NEUBERGER



UK Stewardship Code Report 2025

This report shares our active ownership and sustainable investing activities, the philosophies and processes that underpin them, and the outcomes they produce. This report is intended to demonstrate our compliance with the best practices identified in the UK Stewardship Code 2026.

Neuberger is an employee-owned, private, independent investment manager founded in 1939 with over 2,900 employees in 26 countries. The firm manages $563 billion of equities, fixed income, private equity, real estate and hedge fund portfolios for global institutions, advisors and individuals. Neuberger's investment philosophy is founded on active management, fundamental research and engaged ownership. The PRI identified the firm as part of the Leader's Group, a designation awarded to fewer than 1% of investment firms for excellence in environmental, social and governance practices. Neuberger has been named by *Pensions & Investments* as the #1 or #2 Best Place to Work in Money Management for each of the last 11 years (firms with more than 1,000 employees). Visit www.neuberger.com for more information. Data as of December 31, 2025.*

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*Please refer to the disclaimer on page 79.

Executive Summary

We believe that stewardship is fundamental to long-term investment success and an integral part of our fiduciary responsibility to clients. As an active, employee-owned investment manager, we seek to create long-term sustainable value through fundamental research, active ownership and ongoing dialogue with issuers, policymakers and other market participants. Stewardship is embedded throughout our investment process and informs investment decisions, engagement priorities, proxy voting activities and risk management across asset classes and geographies. We believe this investment-led approach helps us better understand risks and opportunities, strengthen decision-making and support long-term value creation on behalf of clients and beneficiaries.

During the year, our investment professionals conducted over 4,800 engagements across public equity and corporate credit markets, engaging with issuers on a range of financially material topics including business strategy, corporate governance, capital allocation, risk management, climate-related matters, human capital management, supply chain oversight, biodiversity and emerging technology risks. These engagements were used both to inform investment decision-making and, where appropriate, to encourage improvements in policies, practices, disclosures and governance arrangements.

Our stewardship activities contributed to a range of outcomes during the reporting period, including enhanced corporate disclosures, improvements to governance structures, refinements to executive compensation frameworks, progress on capital allocation priorities, and strengthened risk management. Stewardship insights also informed investment decisions across asset classes, including issuer assessments, valuation frameworks, engagement priorities and voting decisions.

We continued to address market-wide and systemic risks through issuer engagement, policy engagement and industry collaboration. During 2025, we engaged on matters including climate risk, sustainability reporting, sovereign debt market resilience and evolving disclosure standards. We also participated in industry consultations and initiatives designed to strengthen market transparency, improve reporting quality and support the long-term resilience of financial markets.

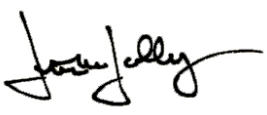
Proxy voting remained an important component of our stewardship approach. During 2025, we voted at more than 5,000 shareholder meetings globally, voting on approximately 58,000 proposals and opposing management on at least one item at 43% of meetings. Through our NB Votes initiative, we continued to provide advance disclosure of selected voting intentions and rationales, promoting transparency and accountability for clients, issuers and other stakeholders.

The case studies included throughout this report provide examples of how engagement, voting and other stewardship activities contributed to tangible outcomes for issuers and investors. They illustrate how stewardship informed investment decisions, how investment analysis shaped stewardship priorities, and how we sought to protect and enhance long-term value across a diverse range of asset classes, sectors and geographies.

As market conditions, client expectations and regulatory frameworks continue to evolve, we remain committed to strengthening the integration of stewardship throughout the investment process and acting in the best interests of our clients. We believe effective stewardship supports better-informed investment decisions, contributes to well-functioning markets and helps create long-term value for clients and beneficiaries.

This report explains how we applied the Principles of the UK Stewardship Code 2026 during the reporting period and has been approved by the Board of Neuberger Berman Europe Limited.





