October 2025

Engagement Report

Calls, meetings, and correspondence with issuers

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This report includes engagement actions undertaken by the Sustainability and Engagement Team during October 2025.

We engaged with the below issuers following research on the company.

1. **InterDigital, Inc. (ticker symbol IDCC):** IDCC is a global research and development company. We emailed IDCC following research and noted of the 7 independent directors, 3 have a Board tenure of 10, 15, and 16 years. We asked IDCC to explain how they are able to classify these Board members as independent. We noticed 10% of the STI is related to executing human capital initiatives. This was 100% achieved. We asked what were the specific metrics, how were they measured and how was the payout determined.

2. **Janus International Group, Inc. (JBI):** JBI manufacturers and supplies turn-key self-storage, commercial, and industrial building solutions. We emailed JBI following research and encouraged JBI to publish a sustainability report in accordance with GRI or SASB standards.

3. **World Kinect Corporation (WKC):** WKC operates as an energy management company. We emailed WKC following research in September and asked when we should expect to see an updated sustainability report and how 6 directors with excessive Board tenure are able to classify as independent. WKC responded to our email in October. As disclosed in its proxy statement, WKC noted it has determined that the majority of its directors are independent when evaluated under applicable NYSE and other requirements. WKC benefits from the continued expertise of its longer-tenured directors as they advise and oversee management in the operation of WKC's complex business. Additionally, WKC noted it has a robust director refreshment process. WKC has added six new directors since 2015, of which four remain with the company, and two of those directors were added in 2025. Lastly, WKC noted its next update to the sustainability report is currently in development.

4. **Redwood Trust, Inc. (RWT):** RWT is a specialty finance company focused on several distinct areas of housing credit. We emailed RWT following research and asked when an updated sustainability report is expected to be published.

5. **BJ's Wholesale Club Holdings, Inc. (BJ):** BJ engages in the operation of membership warehouse clubs. We emailed BJ following research and asked why they removed all sustainability information from the website. BJ explained that the decision was made in light of the withdrawal of the SEC climate rules. BJ no longer has dedicated resources to track and report on ESG-related initiatives.

6. **Mesa Laboratories, Inc. (MLAB):** MLAB develops, designs, manufactures, sells, and services life sciences tools and quality control products and services. We set up a call with the lead independent director of the Board. We asked what steps MLAB has taken to improve employee rapport. MLAB noted they conduct an annual employee engagement survey and develop action items from that survey. The findings concluded that one of the facilities in Bozeman, Montana had a lot of issues. The management team has done

a number of things to change culture. There is a weak leadership team there and they went in and hired a more experienced plant manager to improve the culture and employee engagement. MLAB noted it is in a much better place than it was a year ago. We noted we would like the Glassdoor and Indeed ratings to improve. We also discussed portfolio management and deleveraging. MLAB hired an IR firm to host earnings calls starting at the end of December.

7. **Charles Schwab Corporation (SCHW):** SCHW is a financial services company. We emailed SCHW following research and asked why they removed the sustainability reports from their website. We also asked about the next steps to implement the successful shareholder proposal to declassify the Board.

8. **Bajaj Auto Limited (532977-IN):** 532977-IN engages in the manufacture and market of motorcycles and three-wheeler vehicles. We emailed 532977-IN following research and encouraged 532977-IN to adopt an independent Chair, to disclose data to back up the use of its professional development programs by employees, and to disclose climate change risks and opportunities in accordance with TCFD or CDP.

9. **MasterBrand, Inc. (MBC):** MBC makes cabinets. We encouraged MBC to disclose whistleblower claims/code of ethics violations, climate change risks and opportunities, additional professional development opportunities, environmental goals and commitment to certified forest products.

10. **Crawford & Company (CRD/A):** CRD/A is a provider of claims management and outsourcing solutions. We emailed CRD/A following research and asked when CRD/A plans to produce an updated sustainability report.

11. **Cytek Biosciences, Inc. (CTKB):** CTKB is a cell analysis solutions company. We emailed CTKB following research and encouraged CTKB to eliminate the classified Board structure, adopt an independent Chair, and publish a sustainability report in accordance with GRI or SASB standards. CTKB responded to our email and explained that they have considered these topics, and concluded that it is in the best interest of their shareholders to retain the current governance structure and ESG statement on the website without further detail.

12. **Acadia Healthcare Company, Inc. (ACHC):** ACHC provides behavioral healthcare services. We emailed ACHC following research and asked when we should expect an updated sustainability report. We also encouraged ACHC to include environmental metrics in future reports. Finally, we asked if ACHC is aware of the negative employee reviews on Glassdoor and Indeed, and if they are taking any steps to improve employee satisfaction.

13. **Legacy Education, Inc. (LGCY):** LGCY is a for-profit education company. We emailed LGCY following research and asked if LGCY plans to produce a sustainability report.

14. **Empire State Realty Trust, Inc. (ESRT):** ESRT is a NYC-focused REIT. We emailed ESRT following research and encouraged ESRT to adopt an independent Chair and eliminate the dual class share structure with unequal voting rights. ESRT responded to our email and explained that their dual class share structure was designed to provide OP unit holders with voting rights equal to their economic ownership.

15. **Rocket Companies, Inc. (RKT):** RKT engages in the provision of a suite of services related to homeownership and other personal financial transactions. We emailed RKT following research and asked when RKT plans to produce an updated sustainability report. RKT responded and noted they are reassessing the structure of the ESG team and resources and have made the decision not to publish a report covering 2024. We noted we reviewed the 2023 report published in June 2024 back in October 2024 and are disappointed to hear RKT decided not to publish a report covering 2024. We encouraged RKT to consider publishing an updated ESG report.

