE, we met with RBC in April 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 (TCFD). We commended the bank for publishing a climate position statement that was modelled on the four pillars of the TCFD recommendations. We also appreciated its efforts to overcome challenges in implementing the TCFD recommendations and emphasized the important role that it could play in engaging its clients on climate change. We further encouraged RBC to set and publish a low-carbon financing target.</p> <p>In May 2018, we wrote a letter to RBC to provide feedback on our proxy voting at the 2018 Annual Meeting. We were able to support all director nominees, but voted against the executive compensation plan as CEO pay exceeded our equitable compensation guidelines. In our letter, we discussed the company's disclosures on governance of ESG matters and called the board's attention to three key issues: climate change, responsible lending and consumer protection. Bank consumer protection emerged as a key concern following the 2016 cross-selling scandal at Wells Fargo, which sparked media exposés and regulatory investigations at Canada's largest banks. Drawing on our extensive engagement with Wells Fargo, and the report released by the Financial Consumer Agency of Canada on its review of the domestic bank retail sales practices at Canada's largest banks, we decided to approach all five of the largest Canadian banks to urge them to strengthen their oversight of sales practices risk and reinforce their risk mitigation controls. In June 2018, we met with RBC to follow up on our letter. We appreciated the steps that the bank had taken to address consumer protection and encouraged disclosure on future actions.</p>	<p>NEI Global Dividend RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<p>Scotiabank</p>	<p>Scotiabank is a leading financial services provider in over 55 countries and is Canada's most international bank.</p> <p>www.scotiabank.com</p>	<ul style="list-style-type: none"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosures • Responsibility to Respect - Responsible Lending 	<p>In April 2018, we wrote to Scotiabank in advance of its 2018 Annual Meeting in an effort to better inform our voting decision on a shareholder proposal that had been filed at the bank, which requested a revision to its human rights policies. We questioned the fact that the proposal was directed only at Scotiabank and not at Canadian peer banks, since the issue raised in the proposal was an industry-wide concern. The bank appreciated our outreach and met with us to provide further background on the proposal and their human rights policies.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Global Dividend RS Fund*</p> <p>NEI Growth & Income Fund*</p> <p>NEI Canadian Equity Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<p>Scotiabank (Cont.)</p>	<p>Scotiabank is a leading financial services provider in over 55 countries and is Canada's most international bank.</p> <p>www.scotiabank.com</p>	<ul style="list-style-type: none"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosures • Responsibility to Respect - Responsible Lending 	<p>In May 2018, we wrote to Scotiabank to provide feedback on our proxy voting at the 2018 Annual Meeting. We were pleased that we were able to support all director nominees and had no major concerns on the executive compensation. Considering the importance of human rights considerations in all commercial lending, we supported the shareholder proposal although we had reservations about the added value of directing it only to Scotiabank. In our letter, we discussed the company's disclosures on governance of ESG matters and called the board's attention to three key issues: climate change, responsible lending and consumer protection. Bank consumer protection emerged as a key concern following the 2016 cross-selling scandal at Wells Fargo, which sparked media exposés and regulatory investigations at Canada's largest banks. Drawing on our extensive engagement with Wells Fargo, and the report released by the Financial Consumer Agency of Canada on its review of the domestic bank retail sales practices at Canada's largest banks, we decided to approach all five of the largest Canadian banks to urge them to strengthen their oversight of sales practices risk and reinforce their risk mitigation controls. In June 2018, we met with Scotiabank to follow up on our letter. We were pleased that following our meeting, the bank had addressed some of our concerns including strengthening the oversight of conduct risk by establishing clear mandates and responsibilities at specific board committees, integrating consumer protection perspectives into the executive compensation framework and explaining that ESG risks are subject to the same oversight as other types of risks.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Global Dividend RS Fund*</p> <p>NEI Growth & Income Fund*</p> <p>NEI Canadian Equity Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<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"> • Governance Matters - ESG-Ready Boards • Governance Matters - Business Ethics • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosures • Responsibility to Respect - Responsible Lending 	<p>In collaboration with Boston Common and SHARE, we met with TD in May 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 (TCFD). We commended the bank for being the first Canadian financial institution to have set a low-carbon financing target and appreciated its efforts to overcome challenges in implementing the TCFD recommendations.</p> <p>Also in May 2018, we wrote to TD to provide feedback on our proxy voting at the bank's 2018 Annual Meeting. We were pleased that we were able to support all director nominees and had no major concerns regarding the executive compensation. In our letter, we discussed the company's disclosures on governance of ESG matters and called the board's attention to the emergence of bank consumer protection as a key concern following the 2016 cross-selling scandal at Wells Fargo, which sparked media exposés and regulatory investigations at Canada's largest banks. Drawing on our extensive engagement with Wells Fargo, and the report released by the Financial Consumer Agency of Canada on its review of the domestic bank retail sales practices at Canada's largest banks, we decided to approach all five of the largest Canadian banks to urge them to strengthen their oversight of sales practices risk and reinforce their risk mitigation controls. In June 2018, we met with TD to follow up on our letter. While we recognized the initial actions that the bank had taken to address consumer protection, we felt there was scope for further disclosure on the bank's plans to enhance management of sales practices risk.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Growth & Income Fund*</p> <p>NEI Canadian Equity Fund*</p> <p>NEI Global Equity Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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<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 collaboration with other investors, we met with Wells Fargo in June 2018, to review its progress in the implementation of the Business Standards Review that the bank had agreed to conduct as a condition of withdrawal of our co-filed shareholder proposal. We appreciated the steps that the bank had taken to better understand its culture challenges and its efforts to address them at the corporate level. We also emphasized our expectation that the review would explore key corporate governance aspects to enable us to assess the effectiveness of changes made at the board level.</p>	<p>NEI Canadian Dividend Fund*</p> <p>NEI U.S. Dividend Fund*</p> <p>NEI Tactical Yield Fund*</p>
<p>HEALTH CARE</p>				
<p>Hoya Corporation</p>	<p>Hoya Corporation is a Japanese company manufacturing optical products such as photomasks and contact lenses.</p> <p>www.hoya.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our engagement collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Hoya in May 2018, to encourage the company to increase its board diversity as it had only one woman serving on its board, and outlined our view on leading practices, including publishing an official board diversity policy.</p>	<p>NEI International Equity RS Fund*</p>
<p>Pfizer</p>	<p>Pfizer is a global pharmaceutical company headquartered in the U.S.</p> <p>www.pfizer.com</p>	<ul style="list-style-type: none"> • Making Pharma Better - Opioid Crisis, Access to Medicine & Advancing US Health Care 	<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, 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>NEI U.S. Equity RS Fund*</p> <p>NEI Global Equity Fund*</p> <p>NEI Generational Leaders Fund</p>



