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ANNUAL REPORT



The Shareholder Association for Research and Education (SHARE) is a Canadian leader in responsible investment services, research and education. SHARE seeks to build a more sustainable economy by supporting responsible investment leadership among institutional investors and by providing active ownership services that aim to improve the environmental, social and corporate governance performance of the companies in which they invest.

## SHARE'S ACTIVE OWNERSHIP SERVICES

### SHAREHOLDER ENGAGEMENT SERVICES



SHARE coordinates and facilitates shareholder dialogues with companies to achieve better environmental, social and governance (ESG) outcomes and works with governments, regulators and international institutions to promote laws and regulations that build sustainable capital markets.

### PROXY VOTING SERVICES



SHARE helps institutional investors exercise their voting rights responsibly through our proxy voting service, proxy vote auditing, customized guidelines and vote monitoring.

### CONSULTING SERVICES



SHARE provides education and support to institutional investors to help them develop new skills and implement effective responsible investment policies and practices.



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## MESSAGE FROM SHARE'S EXECUTIVE DIRECTOR

Responsible investing in Canada today reminds me of the cartoon of two donkeys tied together by a long rope, each straining to reach piles of hay at opposite ends of their tether. One donkey views responsible investment as a way to manage financial risks and seek financial rewards. The other donkey approaches responsible investment as a way to align investment practice with mission and values. When they strain against each other, neither can fully realize their goal.

The Shareholder Association for Research and Education (SHARE) was created to serve the needs of fiduciaries, people who carry a very clear financial duty. But it also has in its DNA the belief that responsible investment cannot succeed when bounded by a short-term, narrowly defined financial perspective.



If we want to munch our pile of hay, we must marry the utilization of environmental, social and governance tools that address investment risk and reward with a broader view of the societal and environmental obligations that sustain a high functioning economy from which we can draw investment returns. This is the exciting work of SHARE.

SHARE spent much of 2016 building new capacities to help institutional investors. We expanded our delivery of programs to help trustees integrate responsible investment into fund governance, created new tools for assessing asset manager proxy voting, enlarged our shareholder engagement and proxy voting teams, and strengthened our relationships with university and First Nations partners.

Many of the year's highlights are described in the following pages, demonstrating how SHARE weaves together a disciplined approach to responsible investment and shareholder stewardship with respect for standards of social and environmental performance. We are grateful to the many pension funds, religious institutions, foundations, mutual funds, asset managers and other institutional investors we serve for giving us our mandate.

And the donkeys? They figured out that eating the same pile together in sequence was the best route to a stomach full of hay.

A handwritten signature in black ink that reads "Peter W. Chapman". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Peter Chapman, Executive Director

## OUR APPROACH

SHARE's innovative approach generates results. Our efforts are successfully amplifying asset owner support for sustainable, inclusive and productive economies. By influencing the companies they own, our growing network of responsible investment leaders are altering corporate behaviour and shifting capital market practices to build social and economic inclusion and prioritize sustainable development.

### RESPONSIBLE INVESTMENT FOR A SUSTAINABLE ECONOMY



### HELPING INVESTORS BECOME ACTIVE OWNERS

SHARE's active ownership services help institutional investors steward their assets responsibly by facilitating constructive shareholder dialogues with companies on key environmental, social and corporate governance (ESG) issues and exercising their voting rights in an effective and responsible way.

### HARNESSING THE POWER OF COOPERATION

SHARE amplifies the voices of small- and medium-sized investors through cooperation. Our collaborative service model allows institutional investors, both large and small, to participate in a comprehensive responsible investment program that is cost effective, results-driven and adaptable to any type of investment strategy.

### BUILDING INVESTOR LEADERSHIP

SHARE builds responsible investment leadership by hosting educational events and providing tools for pension trustees, investment committees and trust officers to help build their individual capacity and to connect them to national and international peer networks.

### ADVOCATING FOR POLICY REFORMS

SHARE, together with our clients, engages with policy makers and regulatory bodies to advocate for legal reforms that support greater transparency and accountability from investors and companies on their sustainability performance and their management of environmental, social and corporate governance issues.

# 2016 AT A GLANCE

## ACTIVE OWNERSHIP SERVICES

Engaged with  
**128** companies on  
**17** ESG topics

...more


**8**   
 shareholder  
 proposals  
 filed on behalf of clients

**37**   
 companies  
 met one or more of SHARE's  
 engagement targets

**7**   
 companies  
 established new  
 public greenhouse  
 gas emissions  
 reporting

...more

**9** companies  
 reduced their  
 greenhouse gas  
 emissions



...more

**13**   
 companies  
 initiated annual  
 advisory votes on  
 executive compensation



**3**  
 companies  
 began disclosing  
 corporate  
 political  
 spending



...more

Voted at **882**  
 company meetings  
 in **40** countries



**2** companies  
 took important steps  
 in the area of  
 business  
 and reconciliation



Advised voting  
 contrary to management's  
 recommendation on  
**38%** {X}  
 of the ballot issues voted

## RESPONSIBLE INVESTMENT LEADERSHIP

SHARE staff spoke at  
**22** responsible  
 investment  
 events



**79**   
 media  
 mentions

**623**  
 investors attended **11** events  
 hosted by  
 SHARE



...more

SHARE's growing network includes:

**57**  and **41**  
 affiliate  and  
 members institutional  
 investor clients

SHARE published **4** research reports  
 and made  
**8** policy submissions



...more

## SHARE'S WORK IN ACTION

### CLIMATE CHANGE

Climate change is one of the defining economic, environmental and social issues of our time. There is broad global consensus that to avoid the worst and most catastrophic effects of climate change we must limit the rise in the average global surface temperature to below two degrees Celsius above pre-industrial levels. Climate change also poses a systemic challenge to long-term economic prosperity and financial returns. Despite challenges, most governments have continued to commit themselves to meeting the goals set out by the Paris Climate Agreement. Businesses and investors also have an important role to play in meeting this challenge.