16. **The Gap, Inc. (GAP):** GAP operates as an apparel retail company. We emailed GAP following research in June and asked if GAP discloses diversity of the workforce and management. GAP responded in October and attached its 2024 EEO-1 data disclosure.

17. **Green Brick Partners, Inc. (GRBK):** GRBK is a diversified homebuilding and land development company. We emailed GRBK following research and encouraged GRBK to adopt an independent Chair and to publish a complete sustainability report in accordance with GRI or SASB standards.

18. **Perdoceo Education Corporation (PRDO):** PRDO provides accredited academic institutions. We emailed PRDO following research in September and asked if PRDO has given any thought to producing a sustainability report following our call last year. We noticed four

independent directors have a Board tenure at 16, 19 (two directors), and 22 years. We asked if PRDO can explain how PRDO is able to classify these Board members as independent. We noticed 20% of the STI is based on individual goals and was paid out at maximum. We asked how this payout was specifically determined. PRDO responded in October and provided a link to its sustainability disclosures on its website. In terms of Board tenure/independence, PRDO's assessment is based on the absence of material relationships with management and the director's ability to exercise objective judgment. Each director is reviewed annually under Nasdaq standards and its governance guidelines, and the long-tenured directors have consistently demonstrated independence and constructive challenge of management. Also, PRDO recently added Hannah Skandera in February 2025, who brings significant experience in education and nonprofit leadership. Lastly, the 20% individual performance component of the STI is applied after the financial performance payout percentage. For fiscal 2024, Adjusted Operating Income exceeded target by $28.6 million, resulting in a 200% financial performance payout. The Compensation Committee determined that NEOs also achieved their predetermined individual objectives, which were tied to student retention, engagement, and other strategic initiatives, and therefore approved maximum payouts on this component.

19. **The Hackett Group, Inc. (HCKT):** HCKT is a Gen AI strategic consulting and executive advisory firm. We emailed HCKT following research and asked if HCKT plans on producing a sustainability report, and how HCKT is able to classify 4 of 5 Board members as independent based on their tenure. We also encouraged HCKT to remove the classified Board structure and to eliminate the supermajority voting provisions and adopt a majority vote standard.

20. **EPAM Systems, Inc. (EPAM):** EPAM provides digital platform engineering and software development services worldwide. We emailed EPAM following research and encouraged EPAM to adopt an independent Chair, to disclose climate change risks and opportunities in accordance with TCFD or CDP, to disclose diversity of the workforce and management including the percentage of women and racial/ethnic minorities and asked what the near term carbon reduction targets include.

21. **Stride, Inc. (LRN):** LRN provides proprietary and third-party online curriculum, software systems, and educational services. We emailed LRN following research with two questions. Why was the 2024 sustainability report not published? Why did LRN decide to recombine the roles of CEO and Chair.

22. **Pine Cliff Energy Ltd. (PNE-CA):** PNE-CA is engaged in the exploration, development and production of natural gas, crude oil and natural gas liquids. We emailed PNE-CA following research and asked what the percentage is of assets located on or near the traditional lands of Indigenous Peoples and encouraged PNE-CA to disclose climate change risks and opportunities in accordance with TCFD or CDP.

23. **Korn Ferry (KFY):** KFY is a global consulting firm. We emailed KFY following research and asked if KFY plans to provide updated diversity disclosure for its workforce and management including the percentage of women and racial/ethnic minorities.

24. **Norfolk Southern Corporation (NSC):** NSC engages in rail transportation. We emailed NSC following research in March and asked what the estimated capital expenditure needed to meet its environmental goals is and what the cost is of partnering with the external safety consultant, AtkinsRéalis US Nuclear. We encouraged NSC to disclose complaints made on its whistleblower line, to report on supplier oversight, and to disclose a description of its professional development programs offered to employees and training data to support the usage of these programs by employees. NSC responded in October and noted as it pertains to capital expenditures to achieve goals, primary expenditures are normal locomotive investments which contribute to fuel efficiency improvements. NSC completed its 1,000th DC to AC conversion, which costs half of what it would cost to purchase a new locomotive, with all the new technology and 20+ years of useful life. NSC has not disclosed specific numbers related to capital spend for locomotives, but it continues to be a fairly steady number annually. From 2019 to 2024 have improved fuel efficiency by 12%. Each 1% improvement saves almost $10M annually in fuel expenses. NSC has an FRA-approved grant to develop a hybrid locomotive with Alstom that is projected to cost in line with what NSC would have spent on upgrading the equivalent number of yard and local locomotives. NSC has not publicly disclosed the overall cost of its engagement with Atkins. NSC now uses an outside vendor for its whistleblower line that is better positioned for external reporting. NSC is working on an auditing framework that will be established over the next 18-24 months for critical suppliers (200 suppliers who account for the majority of spend). NSC invests in professional development for all employees but does not publicly share training data. We provided examples of professional development usage data and whistleblower line disclosure. NSC noted they will review and consider as part of future disclosures.

25. **Align Technology, Inc. (ALGN):** ALGN makes dental alignment tools. We suggested that ALGN should provide a more fulsome sustainability report that included disclosure about whistleblower and code of ethics violation statistics, the number of female employees and female leaders, environmental goals and information about Scope 3 emissions, energy usage, and water and waste consumption metrics and the number of supplier audits and the results of those audits.