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<p>Roche</p>	<p>Roche is a global healthcare company, headquartered in Switzerland.</p> <p>www.roche.com</p>	<ul style="list-style-type: none"> • Making Pharma Better - Access to Medicine & Advancing US Health Care 	<p>In May 2018 we participated in a collaborative ICCR meeting with Roche to discuss plans to expand access to medicine in every market where the company operates, access to essential medicines as defined by the World Health Organization, key partnerships to improve access to oncology, and improving sustainability disclosure to include Key Performance Indicators. In addition, we discussed drug pricing issues in the U.S.; Roche recognized investor concerns related to the limited disclosure on pricing practices in the pharmaceutical industry.</p> <p>Also in May 2018, the collaboration responded to a questionnaire by Roche on investor use of sustainability indices, by explaining which indices were most useful to us as responsible investors and how they inform our engagements with pharmaceutical companies.</p>	<p>NEI Global Equity RS Fund*</p>
<p>Shire</p>	<p>Shire Plc is an Irish-headquartered global specialty biopharmaceutical company.</p> <p>www.shire.com</p>	<ul style="list-style-type: none"> • Responsibility to Respect - Responsible Supply Chains 	<p>In June 2018 we contacted Shire to draw attention to the Investor Alliance for Human Rights statement calling on companies to continue reporting on conflict minerals supply chain due diligence. The company was relying on statements emerging from the U.S. Securities and Exchange Commission to downgrade previous due diligence disclosure. This could pose regulatory risk as well as undermining collective efforts to prevent serious human rights abuses in the minerals supply chain. The company indicated it would review the statement.</p>	<p>NEI International Equity RS Fund*</p>



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<p>Terumo Corporation</p>	<p>Terumo Corporation is a Japanese medical devices manufacturer.</p> <p>www.terumo.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our engagement collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Terumo Corporation in May 2018, to encourage the company to increase its board diversity as it did not have any women serving on its board, and outlined our view on leading practices, including publishing an official board diversity policy. We were pleased to note that Terumo appointed its first independent female director to the board at the company's Annual Meeting in June 2018.</p>	<p>NEI International Equity RS Fund*</p>
<p>INDUSTRIALS</p>				
<p>Amada</p>	<p>Amada Co. is a large Japanese manufacturer of metal processing equipment and machinery.</p> <p>www.amada.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Amada in May 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 Amada 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>



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<p>Black Diamond</p>	<p>Black Diamond Group provides workforce accommodation and field rentals to oil and gas, construction and other industries.</p> <p>www.blackdiamondgroup.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Black Diamond in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. In particular, we noted concerns around the non-independence of the chair, director overboarding and the creation of a new stock option plan. We expressed appreciation for certain other good governance practices the company had in place, such as sufficient board independence levels and wholly independent key committees.</p>	<p>NEI Canadian Small Cap Equity RS Fund*</p>
<p>Central Japan Railway</p>	<p>Central Japan Railway is the main railway company operating in central Japan.</p> <p>www.english.jr-central.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Central Japan Railway in May 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 Central Japan Railway 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.</p>	<p>NEI Global Value Fund</p>