For over a decade, SHARE has been working with institutional investors to encourage Canadian companies to contribute to the just transition to a clean economy. SHARE's work is rooted in our belief that Canada's transition to a low-carbon economy is both beneficial for the planet as well as advantageous for workers and communities.

For shareholders, climate change presents both risks and opportunities to their portfolios. There are clear benefits to investing in companies that prioritize energy efficiency and reductions in greenhouse gas (GHG) emissions, and that develop sustainable business models. Shareholder action on climate change can help to minimize risk and ensure that portfolio companies are working towards cost-effective and innovative climate solutions.

In 2016, we engaged with 28 companies across a range of sectors on the importance of measuring, disclosing and reducing their climate risks. Companies that we engaged are making progress in key areas including establishing oversight, measuring performance, setting targets and demonstrating leadership on climate change.

Of the companies SHARE engaged on this issue in 2016:

- **18 companies** reported to the CDP Climate Change survey
- **9 companies** reduced their GHG emissions
- **5 companies** substantially expanded disclosure on key climate performance indicators
- **2 companies** set new company-wide targets to reduce GHG emissions

Many dialogues focus on reducing energy demand with large-scale energy users. In the retail sector, for example, supermarket chains are large energy consumers and have a significant carbon footprint. In 2016, SHARE continued to urge supermarkets like Loblaw Companies Ltd. to adopt a GHG reduction target and strategy that went beyond

#### BY THE NUMBERS



Companies engaged

**28**



Shareholder proposals filed

**3**



Shareholder proposals voted

**38**



“For OceanRock, responsible investment is about more than ticking the boxes or sending the occasional letter to a company. In partnership with SHARE, OceanRock takes a strategic, persistent and powerful approach to shareholder engagement encouraging the companies we invest in to identify, target and address real ESG risks and opportunities. That makes for better businesses, better investments, and a better world.”

**Fred Pinto, CEO**  
**OceanRock Investments Inc.**

energy efficiency efforts. In December, Loblaw publicly announced a new climate action strategy and target to reduce its GHG emissions 20 per cent by 2020 and 30 per cent by 2030. SHARE is now urging other retailers to follow its lead.

Other dialogues focus on changing the energy mix with large-scale energy producers. In the utility sector, for example, many companies rely heavily on fossil fuel-generated power, including particularly carbon-intensive energy sources such as coal. Although regulators in many jurisdictions are taking steps to change energy systems and sources, SHARE asks companies to go beyond limited regulatory compliance and disclose to shareholders how they are planning to adapt to a low-carbon economy. In 2016, Fortis Inc. took a significant step by publishing its first environmental report, based on a shareholder proposal we filed in 2015. Fortis is now measuring and disclosing key information for the first time, including the company's GHG emissions, paving the way for more substantial changes.

Our dialogues with Canada's banks seek to improve how banks are assessing and analyzing climate risks in bank lending portfolios and to encourage the banks to play a leadership role in the transition to a low carbon economy. Following an initial rating of Canadian bank climate change strategies, risk management, performance and disclosure, SHARE's dialogues in 2016 found a keen interest amongst Canadian banks to improve practices and develop new strategies related to climate change.

Through our proxy voting service, SHARE executed votes in favour of 34 shareholder proposals on climate change-related matters in 2016. Over the last year we have seen a growing trend towards climate change proposals filed with U.S. energy companies such as Chevron, Occidental, Devon Energy, ConocoPhillips and Exxon, asking for greater disclosure of sustainability metrics, procedures, and sustainable business planning.



## SHARE'S WORK IN ACTION

### OVERSIGHT AND DISCLOSURE OF POLITICAL SPENDING

Participation in the political process by corporations can make a positive contribution. It can provide decision-makers with knowledge and expertise, assist in designing effective regulations and support measures that build value. But there is no shortage of examples where corporate influence has stalled popular measures, removed or hindered critical environmental or financial regulations, or created short-term advantages for an influential minority at the expense of long-term growth for the economy – and investor portfolios – as a whole.

Political activity can create reputational risks for a company, where it is seen by the public as having undue influence or associated with unpopular positions or candidates. It can also divert company resources and focus towards areas that may enhance senior management's personal influence but does not create real value for the corporation itself. Less understood, but perhaps most important, are the portfolio-level risks political activity can create for investors. For example, is it in shareholders' interest when companies and trade associations lobby against effective carbon pricing or to limit oversight of risky financial products that can create system-wide instability?

Although limited public records show that Canadian corporations are very active in lobbying governments, making campaign contributions where allowed, and funding trade associations and policy think-tanks, few Canadian corporations disclose this activity to shareholders. Furthermore, few have disclosed any policies governing this activity or demonstrated regular board oversight and risk management.

That picture is changing, and in a large part that's due to SHARE's focused efforts on highlighting corporate political spending amongst Canadian investors and issuers. SHARE has been a leader in advancing disclosure and oversight of corporate political activity on behalf of Canadian institutional investors.

In 2016, with support from a number of foundations and our engagement clients, SHARE:

- Published two studies, one looking at lobbying and legal actions by US trade associations to undermine climate-change-related regulations, and one looking at advocacy by Canadian think tanks attacking defined-benefit public sector pension plans (see page 16 for a full list of SHARE's research reports);
- Developed a set of Canadian investor expectations for oversight and disclosure of corporate political spending, to serve as guidelines for institutional investors and corporate issuers;
- Assisted SHARE clients in filing shareholder proposals at Bank of America, Enbridge Inc. and TransCanada Corporation asking for improved oversight and new disclosure of each company's corporate political spending, all of which were withdrawn when the companies agreed to shareholder requests;
- Engaged with Bank of Montreal, Canadian National Railways, Cenovus Energy, Goldcorp, Husky Energy, Microsoft, Pfizer, Procter & Gamble, Suncor and twelve other US corporations regarding their political activity, including involvement in trade associations that lobby against climate regulations; and

#### BY THE NUMBERS



Companies engaged

24



Shareholder proposals filed

3



Shareholder proposals voted

57

“SHARE’s expertise allows the Fonds to ensure that our values are reflected in our equity portfolio and across capital markets. The shareholder dialogues they conduct with both Canadian and global companies to improve sustainability practices is consistently based on a meticulous analysis of ESG issues and risks. SHARE also identifies opportunities that allow the Fonds to encourage regulation that aligns finance with sustainable development. SHARE’s services harmonize perfectly with our desire to integrate economic, social and environmental considerations into our investments.”