26. **Andrada Mining Ltd. (ATM-GB):** ATM-GB engages in the E&P of mineral projects. We emailed ATM-GB following research in September and asked how ATM-GB prevents artisanal small-scale mining (ASM) and how many instances occurred. We noted purchased electricity and mobile diesel are the largest emission sources. We asked if ATM-GB plans to adopt environmental goals. We noticed 30% of the STI is ESG. We asked what the specific quantifiable measurable goals are and what was the actual payout. We asked if any assets are located on or near indigenous land and how ATM-GB communicates with Tribal leaders to ensure there is no business activity on sacred land. Also, of the grievances received, how many involved indigenous communities and how many were resolved. We asked if any Indigenous groups received any compensation payments as a result. We noted ATM-GB recorded 20 environmental incidents (17 were level 1 and 3 were level 2). We asked what the related costs were to resolve the incidents. We asked if any energy is from renewables. We encouraged ATM-GB to disclose the total tailings and mineral waste produced as well as the amount recycled. Lastly, we noted 85% of suppliers are in Namibia. We encouraged ATM-GB to disclose supplier audits. ATM-GB responded in October and noted ASM ranked as a low-risk issue and no instances of ASM were recorded. ATM-GB provided the detailed indicators and their weightings for the ESG metric in the STI. To date, no grievances related to indigenous land or communities have been reported, and no compensation payments have been made. All 20 incidents were either oil or fuel spills, and none resulted in significant harm, and the remediation costs were immaterial. The use of renewables is nominal and will require significant capital investment. ATM-GB monitors metrics such as total tailings produced, mineral waste generated, and the proportion recycled which will be disclosed. No supplier audits were conducted in fiscal year 2025, but audits are scheduled for fiscal years 2026 and 2027.

27. **ADT, Inc. (ADT):** ADT provides security, interactive, and smart home solutions. We emailed ADT following research and encouraged ADT to disclose supplier audit data, to disclose workforce diversity data, and asked if ADT aims to set environmental goals.

28. **Halozyme Therapeutics, Inc. (HALO):** HALO is a biopharmaceutical company, researches, develops, and commercializes of proprietary enzymes and devices. We emailed HALO following research and encouraged HALO to disclose supplier audit data and to disclose whistleblower line statistics.

29. **Range Resources Corporation (RRC):** RRC operates as an independent natural gas, natural gas liquids (NGLs), and oil company. We emailed RRC following research and encouraged RRC to disclose whistleblower line statistics and asked RRC about its environmental goals.

30. **UFP Industries, Inc. (UFPI):** UFPI together with its subsidiaries, designs, manufactures, and supplies wood and non-wood composites, and other materials. We emailed UFPI following research and encouraged UFPI to remove the classified Board structure, to adopt an independent Chair and to disclose workforce diversity data.

31. **Adeia Inc. (ADEA):** ADEA, together with its subsidiaries, operates as a media and semiconductor intellectual property licensing company. We emailed ADEA following research and encouraged ADEA to disclose training data, to disclose supplier audit data, to disclose operational environmental data and encouraged ADEA to disclose climate change risks and opportunities in accordance with TCFD or CDP.

32. **Installed Building Products, Inc. (IBP):** IBP, together with its subsidiaries, engages in the installation of insulation for residential and commercial builders. We emailed IBP following research and encouraged IBP to disclose supplier audit data and to disclose whistleblower line statistics.

33. **Columbia Banking System, Inc. (COLB):** COLB operates as the Bank holding company of Columbia Bank that provides banking, private banking, mortgage, and other financial services. We emailed COLB following research and asked if COLB plans to set environmental targets, and encouraged COLB to disclose whistleblower line statistics.

34. **Build-A-Bear Workshop, Inc. (BBW):** BBW operates as a multi-channel retailer of plush animals and related products. We emailed BBW following research and encouraged BBW to disclose supplier audit data and to disclose whistleblower line statistics.

35. **Aveanna Healthcare Holdings, Inc. (AVAH):** AVAH is a home care platform. We emailed AVAH following research and encouraged AVAH to adopt an independent Chair, to declassify the Board and to publish a sustainability report in accordance with GRI and SASB standards.

We engaged with the below issuers following shareholder outreach by the company.

1. **Lam Research Corporation (LRCX):** LRCX engages in the design, manufacture, marketing, refurbishment, and provision of semiconductor processing equipment used in the fabrication of integrated circuits. LRCX reached out to discuss the upcoming annual meeting, corporate governance, and sustainability matters. LRCX does not expect ISS to have any issues with their compensation programs. LRCX works with a compensation consultant to ensure they avoid any issues. We encouraged LRCX to apply appropriate rigor to ESG metrics incorporated in executive compensation. The sustainability portion of the executive corporate scorecard relates to LRCX's inclusion in the Dow Jones Sustainability Index. We discussed the stock incentive plan. LRCX has a low burn rate. The plan term is 10 years. LRCX noted that growing employee headcount and the stock price will affect the duration of the plan. LRCX grants stock in terms of value, not in terms of shares. We noted our preference to support the right to call special meetings down to a 10% ownership threshold. LRCX received a shareholder proposal to implement the right to call special meetings at 10%. In response to the proposal, LRCX implemented the right to call special meetings at 20%. LRCX also highlighted that shareholders already have the right to act by written consent.