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<p>Cervus Equipment</p>	<p>Cervus Equipment Corporation is a heavy equipment operator in Canada, Australia and New Zealand.</p> <p>www.cervusequipment.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Cervus Equipment in April 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We expressed that we considered the chair of the board to be non-independent and in that light noted concern about the non-independent chair serving on a key committee. We also noted concerns around the company not having disclosed an anti-hedging policy. Cervus Equipment responded to our message, noting it appreciated our feedback and was considering future disclosure enhancements. The company invited dialogue to further discuss governance matters. We took Cervus Equipment's response into consideration when voting at the company's Annual Meeting.</p>	<p>NEI Canadian Small Cap Equity RS Fund*</p>
<p>Daifuku Co</p>	<p>Daifuku is a Japanese machinery manufacturing and material logistics company.</p> <p>www.daifuku.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Daifuku Company in May 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 Daifuku 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. Daifuku responded to our letter thanking us for our perspective, noting that it aimed to propose a diverse set of director nominees regardless of gender, which did not adequately address our concerns.</p>	<p>NEI Global Equity RS Fund*</p>



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<p>Logistec</p>	<p>Logistec is a Canadian marine cargo handling company.</p> <p>www.logistec.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Logistec in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We noted that certain directors did not own stock while having served on the board for more than a year, and identified a concern with board attendance. Logistec responded to our message in detail and noted that it had flagged stock ownership guidelines for review by its Governance and Human Resources committee. We took the company's response into consideration when voting at Logistec's Annual Meeting.</p>	<p>NEI Canadian Small Cap Equity RS Fund*</p>
<p>Nidec Corporation</p>	<p>Nidec Corporation is a Japanese manufacturer of electric motors.</p> <p>www.nidec.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our engagement collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Nidec Corporation in May 2018, to encourage the company to increase its board diversity as it had one woman serving on its board, and outlined our view on leading practices, including publishing an official board diversity policy. We also encouraged Nidec to increase board independence levels to at least one-third of the board, in line with local best practice.</p>	<p>NEI International Equity RS Fund*</p>



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<p>Nihon M&A; Center</p>	<p>Nihon M&A; Center is a Japanese company specializing in the merger and acquisition (M&A;) brokerage business.</p> <p>www.nihon-ma.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Nihon M&A; Center in May 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 Nihon M&A; Center 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.</p>	<p>NEI Generational Leaders Fund</p>
<p>Obayashi</p>	<p>Obayashi Corporation is one of five major Japanese construction companies.</p> <p>www.obayashi.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Obayashi in May 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 Obayashi 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. Obayashi responded to our letter noting it appreciated our feedback and expressing openness to further discuss governance matters.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>



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<p>Secom</p>	<p>Secom Co., Ltd. is a Japanese surveillance and security company.</p> <p>www.secom.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>As part of our engagement collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Secom in May 2018, to encourage the company to increase its board diversity as it did not have any women serving on its board, and outlined our view on leading practices, including publishing an official board diversity policy. We also encouraged Secom to increase board independence levels to at least one-third of the board, in line with local best practice.</p>	<p>NEI International Equity RS Fund*</p>
<p>INFORMATION TECHNOLOGY</p>				
<p>Alphabet (Google)</p>	<p>Alphabet is the parent company of Google, a multinational technology company specializing in Internet services and products.</p> <p>www.abc.xyz</p>	<ul style="list-style-type: none"> • Governance Matters - Responsible Tax 	<p>As part of the global PRI collaboration on responsible corporate tax, in June 2018 we took the lead in writing to Alphabet to re-open dialogue on tax issues, including responsible tax policy, oversight of tax issues and country-level disclosure.</p>	<p>NEI Global Equity RS Fund*</p> <p>NEI Global Equity Fund*</p> <p>NEI U.S. Equity RS Fund*</p>
<p>Apple</p>	<p>Apple Inc. is an American multinational technology company headquartered in California.</p> <p>www.apple.com</p>	<ul style="list-style-type: none"> • Governance Matters - Responsible Tax 	<p>As part of the global PRI collaboration on responsible corporate tax, in June 2018 we took the lead in writing to Apple to re-open dialogue on tax issues, including responsible tax policy, oversight of tax issues and country-level disclosure.</p>	<p>NEI U.S. Equity RS Fund*</p> <p>NEI Global Equity RS Fund*</p> <p>NEI Global Equity Fund*</p>



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<p>Fuji Photo Film Co.</p>	<p>Fuji Photo Film is a Japanese multinational photography and imaging company headquartered in Tokyo.</p> <p>www.fujifilm.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Fuji Photo Film in May 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 Fuji Photo Film 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.</p>	<p>NEI Global Equity RS Fund*</p>
<p>Keyence Corporation</p>	<p>Keyence Corporation is a Japanese company specializing in factory automation.</p> <p>www.keyence.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Keyence in May 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 Keyence 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.</p>	<p>NEI Global Equity Fund*</p>