**Mario Tremblay, Vice-président -  
Affaires publiques et corporatives,  
Fonds de solidarité FTQ**

- Met with the Canadian Association of Petroleum Producers about the trade association’s lobbying on climate change-related regulations, together with other Canadian institutional investors.

Political spending disclosure was a common subject for shareholder proposals in the US in 2016 as well, where corporate campaign spending and lobbying is even more pronounced. SHARE’s proxy voting team voted in favour of 56 shareholder resolutions asking for disclosure of political spending and lobbying activity, many of which have led to increased oversight and disclosure.

SHARE has helped to develop a baseline for corporate disclosure in Canada through concerted engagement with prominent TSX-listed energy corporations, and we expect to build on that achievement by continued engagement, research and proxy voting in 2017.

### **Case Study: Bank of America**

SHARE engaged with senior management at Bank of America to ask for better disclosure of lobbying activities by trade associations of which it is a member. The Bank either provides funds or is a member of a large number of organizations that work to influence the political process in the United States, including the U.S. Chamber of Commerce that has taken an aggressive stance against US climate change regulations.

SHARE, on behalf of the Fonds de Solidarité (FTQ) argued that the Bank’s political lobbying activities must be transparent and effectively overseen by management and the board. Following discussions with SHARE, the Bank of America committed to disclosing more about its activities, including lists of organizations to which it provides funding, on its company [website](#). These new disclosures represent substantial improvements in the Bank’s disclosure of political spending and lobbying activities, so much so that Bank of America was subsequently named by the US Center for Political Accountability as a CPA-Zicklin Trendsetter in the 2016 CPA-Zicklin [Index of Corporate Political Disclosure and Accountability](#) – the pre-eminent index of corporate disclosure on this issue.

## SHARE'S WORK IN ACTION

### INVESTING IN DECENT WORK

Low wages, precarious work, and poor workplace practices hurt workers and their families, and contribute to the growing problem of income inequality, declining social cohesion and low growth. Workers' rights to decent work – work that provides fair wages, promotes workers' rights and values workers input – are enshrined in international human rights covenants and International Labour Organization Conventions ratified by Canada, yet poor working conditions are too often expected or tolerated as the cost of doing business.

More recently, however, the business case for decent work is gaining traction among investors and business leaders. Implementing decent work strategies can help companies improve their business performance while contributing to more inclusive economic growth and stable economies. Evidence shows that good workplace practices can help companies attract stronger candidates and retain key employees leading to lower turnover and retraining costs. Robust training programs and workforce management practices can also improve employee productivity, operational efficiency, brand value and sales.

Despite the benefits of decent work for companies and economies, labour market trends in Canada show that precarious forms of employment have increased by 50% over the last 20 years, and real wages have remained relatively stagnant over the same period. Part of the reason that precarious forms of employment continue to persist is the entrenched belief among some corporate managers and shareholders that workers are solely a cost to the business and therefore a drag on profits. This perspective leads to approaches to doing business that seek to lower labour costs and/or place workers outside of the company through practices that include the growing use of part-time, contract and temporary workers.

Recognizing the importance of decent work for company performance, long-term value creation and building inclusive and stable economies, SHARE has placed decent work at the centre of its activities on behalf of investors.

With the support of the Atkinson Foundation, SHARE launched its Valuing Decent Work project, which is mobilizing investors to advocate for robust decent work policies and practices in investee companies and to increase the visibility of decent work as an important investment consideration in capital markets. In addition, the Global Unions Committee on Workers' Capital (CWC) continued its efforts to engage with sustainability ratings agencies to improve the level and quality of social indicators that are factored into investment decision-making.

And through SHARE's Core engagement program, our team engaged with companies on a range of decent work themes including occupational health and safety, labour practices in supply chains and the use of precarious employment practices in their Canadian operations.

Highlights from these efforts from 2016 include:

- Published a [report](#) analyzing the disclosure of five Canadian retail companies and seven global companies on their workforce reporting.
- Developed key performance indicators (KPIs) for evaluating corporate workplace policies and practices.

#### BY THE NUMBERS



Companies engaged

18



Shareholder proposals filed

2



Shareholder proposals voted

35

“While exploring new approaches to impact investing, we think of SHARE’s core and customized engagement programs as floor boards in our responsible investing strategy. This partnership equips us to align our investments with our mission, not only our grants. It provides us with tools to be active owners, not silent partners. It creates opportunities to combine our resources with others to do business differently in Canada.”

**Collette Murphy, Executive Director,  
Atkinson Charitable Foundation**

- Through the CWC, developed a Set of Guidelines for the Evaluation of Workers’ Human Rights and Labour Standards;
- Hosted a dialogue with sustainability ratings agencies to discuss ways to improve the methodology and indicators they use to evaluate company performance on the provision of decent working conditions and workforce empowerment;
- Mobilized CWC participants to support decent work related resolutions at SportsDirect, Mondelez and Alimentation Couche-Tard; and
- Organized and hosted an investor roundtable featuring leading speakers on decent work and company performance, attracting approximately 25 participants.

SHARE’s model proxy voting guidelines provide voting guidance for proposals related to workplace practices, discrimination in employment and workplace health and safety. In 2016, SHARE voted for 25 proposals related to non-discrimination in employment, equal employment and labour rights in supply chains.