2. **The Allstate Corporation (ALL):** ALL provides property and casualty, and other insurance products. ALL reached out for a shareholder engagement call. We noted five directors have served over ten years, four of whom are currently classified as independent. ALL acknowledged this and emphasized recent Board refreshment efforts, having added several new directors in the past two years. The Board believes its current size of thirteen is appropriate. Several long-tenured directors will be stepping off the Board in the future. ALL is actively seeking to fill these positions with individuals who bring experience in AI and technology transformation. ALL also noted it continues to review CEO succession planning. While not immediately pertinent, ALL is committed to being prepared should a sudden leadership change occur. ALL is focused on AI governance as a strategic priority. ALL noted a gap exists in managing AI use by third-party suppliers, though ALL draws on its cybersecurity experience to address this. AI governance is primarily addressed at the Board level with responsibilities dispersed through its committees. Lastly, we reiterated our preference for an independent Chair and the importance of whistleblower line disclosures. ALL acknowledged these points.

3. **AbbVie Inc. (ABBV):** ABBV is a research-based biopharmaceutical company, engages in the research and development, manufacture, commercialization, and sale of medicines and therapies. ABBV reached out for a shareholder engagement call. We noted that seven of ABBV's directors have served for twelve years, six of whom are currently classified as independent. We asked how the Board evaluates director independence. ABBV noted it is committed to Board refreshment and to incorporating diverse perspectives. ABBV believes it has a balanced distribution of new, mid-tenure, and long-tenure directors. From 2018 through 2025, the Board approved a management proposal to replace any supermajority vote standards in its Certificate of Incorporation and By-Laws with a simple majority of outstanding shares. However, the proposal itself requires approval from 80% of outstanding shares to pass. Following research in February 2025, we emailed ABBV to ask about the lowest possible estimated cost of launching a campaign to encourage retail investors to support the proposal. ABBV responded that the most recent estimate it received was over $10 million. This cost is attributed to the need for multiple rounds of outreach to the retail investor base, as well as outreach to certain international institutions. During our call, ABBV emphasized its continued commitment to eliminating supermajority voting but noted that most of its investor base currently does not support allocating resources to such a campaign. We reiterated that we would support ABBV investing the estimated $10 million to reach the 80% threshold. ABBV noted it tried to make the proposal more appealing this year by including declassification of the Board if the proposal passed. This led to a slight uptick in support, though still not enough to pass. ABBV also noted that even with a campaign, there is no guarantee the threshold would be met.

4. **The Mosaic Company (MOS):** MOS produces and markets concentrated phosphate and potash crop nutrients. It operates in three segments: Phosphates, Potash, and Mosaic Fertilizantes. MOS reached out as a part of their shareholder outreach program. MOS incorporates ESG metrics in the short-term incentive plan (15% weighting) for executives. The ESG metrics primarily related to

diversity and safety in 2025. We asked how MOS selects ESG metrics and determines their weighting, and emphasized our preference for rigorous, material ESG metrics in compensation. We asked if MOS plans to set new environmental targets in the future. MOS has adopted a new target-setting process based on double materiality and is streamlining its goals toward the 2030 end date. MOS noted it is making strong progress in water stewardship and has a clear roadmap for its goals. MOS also noted its 2040 net-zero target and the 2030 net-zero target for its Florida operations. MOS noted it's well positioned for CSRD reporting requirements. Lastly, we reiterated our previous engagement points and encouraged MOS to report on the results of supplier ESG assessments. MOS achieved its 2025 goal of engaging with 80% of suppliers by spend on ESG issues. MOS is setting new targets and plans to get more specific on their expectations for suppliers. MOS will report on the results of supplier assessments in the future.

5. **NXP Semiconductors N.V. (NXPI):** NXPI is a holding company which engages in the provision of semiconductor solutions. NXPI reached out for an offseason engagement call. We noted 20% of the STI is related to sustainability which was achieved at target. We noted the 20% is related to 6 goals. We noted we believe NXPI can take the 6 goals down to 3. NXPI noted they came to the same conclusion. We suggested NXPI focus on Scope 3 as it represents over 93% of total emissions. NXPI noted the challenge with Scope 3 is it is hard to measure and audit without requiring enormous personnel time. NXPI is considering removing the Scope 3, water, and women in the workplace metrics. Also, NXPI is considering taking the 20% weight down. NXPI noted they will likely keep engagement as a metric with the new CEO transition. NXPI noted the metrics they include must be measurable. We asked about a Scope 3 goal. NXPI noted they plan to put out a climate transition plan next year which will have the pathway to reduce Scope 3 emissions.

6. **Arrow Electronics, Inc. (ARW):** ARW engages in the provision of products, services, and solutions to industrial and commercial users of electronic components and enterprise computing solutions. ARW reached out for an offseason engagement call. ARW described the CEO succession event. In response to the shareholder proposal to adopt a simple majority standard that received majority support at the 2025 Annual Meeting, ARW expects to submit a proposal at the 2026 Annual Meeting to eliminate its remaining supermajority voting standards. We noted we would support the proposal. ARW had the highest support for say on pay ever at 98%. ARW is looking to move the PSUs in the LTI from 60% based on relative EPS to 60% TSR based on a larger basket of peers in the S&P 400. We confirmed this seems reasonable.