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<p>Nintendo</p>	<p>Nintendo is a Japanese multinational consumer electronics and video game company.</p> <p>www.nintendo.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Nintendo in May 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 Nintendo 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.</p>	<p>NEI Global Equity Fund*</p>
<p>Samsung Electronics</p>	<p>Samsung Electronics is a South Korean multinational electronics company and the world's largest memory chips manufacturer.</p> <p>www.samsung.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Investor Decarbonisation Initiative 	<p>In June 2018 Samsung announced a commitment to source 100% of its electricity needs from renewable energy in the U.S., China and Europe by 2020. Through our participation in the Investor Decarbonisation Initiative, we had previously asked the company to consider making a commitment to 100% renewable energy.</p>	<p>NEI Global Equity RS Fund*</p> <p>NEI Emerging Markets Fund*</p> <p>NEI Global Value Fund</p>



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<p>Tokyo Electron</p>	<p>Tokyo Electron is a Japanese electronics and semiconductor company.</p> <p>www.tel.com</p>	<ul style="list-style-type: none"> Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Tokyo Electron in May 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 Tokyo Electron 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>
MATERIALS				
<p>Air Water</p>	<p>Air Water Inc. engages in industrial gas, chemical, medical, energy, and agriculture and food products businesses in Japan.</p> <p>www.awi.co.jp/english/</p>	<ul style="list-style-type: none"> Governance Matters - Board Diversity 	<p>As part of our engagement collaboration with sub-advisor Addenda for the International Equity RS strategy, we engaged Japanese companies in the strategy to incentivize board independence and board diversity in line with local market best practice. In this context the collaboration wrote to Air Water in May 2018, to encourage the company to increase its board diversity as it had one woman serving on its board, and outlined our view on leading practices, including publishing an official board diversity policy. We also encouraged Air Water to increase board independence levels to at least one-third of the board as in line with local best practice, and outlined our view on the increasing use by investors of corporate governance ratings, an area where we saw room for the company to improve.</p>	<p>NEI International Equity RS Fund*</p>



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<p>Canfor Pulp</p>	<p>Canfor Corporation is an integrated forest products company based in Vancouver.</p> <p>www.canfor.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Canfor Pulp in April 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We identified concerns regarding absence of stock ownership guidelines that would require all directors to hold company stock. We also explained our concerns about overboarding of directors employed as CEOs elsewhere, and their service on compensation committees. However, we expressed appreciation for certain good governance practices the company had in place, such as entirely independent key committees, an independent chair and a published board diversity policy.</p>	<p>NEI Canadian Small Cap RS Fund*</p>
<p>Domtar Corporation</p>	<p>Domtar Corporation is a paper and paper products company headquartered in Montreal.</p> <p>www.domtar.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure 	<p>In May 2018 we wrote to Domtar to begin a dialogue about its management and disclosure of key ESG issues, notably its climate change strategies and plans to increase relevant disclosure. We were pleased by the company's approach to reporting and planned to provide additional feedback on how the company's climate-related disclosure could be enhanced.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Canadian Equity RS Fund* (SOLD)</p> <p>NEI Balanced RS Fund* (SOLD)</p>
<p>First Quantum Minerals Ltd</p>	<p>First Quantum Minerals is a Canadian based mining and metals company.</p> <p>www.first-quantum.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing ESG Management and Disclosure 	<p>In May 2018 we wrote to First Quantum to express our concerns in regard to its consideration of developing the controversial Pebble Mine project in Alaska. We encouraged the company to strategically consider all risks associated with the proposed project. The company responded that it was undertaking a very thorough review of the project and if it had any concerns, it would choose not to move ahead. Subsequently, the company announced that it was unable to reach an agreement with Northern Dynasty Minerals in regard to the Pebble Mine project and had ended its interest in the project.</p>	<p>NEI Growth & Income Fund</p> <p>NEI Canadian Equity Fund*</p> <p>NEI Emerging Markets Fund*</p>



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<p>Nitto Denko</p>	<p>Nitto Denko Corporation is a Japanese company that produces tapes, vinyl, LCDs, and other products.</p> <p>www.nitto.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Nitto Denko in May 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 Nitto Denko 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. Nitto Denko responded to our letter noting it would take our feedback into account.</p>	<p>NEI Global Equity RS Fund*</p>
<p>Nutrien Ltd</p>	<p>Nutrien is a Canadian fertilizer company based in Saskatoon and the largest producer of potash in the world. The merger of Potash and Agrium completed in early 2018.</p> <p>www.nutrien.com</p>	<ul style="list-style-type: none"> • Getting Real About the Energy Transition - Advancing the Canadian Energy Transition • Governance Matters - Advancing ESG Management and Disclosure 	<p>We participated in an external stakeholder materiality workshop that was hosted by Nutrien in April 2018. As the only investor participants, we provided our investor perspective on areas we viewed to be key material risks for the company. We also met with the company after the workshop to follow up on issues raised in earlier letters to the legacy corporations of Nutrien. We highlighted areas where previous reporting could be enhanced and encouraged it to continue some best practices that it had in place prior to the completion of its merger. The company provided an update on its reporting plans and internal developments. As part of our OECD due diligence process, we also shared that the company had been flagged in regard to its sourcing relationship with Moroccan state-owned phosphate exporter OCP in Western Sahara. The company provided an update on the status of its sourcing contracts and in June 2018, publicly announced that the majority of its phosphate rock sourcing from the OCP would be eliminated in 2018 and any additional decisions would be made after the completion of its review in Q3 2018.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p> <p>NEI Canadian Dividend Fund*</p>