### Canadian railways and worker fatigue

At the end of the year, the Transportation Safety Board highlighted worker fatigue as a priority concern on its 2016 Watchlist, citing it as a contributing factor or as a risk in 23 of its railway investigations since 1994. The TSB noted, “fatigue continues to pose a risk to the safe operation of trains, particularly freight trains.” Fatigue is often a result of shift scheduling and work/rest rules. SHARE has been engaging regularly with both Canadian Pacific and Canadian National railways to make clear that shareholders want to see management engage in good faith negotiations with worker representatives to address fatigue management and shift scheduling, and to re-engage in collaborative efforts to develop an industry-wide approach to fatigue management together with unions, regulators and company representatives.

## SHARE'S WORK IN ACTION

### BUILDING SUSTAINABLE CAPITAL MARKETS

SHARE strives to build a more sustainable economy by promoting responsible investment practices by institutional investors. SHARE supports investor leadership in Canada, works with global partners to advance responsible investment and develop international peer networks, and advocates for policy reforms to facilitate the consideration of sustainability issues by investment decision-makers.

### DEVELOPING LEADERSHIP

SHARE builds leadership among individuals appointed to the governance bodies of pension funds, foundations, universities and religious organizations by providing educational workshops, conferences and practical tools.

In 2016, SHARE delivered seven educational workshops and three major conferences to investor audiences across Canada addressing important responsible investment topics including climate change, reconciliation, responsible investment governance, and decent work (see page 17 for a full list of SHARE's events).

As the Secretariat to the Global Unions' Committee on Workers' Capital (CWC), SHARE coordinates efforts to connect labour union organizations around the world to advance the responsible investment agenda on the global stage. Specifically, the CWC works to educate union pension trustees on responsible investment, monitor global trends and policies related to corporate and financial market governance and examine ways in which the responsible investment of workers' capital can yield economic and social value in communities. Highlights from the CWC's work in 2016 include:

- Organizing a Workers' Capital Conference that brought pension fund trustees, trade union representatives and capital stewardship staff together to discuss current trends and emerging issues in the stewardship of workers' capital;
- Engaging with the UNPRI around the systematic incorporation of social issues in the activities of the organisation; and
- Developing a Set of Guidelines for the Evaluation of Workers' Human Rights and Labour Standards, which formed the basis of a one-day dialogue between trade union experts and eight sustainability ratings agencies.

#### BY THE NUMBERS



Educational workshops

7



Major conferences

3



Policy submissions

8

“SHARE’s engagement team is second-to-none in their level of service and the quality of research and analysis that they provide. Working with SHARE has been instrumental in helping us execute our unique ‘divest and engage the rest’ strategy that removes fossil fuel companies from our portfolio and then engages with those companies that remain on key environmental, social and corporate governance.”

**J.P. Harrison, President and Partner,  
Genus Capital**

## CHANGING POLICY

SHARE is working with provincial and federal governments and securities regulators, advocating for legal, policy and regulatory reforms that support greater transparency and accountability from capital market participants on their sustainability performance and their management of environmental, social and corporate governance issues.

For example, SHARE continued its on-going conversations with the Alberta government communicating support from global investors for an effective climate action plan, including co-hosting (with NEI Investments and the UNPRI) a widely attended discussion with Alberta Environment Minister Shannon Phillips for global investors. We have also been advancing proposals for Alberta to adopt new disclosure regulations for pension funds asking them to report whether, and if so how, they take environmental, social and governance (ESG) considerations into account in investment decision-making, just as we successfully promoted in Ontario. Additionally, we are asking Alberta to make changes to the shareholder proposal thresholds in the *Alberta Business Corporations Act* to promote better accountability to investors.

At the federal level, alongside the Carleton Centre for Community Innovation and the Responsible Investment Association, SHARE has been meeting with federal government officials and Members of Parliament to advocate for similar ESG disclosure regulations for federally registered pension plans. Following SHARE’s request, the Canadian Association of Pension Supervisory Authorities updated its guidance for pension plan governance to include mention of environmental, social and governance factors as relevant to investment decision-making, further clarifying to trustees that it is within their fiduciary duty to consider ESG matters.

Lastly, SHARE has been coordinating a group of large Canadian pension plans to ask Canadian securities regulators to adopt new requirements for large issuers to hold annual advisory votes on executive compensation (“Say on Pay”) and we have continued to advocate for an update to company disclosure obligations and guidance to address climate-change-related concerns.

While SHARE comments on many policy initiatives and provides feedback to regulators where requested, we prioritize initiatives like the above where SHARE can follow through to achieve a concrete outcome for investors, the economy and for the environment.

## RESPONSIBLE INVESTMENT RESEARCH

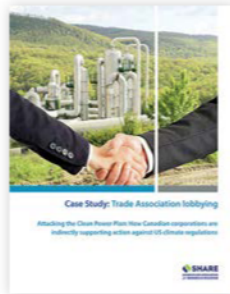
### Understanding Supply Chain Water Risk: The case of cotton



This investor brief examines water risk associated with the cotton supply chain. The report draws attention to potential negative environmental impacts associated with cotton as a supply chain input, including depletion of water availability and pollution of water resources.

[...READ THE REPORT](#)

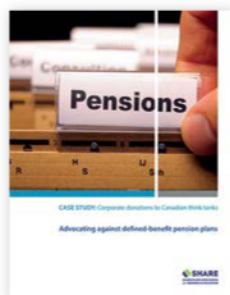
### Attacking the Clean Power Plan: How Canadian companies are indirectly supporting action against US climate regulation



This report highlights how Canadian corporations are indirectly supporting action against US climate regulations and studies the risks that can arise for investors linked to aggressive lobbying, especially as it relates to management and disclosure of political spending associated with climate action.

[...READ THE REPORT](#)

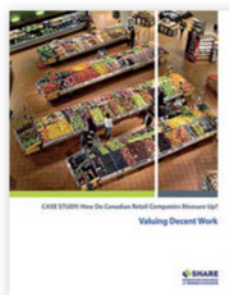
### Corporate Donations to Canadian Think Tanks: Advocating against defined-benefit pension plans



SHARE's case study considers how companies oversee contributions to think tanks engaged in policy advocacy and what those companies disclose to shareholders.