7. **Molina Healthcare, Inc. (MOH):** MOH engages in the provision of health care services. MOH set up a call to discuss executive compensation and shareholder rights. MOH received just over 40% support on say-on-pay at the 2025 annual meeting. MOH explained that they are not planning on granting another one-time award. We noted that we supported say-on-pay following our discussion with MOH prior to the annual meeting. The fundamental analysts that cover MOH felt strongly that the retention award was warranted. Other than the one-time award, MOH has an excellent compensation program that is significantly performance-based. We also discussed the right to call special meetings. At the 2025 annual meeting, we supported the non-binding shareholder proposal to provide the right to call special meetings at a 10% ownership threshold. This proposal received approximately two-thirds support from shareholders. MOH noted they will implement the right to call a special meeting, but they are discussing with shareholders to determine the proper ownership threshold. We noted we support the 10% threshold. MOH mentioned the threshold will likely be closer to 20%, in line with their peers.

8. **James River Group Holdings, Ltd. (JRVR):** JRVR provides specialty insurance services. JRVR set up a call prior to the annual meeting to discuss say-on-pay and the non-executive director stock plan. JRVR explained that the Board undertook a strategic review at the end of 2023. This led to the decision to sell the casualty reinsurance business. Additionally, JRVR undertook two significant reinsurance transactions to address adverse developments, and remove overhang, in the historic portfolio. The leadership team handled all of these issues in 2024, at the request of the Board. These decisions were meant to position JRVR for future success. Throughout the year, the compensation committee calculated the cost of these activities, so they could adjust them from 2024 operating performance metrics. The compensation committee used discretion to adjust these financial performance results and therefore increase the payout of the short-term incentive for executives. Despite the Board's upward discretionary adjustments, all of the bonuses were earned out below target. JRVR noted that it is common among their peers to not disclose forward-looking LTIP goals, but they do report the goals retrospectively. JRVR awarded retention grants to select executives (not including the CEO). The dollar amounts established were equivalent to target STI payout. These retention grants helped achieve executive stabilization and continuity throughout the strategic review. JRVR underwent a rigorous benchmarking

review of director compensation in 2025. The non-executive director stock plan will provide additional shares to directors to balance out the weighting of cash and equity compensation. JRVR aims for 50% cash and 50% equity. The plan cost and diluting effects are well within range of JRVR's peer group benchmarks.

9. **Acuity, Inc. (AYI):** AYI provides lighting, lighting controls, building management system, and location-aware applications. AYI reached out as a part of their shareholder outreach program. We asked if AYI will need to increase its renewable energy usage to meet its Scope 1 and 2 GHG emissions reduction goal by fiscal year 2029 and what the cost is of procuring renewables over traditional fossil fuels. AYI noted it is unclear how much impact renewable energy has to meet the goal and AYI is considering its options and balances that with cost. We asked if AYI's safety rates improved in fiscal year 2024 and if AYI still discloses TRIR. AYI noted we should expect similar disclosures in 2025 to what was given in 2024. AYI noted TRIR declined slightly in 2024 and is lower than the industry average. We noticed 20% of NEOs STI is based upon the achievement of ESG goals and asked what the ESG goals are and what the payout was for the prior year. We noted it was paid between 100 and 125% for each NEO. AYI noted the way it is measured is broad and varied. AYI does not have a percentage tied to each ESG goal as AYI is taking a holistic approach. The ESG metrics incorporated in compensation are any goals included in the earthlight report. It is measured based on progress against these goals. AYI noted it is performance based. We noted our preference for a few material ESG goals that are rigorous and measurable.

10. **Sysco Corporation (SYY):** SYY engages in the marketing and distribution of various food and related products to the foodservice or food-away-from-home industry. SYY reached out for a shareholder engagement call ahead of the 2025 AGM. We reiterated our preference for an independent Board Chair, as we believe it provides the strongest form of independent oversight and noted the shareholder proposal which requires an independent Board Chair. SYY noted it believes SYY should retain flexibility and avoid a stringent requirement for either an independent or combined Chair/CEO role. SYY explained that the decision to combine the Chair and CEO roles was made in light of Kevin Hurricane's five-year tenure and his strong leadership skillset. SYY highlighted the strength of its lead independent director, who brings significant public company and CEO experience. SYY has started the process to identify a new lead independent director. Next, we discussed changes to the annual incentive plan structure from fiscal year 2024 to fiscal year 2025. Specifically, the responsible growth strategic business objectives (SBO) were removed, and the Recipe for Growth SBOs now carry a 30% weight. SYY noted its compensation structure is continuously evaluated and evolving. The employee engagement metric is based on the annual global employee engagement survey. All categories have rigorous and quantitative metrics, though these are not publicly disclosed for competitive reasons. The responsible business SBOs were removed because SYY believes sustainability is now embedded into the business strategy and no longer needs to be separately highlighted. We emphasized our preference for rigorous, material ESG metrics in compensation. Lastly, we encouraged SYY to disclose data supporting the use of professional development programs, to disclose safety and to disclose supplier audit data. SYY noted our suggestions.

11. **Equifax, Inc. (EFX):** EFX engages in the provision of information solutions and HR business process outsourcing services. EFX reached out for a shareholder engagement call. EFX plans to increase the CEO annual equity grant by $7 million compared to last year. In 2024, the Board decided it was ideal to have the CEO stay past 2025. EFX undertook a market review and realized the CEO's core compensation hasn't been adjusted since 2021 and was well below the peer median. EFX decided not to increase any cash compensation but increase the LTI performance-based compensation. The CEO would have the same mix of equity in the LTI with 60% PSUs. EFX adjusted the retirement definition under the equity awards till the end of 2027 and if he did leave there would be no cash severance payment which is an incentive for him to stay. We recommended EFX disclose whistleblower line statistics. EFX noted they have mainly HR issues with nothing of material concern. We asked about the cost to meet their environmental targets. EFX is focused on closing legacy data centers as part of the overall tech transformation and shift to more efficient cloud service providers like Google. It has not been difficult or expensive separate from the overall tech transformation that they were committed to already. EFX is working to find opportunities to buy RECs where it is cost effective. These initiatives haven't added to expenditure in a significant way. We asked about supplier oversight. EFX suppliers are mainly services and software. EFX has a supplier management program and a supplier code of conduct. EFX is low risk for forced labor. We asked if EFX has considered whether it will have to terminate or refuse certain supplier partnerships to meet its SBTi approved supplier target. EFX is engaging with suppliers and providing education. EFX does have a preferred supplier program to provide incentives to suppliers who are committed to SBTs. EFX is conducting targeted engagements and is not going to take a severe approach.