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<p>Sekisui Chemical Co.</p>	<p>Sekisui Chemical manufactures high performance plastics for medical, automotive, and information technology industries.</p> <p>www.sekisuichemical.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Sekisui Chemical in May 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 Sekisui Chemical 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. Sekisui Chemical responded to our letter expressing appreciation for our feedback, explained that the board was actively reviewing practices to enhance board diversity and invited us to meet for further discussions.</p>	<p>NEI Environmental Leaders Fund</p> <p>NEI Global Dividend RS Fund*</p>
<p>Shin-Etsu Chemical Co.</p>	<p>Shin-Etsu Chemical Co. is the largest chemical company in Japan.</p> <p>www.shinetsu.co.jp/en</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Shin-Etsu Chemical in May 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 Shin-Etsu Chemical 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>



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REAL ESTATE

<p>Melcor Developments</p>	<p>Melcor Developments is a Canadian real estate development and asset management company.</p> <p>www.melcor.ca</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Melcor Developments in April 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. In particular, we raised concerns about the non-independence of the chair of the board. The company responded by noting it appreciated our outreach and noted the founder role of the chairman, and explained that it recently adjusted the chair's responsibilities from executive chair to non-executive chair, in an effort to better align with evolving good corporate governance practices.</p>	<p>NEI Canadian Small Cap Equity RS Fund*</p>
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TELECOMMUNICATIONS

<p>Nippon Telegraph and Telephone Corporation</p>	<p>Nippon Telegraph and Telephone Corporation (NTT) is a Japanese telecommunications company headquartered in Tokyo, Japan.</p> <p>www.ntt.co.jp</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Nippon Telegraph and Telephone Corporation (NTT) in May 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 NTT 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.</p>	<p>NEI Global Equity RS Fund*</p>
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<p>Vodafone Group</p>	<p>Vodafone Group plc is a British multinational telecommunications conglomerate.</p> <p>www.vodafone.com</p>	<ul style="list-style-type: none"> Getting Real About the Energy Transition - Investor Decarbonisation Initiative 	<p>We were part of the Investor Decarbonisation Initiative that wrote to Vodafone in 2017, asking the company to commit to sourcing 100% of its electricity needs from renewable energy. In June 2018 the company announced that it would be joining the RE100 initiative and committed to meeting a 100% renewable energy goal by 2025.</p>	<p>NEI Canadian Equity Fund*</p>
<p>UTILITIES</p>				
<p>Fortis Inc.</p>	<p>Fortis Inc. is a Canadian diversified electric utility holding company. It operates in Canada, the United States, Central America, and the Caribbean.</p> <p>www.fortisinc.com</p>	<ul style="list-style-type: none"> Getting Real About the Energy Transition - Implementing TCFD Recommendations on Climate Disclosure 	<p>In May 2018 we wrote to Fortis to begin a dialogue about its management and disclosure of key ESG issues, notably its climate change strategies and plans to increase relevant disclosure. We met with the company in June 2018 to discuss its role in the transition to a low-carbon economy and to better understand its strategy in regard to climate change. The company emphasized that it is strongly committed to a low-carbon future and enhancing ESG management in general. It provided an update on relevant reporting and internal policy updates, such as the introduction of an ESG-focused board-shareholder engagement policy. We also provided further feedback on how this disclosure could be enhanced.</p>	<p>NEI Balanced RS Fund*</p> <p>NEI Canadian Equity RS Fund*</p>



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<p>Hirose Electric Co</p>	<p>Hirose Electric Co. is a Japanese company specializing in the manufacturing of electric connectors.</p> <p>www.hirose.com</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Hirose Electric in May 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 Hirose Electric 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>
<p>Stanley Electric</p>	<p>Stanley Electric is a Japanese electric lighting company.</p> <p>www.stanley.co.jp/e/</p>	<ul style="list-style-type: none"> • Governance Matters - Board Diversity 	<p>Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity in line with local market best practice. In this context we wrote to Stanley Electric in May 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 Stanley Electric 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.</p> <p>This dialogue was paused due to portfolio changes.</p>	<p>NEI Global Dividend RS Fund*</p> <p>(SOLD)</p>