[...READ THE REPORT](#)

### Valuing Decent Work: How do Canadian retail companies measure up?



As part of SHARE's *Valuing Decent Work* initiative, this report reveals that Canadian retail companies lag behind their global peers in their disclosure of decent work metrics. It identifies the important role investors can play in seeking improved corporate disclosure of this information through engagement with retail companies in their portfolios.

[...READ THE REPORT](#)



## EVENTS

### **BC Pension Forum**

*February 25, Vancouver*

### **Pension Investment and Governance Boot Camp**

*February 24, Vancouver*

### **Responsible Investment Governance Trustee Master Class**

*February 24, Vancouver*

### **Pension Investment and Governance Basics Course**

*May 4-6, Toronto*

### **Responsible Investment Trustee Master Class**

*May 6, Toronto*

### **Investor Workshop: Exploring Investor-Led Strategies for Achieving Decent Work in Canada**

*November 10, Toronto*

### **Religious Investors' Responsible Investment Workshop**

*November 17, Toronto*

### **2016 Manitoba Pension Forum**

*Dec 5-6, Winnipeg*

### **Pension Investment and Governance Boot Camp**

*Dec 5, Winnipeg*

### **Responsible Investment Trustee Master Class**

*Dec 5, Winnipeg*

### **Religious Investors' Responsible Investment Workshop**

*December 7, Winnipeg*

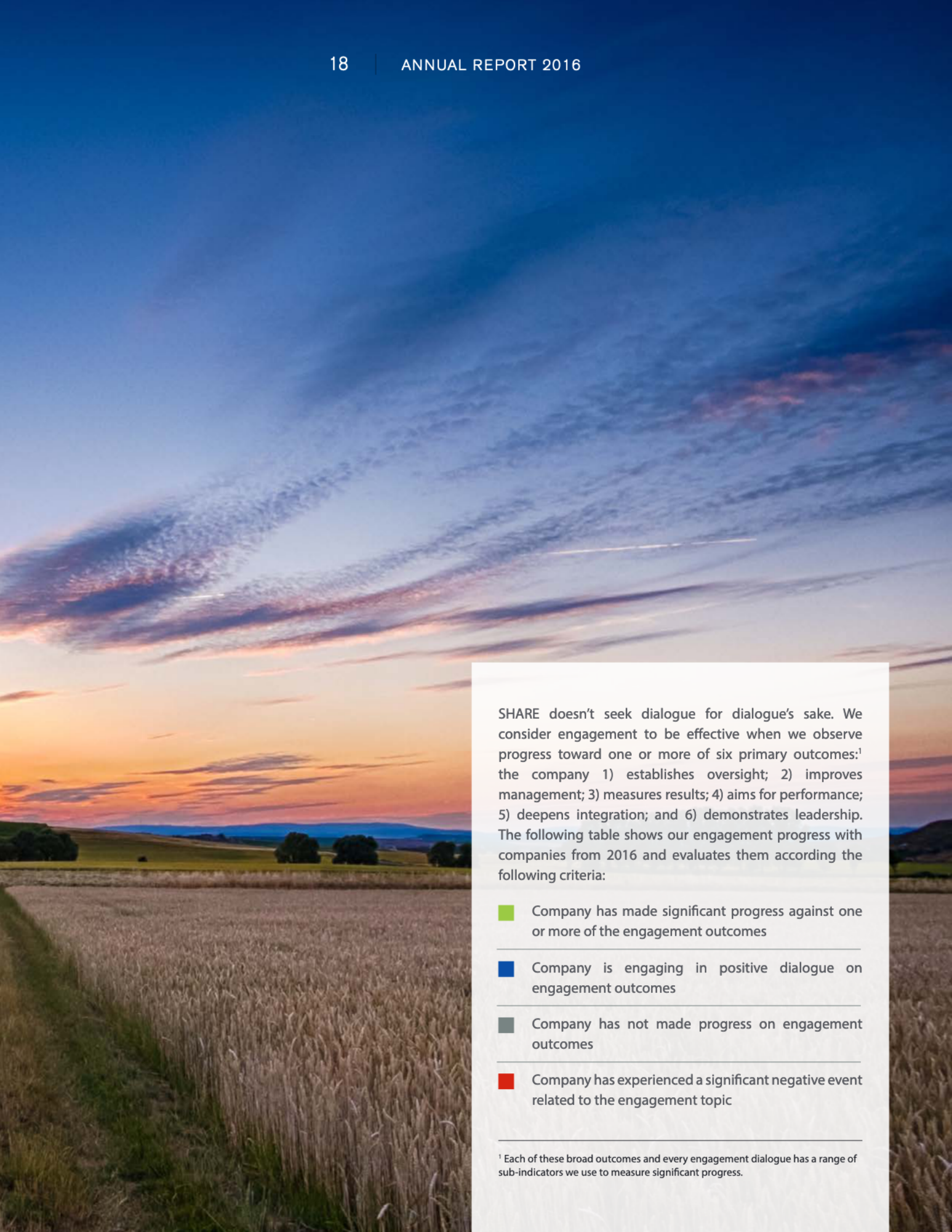


## SHAREHOLDER ENGAGEMENT PROGRESS

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### DELIVERING RESULTS

SHARE's Shareholder Engagement Service helps investor clients mitigate risk and enhance long-term shareholder value by raising relevant ESG issues with publicly traded companies in their portfolios. In 2016, SHARE facilitated dialogues with 128 companies on a wide range of ESG topics. More information on each of these topics is available in our [Engagement Snapshot](#), published at the beginning of each year.