12. **Dover Corporation (DOV):** DOV operates as a manufacturer and solutions provider delivering innovative equipment and components, consumable supplies, aftermarket parts, software and digital solutions, and support services. DOV set up a call to discuss Board composition, executive compensation, and sustainability. The shareholder proposal to require an independent Chair was not approved at the 2025 annual meeting. DOV has a strong lead independent director, and the Board prefers the flexibility to choose the structure. DOV noted that the combined CEO/Chair role helps speed up decision making. DOV also noted that longer tenured directors bring exceptional value due to the complexity of the company. DOV incorporates ESG metrics in the compensation plans for operating company presidents. The targets specifically cover emissions reduction efforts. For Scope 1 and 2 emissions, the presidents are tasked with identifying the sites and equipment that use the most energy and setting plans to replace this equipment with lower emissions alternatives at the end of the useful life. Additionally, the presidents are responsible for identifying a Scope 1 and 2 emissions reduction project with a demonstrable payback. Finally, the operating company presidents are encouraged to demonstrate how sustainability considerations are included in R&D for new products and to propose a specific project that will have a Scope 3 emissions reduction. All of DOV's emissions reduction projects must have a positive ROI. Most importantly, any new products must make economic sense for the customer. DOV noted that the regulatory environment is not dampening demand for their products. Some environmental regulations have been rolled back, but DOV has already created a product that improves their customers' emissions and makes sense economically.

13. **Upwork, Inc. (UPWK):** UPWK is an online marketplace which engages in the provision of businesses to find, hire, and pay freelancers for projects. UPWK reached out for a shareholder engagement call. We asked for details on the individual performance modifier (+/- 20%) in the short-term incentive applicable to NEOs but not the CEO. The NEOs are evaluated by their manager and rewarded for outperformance or receive a reduced payout for underperformance. It started in 2023 and in 2024 none of the NEOs received a full 20%+ modification. Each manager has a pool of bonus allocated so they can't game the system and get extra payment from this metric. UPWK also mentioned the CEO and CFO received an increase in quantum in the LTI for 2025. The CEO received an 85% increase in form of 60% PSUs and 40% RSUs and the CFO received a 31% increase in the LTI for 2025 in the form of 50% PSUs and 50% RSUs. We noted we voted against all directors in 2024 and 2025 due to the classified Board and supermajority vote requirement to enact certain changes to the governing documents. UPWK added proxy access and noted the classified Board is beneficial at this time as it provides stability. Board refreshment is good with 5 new directors since they IPO'd in 2018. UPWK noted it is not an entrenched Board. We encouraged UPWK to put up a proposal to adopt a simple majority vote and to eliminate the classified Board. UPWK appreciated the feedback and will bring it to the Board. We noted UPWK has a goal to match 100% of office and remote work electricity consumption with carbon free electricity. We asked the cost to meet this goal. UPWK noted its electric utilities pay is not material.

14. **Tutor Perini Corporation (TPC):** TPC is a construction company. TPC set up a call to discuss the upcoming changes to the executive compensation program. In January 2025, Gary Smalley was appointed as the new CEO. The former CEO, Ronald Tutor, remains on the Board as the executive Chair. The compensation committee was previously handcuffed by the former CEO's employment agreement. Going forward, the committee will have the flexibility to make significant changes to the pay program. The new CEO's compensation is in line with the peer group, and below the peer median. In 2025, TSR has increased significantly. TPC has cut debt in half since last year. TPC has the largest backlog ever and record earnings. The former CEO helped secure the backlog and will assist with executing those projects as well. The Board has worked on this leadership transition for several years. The former CEO plans to stay on as executive Chair through 2026 and then step down as an executive. The Board has not determined the governance structure for 2026 and beyond. The compensation committee does not intend to enter any agreements that provide guaranteed bonuses or accelerated equity vesting upon voluntary departures. The compensation committee is working with a compensation consultant. The consultant provides a peer group compensation analysis. TPC intends to stay in line with the peer group going forward.

15. **ConocoPhillips (COP):** COP engages in the exploration, production, transport, and marketing of crude oil, bitumen, and natural gas. COP reached out to discuss updates on sustainability, executive compensation, and governance. The management proposal to eliminate the supermajority vote requirement was unsuccessful at the 2025 annual meeting. The proposal needed 80% support from all outstanding shares and received 76.4% support. Retail investors account for about 20% of shares outstanding but they rarely exercise their voting rights. Next, we discussed sustainability topics incorporated in the annual incentive plan. COP acknowledged that the sustainability-related metrics are significant risks for their business. All employees participate in the program to ensure alignment across the business. The health and safety component includes a quantitative HSE effectiveness score. For the 2025 annual incentive plan, COP combined the energy transition milestones category into the strategy milestones category. COP uses a marginal abatement

cost curve to assess sustainability-related projects. COP noted that the program has matured since it was introduced in 2019. COP has good line of sight to their 2030 emissions reduction targets, and they know the projects that they need to put in place to achieve their goals. We reiterated our preference for an independent Chair. COP noted that they have received a shareholder proposal to require an independent Chair that will be on the ballot in 2026. COP continues to believe that the Board is in the best position to make decisions on governance structure. We asked how COP evaluates the risks related to community relations and indigenous rights. COP has an internal sustainable development risk management standard. The most material risk associated with community relations is the potential opposition of projects. COP has been operating in their communities for many decades and has good relationships with the communities through frequent engagement.