Matthew Malloy
Chief Executive Officer
October 2026

Policy and Context Disclosure



Disclosure A

Organisation, Investment Beliefs and Stewardship Approach

Business Overview

Neuberger is an employee-owned, private, independent investment manager founded in 1939 with approximately 2,900 employees across 26 countries. The firm manages $563 billion of equities, fixed income, private markets, real estate and hedge fund portfolios for global institutions, advisors and individuals. Neuberger's investment philosophy is founded on active management, fundamental research and engaged ownership. Neuberger has no corporate parent or unaffiliated external shareholders.

Our corporate structure

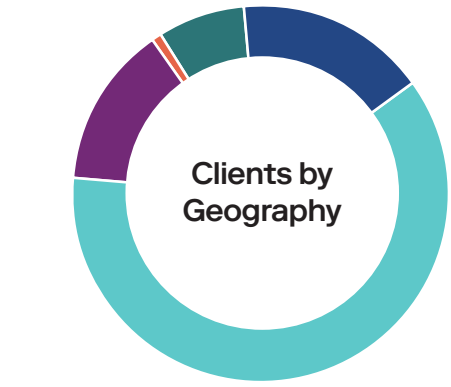
Neuberger Berman Europe Limited (NBEL) is the legal entity for Neuberger Berman Group LLC's (Neuberger Group) operations in the UK and other non-EU/EEA jurisdictions across Europe, the Middle East, Africa and Latin America (LatAm). Neuberger's holding company is primarily owned by portfolio managers, members of Neuberger's senior management team and investment management professionals, as well as certain of their permitted transferees.

NBEL is the investment manager for certain of the firm's fund ranges suitable for investors based in Europe, the Middle East and Africa (EMEA), Latin America and Asia. It maintains separate account relationships with institutional investors across these regions. Notably, NBEL has several European subsidiaries, including Neuberger Berman Asset Management Ireland Limited (NBAMIL), which manages its Irish-domiciled UCITS and QIAIF range (also included under NBEL's AUM below). NBEL is authorised and regulated by the UK Financial Conduct Authority and regulated by the US Securities and Exchange Commission.

Who we serve and how we are invested

We believe that a focus on fundamental research, investment performance and risk management is central to meeting the needs and objectives of our clients. We are deeply attuned to each client's distinct combination of investment goals, time horizon, risk tolerance, and income and liquidity requirements, and we can act in partnership to address them as they change over time. NBEL offers a range of actively managed strategies across asset classes, each with their own investment style, so that clients are able to invest in products that meet their needs. We offer clients a range of strategies and investment solutions across asset classes, capitalisations, styles and geographies in both public and private markets, as well as multi-asset class solutions that bring them all together. All of NBEL's strategies are actively managed and NBEL does not use external investment managers in any material manner. As shown in the displays, we invest on behalf of various client types and across multiple asset classes and geographies.

NEUBERGER BERMAN EUROPE LIMITED – CLIENT BASE[1]



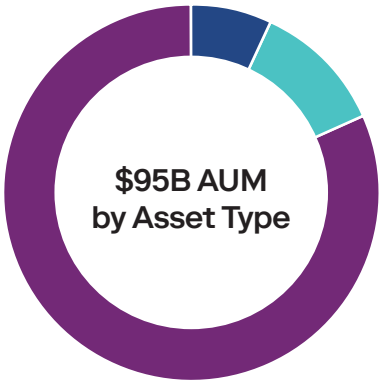
Asia	16.5%	Middle East	0.9%
Europe	61.3%	North America	7.4%
Latin America	13.8%	Africa	0.0%



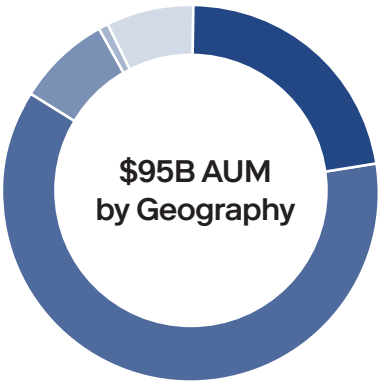
Institutional	64.5%
Intermediary	35.4%
Private Clients	0.1%

[1] "Private Clients" includes individuals, family offices, trusts, private foundations and other privately held investment vehicles. Retail investors are represented across both the Private Clients category and a subset of the Intermediary category.