SHARE doesn't seek dialogue for dialogue's sake. We consider engagement to be effective when we observe progress toward one or more of six primary outcomes:<sup>1</sup> the company 1) establishes oversight; 2) improves management; 3) measures results; 4) aims for performance; 5) deepens integration; and 6) demonstrates leadership. The following table shows our engagement progress with companies from 2016 and evaluates them according the following criteria:

- Company has made significant progress against one or more of the engagement outcomes

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- Company is engaging in positive dialogue on engagement outcomes

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- Company has not made progress on engagement outcomes

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- Company has experienced a significant negative event related to the engagement topic

<sup>1</sup> Each of these broad outcomes and every engagement dialogue has a range of sub-indicators we use to measure significant progress.

■ Company has made significant progress against one or more of the engagement outcomes

■ Company is engaging in positive dialogue on engagement outcomes

■ Company has not made progress on engagement outcomes

■ Company has experienced a significant negative event related to the engagement topic

COMPANY	TOPIC	PROGRESS
Advantage Oil & Gas Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Agrium Inc.	Respecting International Human Rights: Respecting self-determination in Western Sahara	■
Air Canada	Accountable and Effective Governance: Voting on Executive Compensation	■
Alaris Royalty Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
Alimentation Couche-Tard Inc.	Accountable and Effective Governance: Hedging	■
Alimentation Couche-Tard Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Alimentation Couche-Tard Inc.	Valuing Decent Work	■
Allied Properties REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Allied Properties REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
Amaya Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
ARC Resources Ltd.	Business & Reconciliation	■
Archer Daniels Midland	Labour standards in Agricultural Supply Chains	■
Artis REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
ATCO Ltd.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Athabasca Oil Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
ATS Automation Tooling Systems Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
AutoCanada Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Avigilon Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Bank Of America Corp.	Accountable and Effective Governance: Accounting for political spending	■
Bank of Montreal	Climate Risk: Addressing the financing of climate risk	■
Bank of Montreal	Accountable and Effective Governance: Accounting for political spending	■
Bank of Nova Scotia	Climate Risk: Addressing the financing of climate risk	■
Barrick Gold Corporation	Respecting International Human Rights: Respecting human rights in mining operations	■
Barrick Gold Corporation	Business & Reconciliation	■
Barrick Gold Corporation	Protecting and Preserving Clean Water	■
BCE Inc.	Gender Leadership Gap	■
Birchcliff Energy Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Black Diamond Group	Accountable and Effective Governance: Voting on Executive Compensation	■
Bombardier Recreational Products Inc. (BRP)	Accountable and Effective Governance: Voting on Executive Compensation	■
Bonavista Energy Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Bonterra Energy Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
Brookfield Asset Management Inc.	Investing in Decent Work: Improving Health & Safety at work	■
Canadian Apartment Properties (CAP) REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Canadian Apartment Properties (CAP) REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
Canadian Energy Services	Accountable and Effective Governance: Board Diversity	■

...continued

■ Company has made significant progress against one or more of the engagement outcomes

■ Company is engaging in positive dialogue on engagement outcomes

■ Company has not made progress on engagement outcomes

■ Company has experienced a significant negative event related to the engagement topic

COMPANY	TOPIC	PROGRESS
Canadian Energy Services	Accountable and Effective Governance: Voting on Executive Compensation	■
Canadian Imperial Bank of Commerce	Climate Risk: Addressing the financing of climate risk	■
Canadian National Railway Company	Accountable and Effective Governance: Accounting for political spending	■
Canadian National Railway Company	Investing in Decent Work: Improving Health & Safety at work	■
Canadian National Railway Company	Business & Reconciliation	■
Canadian National Railway Company	Climate Risk: Measuring, disclosing and reducing climate risks	■
Canadian Natural Resources Limited	Climate Risk: Measuring, disclosing and reducing climate risks	■
Canadian Pacific Railway Ltd.	Business & Reconciliation	■
Canadian Pacific Railway Ltd.	Investing in Decent Work: Improving Health & Safety at work	■
Canadian Pacific Railway Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Canadian REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
Canadian REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Canadian Tire Corporation Ltd.	Valuing Decent Work	■
Canadian Tire Corporation Ltd.	Investing in Decent Work: Providing decent work in the supply chain	■
Canadian Tire Corporation Ltd.	Protecting and Preserving Clean Water	■
Canadian Tire Corporation Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Canfor Corporation	Accountable and Effective Governance: Board Diversity	■
Canfor Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Canfor Corporation	Investing in Decent Work: Improving Health & Safety at work	■
Cenovus Energy Inc.	Accountable and Effective Governance: Accounting for political spending	■
Cenovus Energy Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Centerra Gold Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
CGI Group Inc.	Accountable and Effective Governance: Hedging	■
CGI Group Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
CGI Group Inc.	Investing in Decent Work: Occupational Health and Safety	■
Chartwell Seniors Housing REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
Chemtrade Logistics Income Fund	Accountable and Effective Governance: Voting on Executive Compensation	■
Chevron Corporation	International Custom: Human rights risks in Burma	■
CI Financial Corp	Investing in Decent Work: Improving Health & Safety at work	■
Cominar REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Concordia Healthcare Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
Constellation Software Inc.	Accountable and Effective Governance: Board Diversity	■
Constellation Software Inc.	Accountable and Effective Governance: Hedging	■
Crew Energy Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Descartes Systems Group Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Detour Gold Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■

...continued

- Company has made significant progress against one or more of the engagement outcomes
- Company is engaging in positive dialogue on engagement outcomes

- Company has not made progress on engagement outcomes
- Company has experienced a significant negative event related to the engagement topic