16. **LKQ Corporation (LKQ):** LKQ is a distributor of vehicle products and its parts to repair, maintain, and accessorize automobiles. LKQ set up a call to discuss business strategy, governance, and sustainability. LKQ is focused on simplifying the portfolio, expanding the lean operating model, investing and growing organically, and continuing their disciplined capital allocation strategy. Capital allocation is split 60% capital return to shareholders and 40% investments for growth. LKQ intends to publish the framework to achieve their 2030 emissions reduction target in the next sustainability report. LKQ is investing in expanding their salvage business in Europe. There is a high degree of sensitivity to sustainability from the Board. LKQ views sustainability as an important factor for long-term success. Starting in 2022, LKQ included a sustainability modifier in the long-term incentive plan. This modifier encouraged the leadership team to focus on sustainability and make it part of their regular dialogue. As of 2025, LKQ has removed the sustainability component from the long-term incentive plan since it is now integrated into day-to-day operations. LKQ recently appointed a new independent Board Chair. The longest tenured director is stepping down in January 2026, which will drop the average director tenure below four years. At the 2025 annual meeting, the non-binding shareholder proposal to provide the right to call special meetings at 10% was approved. LKQ intends to put a management proposal on the ballot at the 2026 annual meeting. LKQ is engaging with shareholders to determine the appropriate ownership threshold. We noted that we support the 10% threshold.

17. **Chubb Limited (CB):** CB reached out for a shareholder engagement call. CB provided an update on its three climate pillars. CB noted its quantitative metrics will receive limited assurance from PwC in its upcoming 2025 sustainability report. We noted CB surpassed its goal of reducing Scope 1 and 2 emissions by 40% by 2021, ahead of the 2025 target. We asked if CB is developing new Scope 1 and 2 emissions goals. CB noted it does not anticipate setting new goals. CB determined operational policy would lead to better results and improvements realized. We asked if CB plans to publish updated data related to energy, water, and waste metrics. CB has determined these are not material and does not have plans to disclose. We also asked if CB intends to continue incorporating ESG in its executive compensation. CB noted ESG makes up a portion of the scorecard of the CEO's discretionary bonus. 25% of total decision is based on qualitative metrics. CB noted it does not currently have plans to make any structural changes to this plan and believes it's found a good balance between financial and non-financial metrics. Lastly, we encouraged CB to disclose whistleblower line statistics and to disclose training statistics. CB noted our suggestions.

18. **American Express Company (AXP):** AXP operates as integrated payments company. AXP reached out for a shareholder engagement call. We asked if AXP anticipates making changes to its executive compensation plan, in terms of the 'Colleague' position (10% weighting). AXP believes its scorecard is thoughtfully balanced. AXP's aims to have a majority of the metrics be financial and quantifiable to drive long-term success. AXP does not anticipate changes. AXP notes the 10% weighting of the colleague metric ensures there is a strong workforce that can deliver results and that talent retention and culture is key to AXP's success. We asked if AXP plans to publish an updated sustainability report consistent with previous years. AXP noted although a bit later on in the year than previously, AXP will continue to report in alignment with SASB, GRI and TCFD. We encouraged AXP to disclose whistleblower claims/code of ethics violations and their resolution annually. For example, 20 claims, 10 substantiated with 4 terminations and 6 disciplinary letters relating to theft, harassment etc. Lastly, we asked about Board tenure and how AXP evaluates independence alongside tenure. AXP noted this is reviewed annually, alongside the skills needed at the Board level and any gaps which need to be filled.

19. **Honeywell International, Inc. (HON):** HON engages in the aerospace technologies, building automation, energy and sustainable solutions, and industrial automation businesses. HON reached out for a shareholder engagement call. HON noted it remains on track for its planned spin-off, with Aerospace expected to separate in the second half of 2026. We asked how HON plans to carry forwards its environmental targets and sustainability reporting as the business transformation reaches completion next year. HON noted its sustainability commitments will evolve accordingly. The overarching 2035 goals remain published, but each new company will tailor

its approach. HON Automation will retain its Scope 1 and 2 emissions targets through 2035 and aims to mitigate 50% of U.S. GHG emissions by 2030. There's potential for more ambitious mid-term targets, though these are still under consideration. HON's Solstice Advanced Materials business will not set formal sustainability targets at this stage. Instead, the Solstice business is focused on benchmarking against peers, recognizing that capital investment needs and strategic direction should be determined by its future Board and management. HON Aerospace also has yet to finalize its sustainability strategy. Despite the transformation, HON has not scaled back ESG disclosures. In fact, it has expanded reporting to include new diversity metrics such as EEO-1 data. HON is also aligning with CSRD requirements and conducting supplier heatmapping. HON's annual incentive compensation program continues to include ESG metrics, currently weighted at 5%. The ESG KPI has shifted to the "voice of the employee" survey. We encouraged HON to ensures rigorous metrics are included and suggested shifting toward the most material priorities.

