

Sustainability and Engagement at Boston Partners

Engagement Improvers Report

The Sustainability and Engagement Team (the “Team”) identified the following issuers that made significant ESG improvements consistent with the Team’s suggestions from previous engagement(s):

- 1. LKQ Corporation (ticker symbol LKQ):** LKQ engages in the distribution of replacement parts, components, and systems used in the repair and maintenance of vehicles and specialty vehicle aftermarket products and accessories. In August 2020, the Team communicated with LKQ about the lack of any sustainability disclosure. Since then, LKQ has published annual sustainability reports. In 2022, the Team communicated several disclosure deficiencies to LKQ. During our annual ESG review in August 2023, the Team noted that LKQ had addressed two of our suggestions. LKQ established a global gender diversity target and improved its supplier oversight program by launching a new risk and sustainability assessment process. We are encouraged by LKQ’s responsiveness to our suggestions and will continue to engage with them on additional deficiencies.
- 2. American Axle & Manufacturing Holdings, Inc. (ticker symbol AXL):** AXL is an American manufacturer of automobile driveline and drivetrain components and systems. The Team sent an engagement email to AXL following research in October 2021 encouraging AXL to disclose complaints made on its whistleblower line. AXL now provides comprehensive disclosure in this area.
- 3. Ulta Beauty, Inc. (ticker symbol ULTA):** ULTA operates specialty retail stores selling cosmetics, fragrance, haircare and skincare products, and related accessories and services. In October 2020, the Team had an engagement call with ULTA. During the call, the Team encouraged ULTA to publish a sustainability report in accordance with GRI or SASB standards, eliminate the classified Board structure, report environmental metrics, and develop formal emissions reduction targets. ULTA has now published three annual sustainability reports in accordance with SASB standards. At the 2023 annual meeting, ULTA shareholders approved management’s proposal to declassify the Board. ULTA’s Board will be fully declassified by the 2025 annual meeting. ULTA now reports environmental data relating to its GHG emissions, energy usage, renewable electricity procurement, water consumption, and waste generation and recycling. Finally, ULTA has submitted its emissions reduction targets to the SBTi for approval.
- 4. Nomad Foods Ltd. (ticker symbol NOMD):** NOMD manufactures, markets, and distributes a range of frozen food products. In February 2019, the Team encouraged NOMD to allow shareholders the right to act by written consent. In February 2019 and June 2021, the Team sent an email to NOMD encouraging them to report in accordance with GRI standards. In our most recent research review in September 2023, we noticed NOMD now aligns its reporting with GRI standards and provides the right to act by written consent. In June 2020, the Team sent a proxy letter to NOMD

noting we voted against director nominees Lillie and Truro because they are incumbent members of the nominating committee, and the Board has an insufficient number of women. The Board now has two female directors which resolves our concerns.

Disclosure

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