COMPANY	TOPIC	PROGRESS
DHX Media Ltd	Accountable and Effective Governance: Voting on Executive Compensation	■
Dollarama Inc.	Investing in Decent Work: Providing decent work in the supply chain	■
Dollarama Inc.	Valuing Decent Work	■
Dorel Industries Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
DREAM Unlimited Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
DREAM Unlimited Corporation	Climate Risk: Measuring, disclosing and reducing climate risks	■
Element Financial Corporation	Investing in Decent Work: Improving Health & Safety at work	■
Emera Incorporated	Accountable and Effective Governance: Accounting for political spending	■
Emera Incorporated	Climate Risk: Measuring, disclosing and reducing climate risks	■
Empire Company Ltd.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Empire Company Ltd.	Investing in Decent Work: Providing decent work in the supply chain	■
Enbridge Inc.	Accountable and Effective Governance: Accounting for political spending	■
Enbridge Inc.	Business & Reconciliation	■
EnerCare Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Ensign Energy Services Inc.	Accountable and Effective Governance: Board Diversity	■
First Cap Realty	Accountable and Effective Governance: Voting on Executive Compensation	■
Fortis Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Genworth MI Canada	Accountable and Effective Governance: Voting on Executive Compensation	■
Gibson Energy Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Goldcorp Inc.	Business & Reconciliation	■
Goldcorp Inc.	Respecting International Human Rights: Respecting human rights in mining operations	■
Goldcorp Inc.	Accountable and Effective Governance: Accounting for political spending	■
Goldcorp Inc.	Protecting and Preserving Clean Water	■
Granite REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Great Canadian Gaming Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
H&R REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
H&R REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
Hudson's Bay Company	Protecting and Preserving Clean Water	■
Husky Energy Inc.	Accountable and Effective Governance: Accounting for political spending	■
Husky Energy Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Husky Energy Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
IGM Financial Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Imperial Oil Limited	Protecting and Preserving Clean Water	■
Innergex	Accountable and Effective Governance: Voting on Executive Compensation	■
Intact Financial Corp.	Investing in Decent Work: Improving Health & Safety at work	■
Intel Corporation	Accountable and Effective Governance: Accounting for political spending	■

...continued

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■ Company has not made progress on engagement outcomes

■ Company has experienced a significant negative event related to the engagement topic

COMPANY	TOPIC	PROGRESS
Intertape Polymer Group	Accountable and Effective Governance: Voting on Executive Compensation	■
Kelt Exploration	Accountable and Effective Governance: Voting on Executive Compensation	■
Kroger Co.	International FTQ Custom: Providing decent work in the supply chain	■
Linamar Corporation	Investing in Decent Work: Providing decent work in the supply chain	■
Linamar Corporation	Accountable and Effective Governance: Hedging	■
Linamar Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Loblaw Companies Limited	Investing in Decent Work: Providing decent work in the supply chain	■
Loblaw Companies Limited	Climate Risk: Measuring, disclosing and reducing climate risks	■
Loblaw Companies Limited	Valuing Decent Work	■
Lundin Mining Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Magna International Inc.	Investing in Decent Work: Providing decent work in the supply chain	■
Martinrea International Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Metro Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Metro Inc.	Valuing Decent Work	■
Microsoft Corp	Accountable and Effective Governance: Accounting for political spending	■
Mitel Networks Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Morguard Corporation	Accountable and Effective Governance: Board Diversity	■
New Gold Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Newalta Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Norbord Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Northland Power Inc.	Accountable and Effective Governance: Hedging	■
Northland Power Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
NuVista Energy Ltd.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Onex Corporation	Accountable and Effective Governance: Hedging	■
Open Text Corporation	Accountable and Effective Governance: Voting on Executive Compensation	■
Parex Resources Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Performance Sports Group Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Peyto Exploration and Development Corp.	Protecting and Preserving Clean Water	■
Peyto Exploration and Development Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
Pfizer Inc.	Accountable and Effective Governance: Accounting for political spending	■
Potash Corporation of Saskatchewan Inc.	Respecting International Human Rights: Respecting self-determination in Western Sahara	■
Power Corporation of Canada	Accountable and Effective Governance: Voting on Executive Compensation	■
Procter & Gamble Company	Accountable and Effective Governance: Accounting for political spending	■
ProMetic Life Sciences Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Pure Industrial Real Estate Trust	Accountable and Effective Governance: Voting on Executive Compensation	■
Quebecor Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■

...continued

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COMPANY	TOPIC	PROGRESS
Quebecor Inc.	Accountable and Effective Governance: Hedging	■
Raging River Exploration Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Ralph Lauren	Human rights risks in supply chain	■
Restaurant Brands International Inc.	Investing in Decent Work: Providing decent work in the supply chain	■
Restaurant Brands International Inc.	Accountable and Effective Governance: Board Diversity	■
RioCan REIT	Accountable and Effective Governance: Voting on Executive Compensation	■
RioCan REIT	Climate Risk: Measuring, disclosing and reducing climate risks	■
Rogers Communications Inc.	Gender Leadership Gap	■
Royal Bank of Canada	Climate Risk: Addressing the financing of climate risk	■
Royal Bank of Canada (RBC)	Accountable and Effective Governance: Accounting for political spending	■
Saputo Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Seven Generations Energy Ltd.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Seven Generations Energy Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
ShawCor Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Sierra Wireless Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Smart REIT (formerly Calloway)	Climate Risk: Measuring, disclosing and reducing climate risks	■
SNC-Lavalin Group Inc.	Investing in Decent Work: Improving Health & Safety at work	■
Suncor Energy Inc.	Accountable and Effective Governance: Accounting for political spending	■
Suncor Energy Inc.	Business & Reconciliation	■
Teck Resources Limited	Business & Reconciliation	■
TELUS Corporation	Gender Leadership Gap	■
Torc Oil & Gas Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Torex Gold Resources Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Toronto-Dominion Bank	Business & Reconciliation	■
Toronto-Dominion Bank	Climate Risk: Addressing the financing of climate risk	■
Tourmaline Oil Corp.	Accountable and Effective Governance: Hedging	■
Tourmaline Oil Corp.	Accountable and Effective Governance: Voting on Executive Compensation	■
TransCanada Corporation	Accountable and Effective Governance: Accounting for political spending	■
TransCanada Corporation	Business & Reconciliation	■
Transcontinental Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
Vermilion Energy Inc.	Protecting and Preserving Clean Water	■
Vermilion Energy Inc.	Climate Risk: Measuring, disclosing and reducing climate risks	■
Western Forest Products Inc.	Accountable and Effective Governance: Voting on Executive Compensation	■
WestJet Airlines Ltd.	Accountable and Effective Governance: Voting on Executive Compensation	■
Westshore Terminals Investment Corporation	Climate Risk: Measuring, disclosing and reducing climate risks	■
Whitecap Resources Inc.	Protecting and Preserving Clean Water	■

## PARTNERSHIPS

SHARE has strategic partnerships with like-minded Canadian and international organizations to help support our work including memberships in initiatives and associations that promote responsible investment practices.