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<p>Superior Plus Corp.</p>	<p>Superior Plus is a Canadian company that distributes and markets propane and distillates in the U.S. and Canada.</p> <p>www.superiorplus.com</p>	<ul style="list-style-type: none"> • Governance Matters - Advancing Governance of Canadian Holdings 	<p>As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to Superior Plus in May 2018 in advance of its Annual Meeting to inform the company of corporate governance concerns that could adversely impact our voting decisions. We noted appreciation for a number of good governance practices at the company, such as a highly-independent board, an independent chair and fully-independent key committees, which would enable us to support all director nominees at the Superior Plus Annual Meeting. However, we identified a potential concern relating to the quantum of CEO compensation and a lack of disclosure of certain metrics in the compensation plan. Superior Plus replied noting it had shared our feedback internally and signaled openness to dialogue with shareholders.</p>	<p>NEI Canadian Small Cap RS Fund*</p> <p>NEI Canadian Small Cap Fund*</p> <p>NEI Canadian Dividend Fund*</p>
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Collaborative Engagement

Farm to Fork - Business Benchmark on Farm Animal Welfare

We continued to participate in the investor collaboration supporting the Business Benchmark on Farm Animal Welfare, which compares the policies, practices and performance of consumer sector companies on farm animal welfare issues. In May 2018 the collaboration wrote to 110 companies covered by the Benchmark to acknowledge the leadership of companies in the higher ranking tiers, encourage companies in lower tiers to improve their performance, and introduce the collaboration to companies newly added to the Benchmark.

Farm to Fork - Plastic Waste

We joined a new collaboration, the Plastic Solutions Investor Alliance, led by As You Sow, to engage companies on ways to reduce the loss of value and environmental impacts associated with increasing levels of plastic waste, including the impact for oceans and marine life.

Getting Real About the Energy Transition - Implementing the TCFD Recommendations in Climate Disclosure

To create efficiency in our follow-up on climate finance issues at the largest Canadian banks, we continued to collaborate with Boston Common and SHARE on meetings with the banks to discuss their role in the transition to a low-carbon economy and to better understand their perspectives on the recommendations of the Task Force on Climate-related Financial Disclosures. We met with RBC in April 2018 and with TD and BMO in May 2018. We emphasized the important role the banks could play in engaging their clients on climate change. We commended TD for being the first Canadian financial institution to have set and published a low-carbon financing target, and encouraged the other banks to set a target.

Getting Real About the Energy Transition - Advancing the Canadian Energy Transition

We continued to be a lead investor in the PRI collaborative engagement on methane, where we are co-leading engagements with Canadian Natural Resources and Vermilion Energy on company strategy to measure, report and reduce their methane emission footprint. We are also a lead investor in the PRI Oil & Gas engagement collaboration, which is focused on encouraging companies to develop and disclose company strategies to remain resilient in the energy transition.

Getting Real About the Energy Transition - Climate Action 100+

Climate Action 100+ is a global coalition of investors working together to engage the world's largest greenhouse gas (GHG) emitting companies on their strategies to mitigate climate change-related risks and reduce their carbon footprint. The collaboration has a shared set of priorities that include enhancing board-level governance of climate risks, providing disclosure in line with the Task Force on Climate-Related Financial Disclosures, and reducing GHG emissions. We are co-leads for the engagements with Canadian Natural Resources Ltd (CNRL) and Suncor Energy, and supporting investors with Exxon, Chevron, Valero, Ford, GM, and Marathon. In June 2018 we sent an initial letter introducing the initiative to CNRL.

Getting Real About the Energy Transition - Investor Decarbonisation Initiative

In April 2018 the Investor Decarbonisation Initiative, which we are signatory to, sent letters or held meetings with Samsung Electronics, Prudential, Vodafone Group and CN Rail. The Investor Decarbonisation Initiative engages companies to commit to one or more key commitments, such as sourcing 100% of electricity use from renewable sources,



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converting 100% of corporate vehicles to electric models, and setting science-based GHG reduction targets that align with the Paris Agreement climate goals. We followed up directly with CN Rail to ensure they understood the aim of the initiative.

Governance Matters - Board Diversity

In May 2018 we kicked off our first engagement collaboration initiative with sub-advisor Addenda, engaging Japanese companies in the International Equity strategy on board diversity. The collaboration wrote to seven Japanese companies in the strategy to encourage enhanced board diversity and best practices, such as publishing a board diversity policy.

Governance Matters - Cyber security

We continued to lead and co-lead engagements with companies on cyber governance as part of the PRI cyber security investor collaboration. The collaboration engages companies on cyber security in the IT, Telecom, Finance, Health Care and Consumer sector on the premise that having robust governance and management of cyber security is fundamental to long term business continuity. In this context we co-lead a meeting with Amazon on its cyber governance and management practices.

Governance Matters - Responsible Tax

We continued to participate in the global PRI collaboration on responsible corporate tax, focusing on multinational IT and pharmaceutical companies, which are particularly exposed to tax-related controversies. We took the lead in opening dialogue with Alphabet (Google) and Apple. In May 2018 the collaboration published an investor guide to evaluating and engaging companies on corporate tax transparency.

