



## **Board of Directors Committee Report**

**Meeting Date: March 10<sup>th</sup>, 2016**

Item:	Investment Opportunity: NEI Environmental Leaders Fund
Author:	Chris Maidment, Finance Committee Chair
Purpose of Report:	For Approval

### **Background:**

The Chair of the Board, Chair of the Finance Committee as well as members of the Senior Leadership Team have met with our financial advisor from TD Waterhouse and our representative from NEI to discuss investing in the NEI Environmental Leaders Fund.

To provide context, NEI works with TD Waterhouse to ensure that our investments align to our environmental, social and governance (ESG) priorities. NEI also engages with corporations on ESG components and works to develop improvement plans.

Over the past several years, students have voiced concern regarding USC holdings of certain companies in controversial industries. As a result, the USC has become more aware of this issue and has taken steps to practice ethical investing.

### **NEI Environmental Leaders Fund:**

- This fund focuses on investing in opportunities addressing environmental challenges in the following areas:
  - Water—infrastructure, pollution control
  - Energy—efficiency projects, renewables
  - Waste—waste management technologies, environmental support services
  - Food & Agriculture—food safety, logistics, sustainable forestry
- The recommended fund has a similar level of risk and return compared to our current holdings

### **Recommendation:**

- The Finance Committee asks the Board to direct our financial advisor at TD Waterhouse to invest in the NEI Environmental Leaders Fund when market conditions are favorable.