SHARE acts as the secretariat for the Global Unions Committee on Workers Capital (CWC). The CWC was established in 1999 to connect labour activists from around the world to promote information sharing and joint action to leverage workers' capital to influence how companies respect human and labour rights, remain financially sustainable, and minimize adverse impacts on the environment. The CWC is a joint initiative of the International Trade Union Confederation, the Global Unions Federations and the Trade Union Advisory Committee to the OECD.



SHARE is a service provider signatory to the United Nations-supported Principles for Responsible Investment (PRI). The PRI is an international network of investors working together to put the six Principles for Responsible Investment into practice. As a signatory, SHARE is able to participate in a growing global community of institutions seeking to build a more sustainable financial system.



SHARE is a member of the Church Investors Group – a membership organization representing the charitable and pension fund of denominations, dioceses, religious orders and Christian based charities. SHARE works with the CIG to encourage responsible business practices through engagement with company management.



SHARE is an affiliate member of the ICCR – a coalition of faith and values-driven organizations who view the management of their investments as a powerful catalyst for social change. SHARE participates in a number of collaborative engagements through the ICCR.

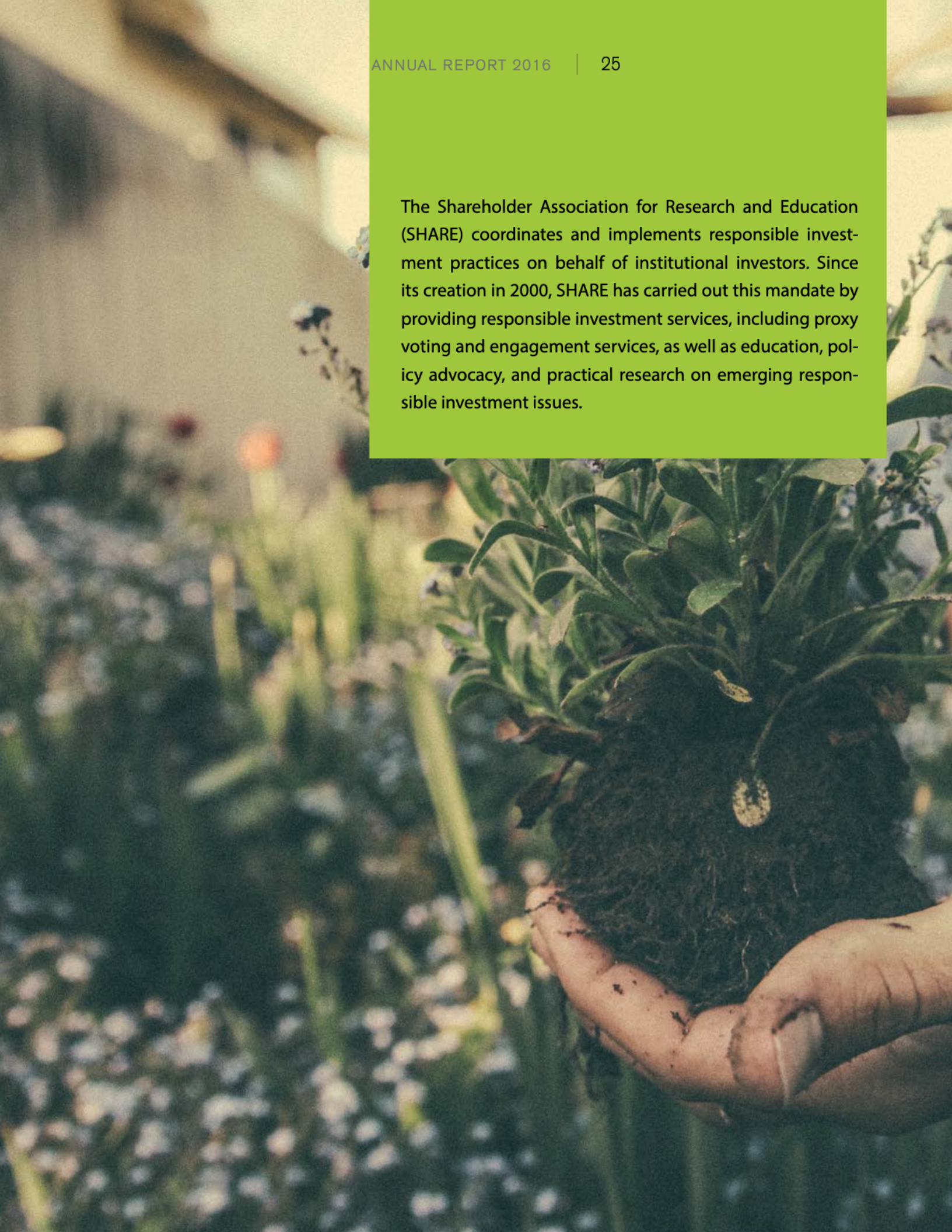


SHARE is an associate member of Canada's Responsible Investment Association (RIA). The RIA promotes the practice of responsible investing in Canada and supports the responsible investment practices of its members.





The Shareholder Association for Research and Education (SHARE) coordinates and implements responsible investment practices on behalf of institutional investors. Since its creation in 2000, SHARE has carried out this mandate by providing responsible investment services, including proxy voting and engagement services, as well as education, policy advocacy, and practical research on emerging responsible investment issues.





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