Making Pharma Better - Access to Medicine Index, Advancing U.S. Health Care

We continued to participate in collaborative ICCR engagements on global and U.S. health issues such as access to medicine and drug pricing with pharmaceutical companies. As part of this collaboration's efforts to identify engagement priorities we attended presentations by experts, such as Credit Suisse on drug pricing, and MSF on pressing access to medicines issues in the field. The collaboration also met with Roche to discuss access to medicine and drug pricing issues, and responded to a Roche questionnaire on sustainability indices.

Making Pharma Better - Opioid Crisis

We continued to participate in the Investors for Opioid Accountability Alliance (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. As coalition members we supported shareholder proposals IOA members filed at opioid manufacturers and distributors requesting governance reforms in light of inadequate opioid-related risk oversight and management.

Responsibility to Respect Human Rights

We joined the steering committee for the Investor Alliance for Human Rights, a new global collaborative platform connecting institutional investors with tools and strategies to promote corporate respect for human rights, which was launched in May 2018. Among the early Alliance initiatives we supported were investor statements calling on companies to continue to disclose on supply chain due diligence efforts relating to conflict minerals, and to enhance due diligence to eliminate forced labour from supply chains.



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Policy Actions

Enabling Responsible Investment

- Continuing our participation in the Sustainable Stock Exchanges Initiative, which advances responsible investment by working with regulatory authorities, in April 2018 we signed on to a letter encouraging the International Organization of Securities Commissions (IOSCO) to give attention to ESG matters, and also provided comments on the draft of an ESG good practice guide for securities regulators.
- In 2016 and 2017 we had participated in a Federal Department of Finance consultation, calling for the creation of an expert group on creating an enabling environment for ESG and sustainable finance in Canada. In April 2018 the Federal government launched an Expert Panel on Sustainable Finance to explore climate action and clean growth opportunities. Although the mandate of the panel was short-term and did not fully embrace social considerations, we felt this was a step in the right direction.

Farm to Fork

In May 2018 the National Zero Waste Council published the Food Loss and Waste Strategy for Canada. We had commented on the draft in 2017 and were pleased to see that the strategy included a primary focus on food waste prevention, which we had advocated as a way to optimize food value and reduce the environmental impacts of food waste.

Getting Real About the Energy Transition

- In June 2018 we were signatory to the Global Investor Statement on Climate Change, which expressed investor support for energy transition initiatives, including the implementation of the Task Force on Climate-Related Financial Disclosures recommendations, the use of carbon pricing, and greatly increased investment in low-carbon technologies. The statement was organized by a group of responsible investment associations, including Ceres and PRI.
- As part of a collaborative outreach to Canadian securities regulators on disclosure issues, we wrote to the Ontario Securities Commission (OSC) in May 2018 to ask it to prioritize enhancements to ESG disclosure requirements. In June 2018 we took part in an investor meeting with the OSC to discuss the results of the Canadian Securities Administrators' (CSA) review of climate-related disclosure. The CSA's suggested approach to mandating ESG disclosure reflected a recommendation in our 2017 submission to the review that companies be required to disclose how they have assessed the materiality of ESG issues to their business, and the results of that assessment. We also met with BC Securities Commission in June to discuss climate disclosure.
- In June 2018 we met with Alberta Department of Energy staff to share our perspective on current developments in the oil & gas sector in regard to the energy transition and ESG expectations. We noted the need for more companies to provide disclosure that aligns with the expectations of the Task Force on Climate-Related Financial Disclosures and the role that Alberta could play in encouraging that disclosure. We also discussed the key ESG risks facing the industry and how investors are assessing those risks.

Governance Matters

We submitted detailed comments to the BC and Ontario securities commissions in April and May 2018 on how current diversity disclosure requirements could be enhanced, and met with both regulators in June to explore these ideas further, highlighting the value of meaningful diversity policies and targets, and integrating diversity considerations to the board nominations process. In May 2018 the Canada Business Corporations Act (CBCA) was updated to mandate annual election of individual directors based on majority voting and diversity disclosure at companies formed under the Act. These were among the reforms we had advocated for in several rounds of consultation on updating the CBCA over the previous four years. The Canadian Coalition for Good Governance (CCGG) published the Directors' Environmental and Social Guidebook in May 2018, setting out institutional



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investor expectations on the governance of material environmental and social risks by Canadian boards. The Guidebook was prepared by the CCGG E&S; Committee, in which we participate.

Responsibility to Respect

- In June 2018 we took part in an online consultation run by Natural Resources Canada to get feedback on the implementation of the Extractive Sector Transparency Measures Act (ESTMA). The consultation focused on how the information is being used, and how best to display the data generated by the act.
- As a steering committee member for the new Investor Alliance for Human Rights, in June 2018 we participated in writing to the UN Working Group on Business and Human Rights, in response to a call for good practice examples, to highlight the role of investors in promoting corporate respect for human rights. We were the only Canadian investment institution to submit public comments to the 2017 consultation on the draft OECD Guidelines due diligence guidance for all business sectors. The guidance was published in May 2018 and welcomed by business, unions and NGOs for providing practical, plain language advice on developing due diligence to prevent and mitigate adverse environmental and social impacts.
- As part of our efforts to promote responsible lending practices among banks, we participated in a further collaborative submission to the Equator Principles Secretariat in May 2018, calling for enhanced integration of indigenous rights concerns in the project finance sustainability framework. We also participated in a further round of consultation for the preparation of the OECD Guidelines due diligence guidance for banks.
- In May 2018 we signed on to an investor statement calling on Canada to follow the example of other jurisdictions in enacting legislation to combat modern slavery in supply chains.