20. **Academy Sports and Outdoors, Inc. (ASO):** ASO operates as a sporting goods and outdoor recreational retailer. ASO reached out to discuss strategic initiatives, executive compensation, and governance. ASO IPO'd five years ago. ASO has grown to over 300 stores in 21 states. ASO launched a loyalty program last year. ASO has three distribution centers. The Chair is the former CEO. He no longer receives a salary and should be classified as independent in a couple years. ASO has a lead independent director. Four of the nine directors have been with ASO since before the IPO. In 2025, the say-on-pay proposal received 99% support. ASO launched their stockholder outreach program last year. In 2025, ASO eliminated the classified Board structure and eliminated the supermajority vote requirement. ASO will continue to publish a responsible leadership tear sheet on an annual basis. This disclosure follows GRI and SASB standards. ASO has a vendor code of conduct. ASO has a compliance program in place for vendor selection and vendor monitoring. ASO is decreasing their exposure to China as part of their tariff mitigation activities. ASO will have a more diversified supplier base. ASO has the most control over their private brands. ASO aims to reduce private label expose to China to 6% of total cost of goods sold by the end of the year.

21. **DTE Energy Company (DTE):** DTE engages in the energy-related businesses and services. DTE reached out for a shareholder engagement call. We noted that five of the directors have served for over 11 years, all of whom are currently classified as independent. We asked how Board composition is evaluated in terms of balancing tenure distribution. DTE emphasized its commitment to strong corporate governance practices which includes regularly evaluating Board composition such as tenure and skillset gaps. DTE noted Joy Harris was unanimously elected by the Board and became CEO effective September 1. DTE currently has an Executive Chair and we noted our preference for an independent Chair. Mark Murray continues to serve as the lead independent director. CEO and executive succession planning remain a strategic priority. DTE noted it maintains a structured talent development process, particularly for tier 1 senior executive leadership, which includes annual reviews of performance and leadership aspirations to ensure a strong CEO pipeline. This process is primarily overseen by the lead independent director alongside a Board level committee who provide feedback on top internal candidates. An external leadership firm has also been engaged to evaluate leadership skills and share insights with the Board. Additionally, DTE noted it has an emergency protocol in place, with a designated successor identified in case of unexpected events. DTE noted its mandatory retirement age of 75. By 2030, five directors will reach this age. The Board plans to bring in new individuals based on a skills matrix that identifies competencies lost through retirement and areas for strengthening. On the ESG front, DTE remains on track with its Net Zero goals. DTE is retiring three plants, with one unit converted to natural gas by the end of this year and another by next year. The Monroe plant is scheduled for full retirement by 2032. On the gas side, 50% of legacy mains have been replaced since 2011. DTE is also tracking toward its downstream goal of a 25% reduction, supported by energy efficiency initiatives and a natural gas balance program.

Proxy Voting:

We sent a letter to the following issuers informing each issuer of Boston Partners' proxy vote against management.

1. **Zhejiang Jingxin Pharmaceutical Co., Ltd. (BD5LTK):** Voted against four proposed amendments because the company has not specified the details and the provisions covered under the proposed amendments. Voted against three proposals related to the employee share purchase plan because the terms in the plan are not in the best interest of shareholders.

2. **Prologis Property Mexico SA de CV (FIBRAPL14-MX):** Voted against the launching of tender offers to acquire up to 100% of Terrafina because the company has not disclosed the key terms of the proposed tender offer, preventing international institutional shareholders from making an informed voting decision. Voted against the ratification and execution of the approved resolutions because support for the previous item is not warranted.

3. **James River Group Holdings, Ltd. (JRVR):** Voted against say-on-pay because performance goals were not disclosed under the long-term incentive program, significant retention awards were granted, and the compensation committee utilized significant discretion to increase bonus payouts despite the company failing to achieve threshold performance for the financial metrics. Voted against the non-employee director stock plan because the estimated shareholder value transfer for all plans is excessive, and the qualitative review of director compensation indicates multiple deficiencies.

Boston Partners voted the following number of proxies:

Number of meetings: 19
Number of issues: 182

Index of Acronyms:

AGM: Annual General Meeting
CDP: Carbon Disclosure Project
CEO: Chief Executive Officer
CFO: Chief Financial Officer
CSRD: The Corporate Sustainability Reporting Directive
EEO-1: An EEO-1 report is a survey mandated by the U.S. Equal Employment Opportunity Commission. It aims to provide a demographic breakdown of the employer's workforce by race and gender.
ESG: Environmental, Social, and Governance
FRA: The Federal Railroad Administration
GHG: Greenhouse Gas
GRI: Global Reporting Initiative
HSE: Health, Safety and Environment
IR: Investor Relations
ISS: Institutional Shareholder Services Inc. is a proxy advisory firm.
KPI: Key Performance indicators
LTI Long Term Incentive
LTIP: Long Term Incentive Plan
NEO: Named Executive Officer
NYSE: New York Stock Exchange
OP: Operating Partnership
PSU: Performance Share Units
RECs: Renewable Energy Certificates
REIT: Real Estate Investment Trust
ROI: Return on Investment
RSUs: Restricted Stock Units
S&P 400: S&P's Mid Cap index
SASB: Sustainability Accounting Standards Board
SBTi: Science Based Targets initiative
SBTs: Science-Based Targets
STI: Short Term Incentive
TCFD: Task Force on Climate-Related Financial Disclosures
TSR: Total Shareholder Return
TRIR: Total Recordable Injury Rate

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