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Proxy Voting

In 2018 so far we voted at 673 Annual Meetings with 80% votes against compensation and 38% votes against management. We supported 82% of ESG shareholder proposals. For more information about our proxy voting, visit:

www.neiinvestments.com/pages/about-nei/about-ethical-funds/esg-difference/proxy-voting/

Getting Real About the Energy Transition - Advancing the US Energy Transition

The shareholder proposal we co-filed at Chevron on separating the Chair and CEO positions went to a vote at the company's Annual Meeting in May 2018, and received 26% of shareholder support. The board did not indicate that it would be reviewing its Chair policy, but the new CEO did acknowledge the importance of the ESG issues the resolution raised and appeared to be more open to speaking with shareholders on those topics than the previous CEO was.

Governance Matters - Advancing Governance of Canadian Holdings

As part of our aim to advance good corporate governance practices at smaller companies where we have significant share ownership, we wrote to 12 companies in advance of their Annual Meetings to inform companies of corporate governance concerns that could adversely impact our voting decisions. Where companies responded with rationales or indicated that the governance issues we flagged were under review, we took that into account when exercising our votes.

Governance Matters - Board Diversity

Given our large exposure across our funds to the Japanese market, we implemented specialized proxy voting guidelines for the Japanese market in 2017 aiming to incentivize Japanese board independence and board diversity that is in line with local market best practice. We wrote to 20 Japanese companies to inform them on how we intended to vote at their Annual General Meetings. Specifically, we expressed concern about the lack of gender diversity on these boards and encouraged companies to disclose to investors how they planned to address this matter. We outlined our view on leading practices, including publishing an official board diversity policy.

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. In the 2018 Proxy Voting Season this led us to vote against pay packages at 24 U.S. companies, and we also voted against 17 compensation committees at companies where the total compensation exceeded US \$24 million, such as Comcast, Morgan Stanley, Blackrock, JP Morgan Chase, Pfizer, Pepsi and Facebook.

Making Pharma Better

We are members of the Investors for Opioid Accountability (IOA) coalition and supported shareholder proposals filed by IOA members at Pfizer and Johnson & Johnson requesting reforms and disclosures relevant to the companies' role in the opioid crisis.



NEI Corporate Engagement Focus List Q2 Update: June 2018



Fund Name Change Guide:

*New name

NEI Canadian Small Cap Equity Fund
NEI Canadian Dividend Fund
NEI Canadian Equity Fund
NEI Emerging Markets Fund
NEI Global Equity Fund
NEI Growth & Income Fund
NEI U.S. Dividend Fund
NEI Global High Yield Bond Fund
NEI Balanced RS Fund
NEI Canadian Equity RS Fund
NEI Canadian Small Cap Equity RS Fund
NEI Global Dividend RS Fund
NEI Global Equity RS Fund
NEI US Equity RS Fund
NEI International Equity RS Fund
NEI Balanced Yield Portfolio
NEI Tactical Yield Portfolio
NEI Select Income & Growth Portfolio
NEI Select Maximum Growth Portfolio
NEI Select Income RS Portfolio
NEI Select Income & Growth RS Portfolio
NEI Select Balanced RS Portfolio
NEI Select Growth RS Portfolio

Former name

(Formerly NEI Northwest Specialty Equity Fund)
(Formerly NEI Northwest Canadian Dividend Fund)
(Formerly NEI Northwest Canadian Equity Fund)
(Formerly NEI Northwest Emerging Markets Fund)
(Formerly NEI Northwest Global Equity Fund)
(Formerly NEI Northwest Growth and Income Fund)
(Formerly NEI Northwest U.S. Dividend Fund)
(Formerly NEI Northwest Specialty Global High Yield Bond Fund)
(Formerly NEI Ethical Balanced Fund)
(Formerly NEI Ethical Canadian Equity Fund)
(Formerly NEI Ethical Special Equity Fund)
(Formerly NEI Ethical Global Dividend Fund)
(Formerly NEI Ethical Global Equity Fund)
(Formerly NEI Ethical US Equity Fund)
(Formerly NEI Ethical International Equity Fund)
(Formerly NEI Global Strategic Yield Fund)
(Formerly NEI Northwest Tactical Yield Fund)
(Formerly NEI Select Conservative Portfolio)
(Formerly NEI Select Global Maximum Growth Portfolio)
(Formerly NEI Ethical Select Income Portfolio)
(Formerly NEI Ethical Select Conservative Portfolio)
(Formerly NEI Ethical Select Balanced Portfolio)
(Formerly NEI Ethical Select Growth Portfolio)