NEUBERGER BERMAN EUROPE LIMITED – ASSETS UNDER MANAGEMENT



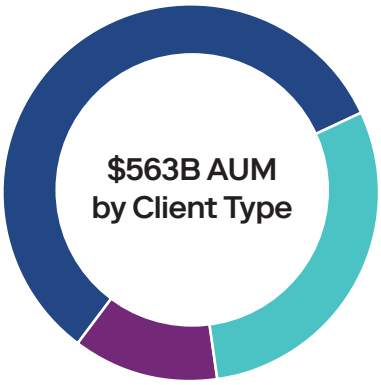
Private Markets	7.2%
Equity	11.2%
Fixed Income	81.5%



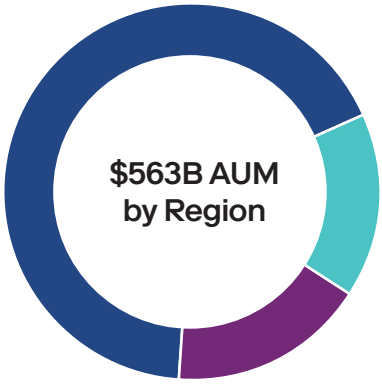
Africa	0.0%
Asia	22.3%
Europe	61.5%
Latin America	7.9%
Middle East	0.9%
North America	7.4%

Source: Neuberger. Data as at 31 December 2025. AUM stated in US dollars to align with the consolidated reporting. Figures may not sum up due to rounding.

NEUBERGER GROUP – ASSETS UNDER MANAGEMENT



Institutional	68.1%
Intermediary	17.3%
Private Clients	14.6%



Americas	67.1%
Asia	16.9%
EMEA	15.9%

Source: Neuberger. Data as at 31 December 2025. AUM stated in US dollars to align with the consolidated reporting. Figures may not sum up due to rounding.

NEUBERGER GROUP ASSETS UNDER MANAGEMENT $563B

PUBLIC MARKETS

MULTI-ASSET STRATEGIES

$391B

EQUITIES

Global
– US
– EAFE / Japan
– Emerging Markets
– China
Quantitative Thematic
Custom Direct Investing

$146B

FIXED INCOME

Global Investment Grade
Global Non-Investment Grade
Emerging Markets Debt
Municipals
Multi-Sector
Currency

$222B

HEDGE FUNDS & LIQUID ALTERNATIVES

Multi-Manager Hedge Funds
Long/Short
Event Driven
Global Macro
Risk Premia
Options

$20B

PUBLIC REAL ASSETS

Commodities
Diversified Real Assets
Global REITs
US REITs

$3B

PRIVATE MARKETS

$171B

PRIVATE EQUITY

Primaries
Co-Investments
Secondaries
Specialty Strategies

$111B

PRIVATE DEBT

Private Debt
Capital Solutions
Special Situations
Residential Loans
Specialty Finance
Private Placement
European Private Loans

$47B

SPECIALTY

Hedge Fund Co-Investments
Insurance-Linked Strategies
Late Stage Pre-IPO
SPACs

$5B

PRIVATE REAL ASSETS

Private Real Estate – Almanac
Real Estate Secondaries
Real Estate Primaries & Co-Investments
Infrastructure

$8B

STEWARDSHIP | GLOBAL RESEARCH CAPABILITIES | DATA SCIENCE

Source: Neuberger.

Our Investment Beliefs

Our investment philosophy is founded on active management, fundamental research and engaged ownership. While our investment strategies differ by asset class, geography and client objective, they are informed by several common beliefs.

We believe stewardship is integral to the investment process and a core responsibility of our investment teams. Through ongoing dialogue with companies and other relevant stakeholders, we seek to deepen our understanding of risks and opportunities, strengthen decision-making and support long-term value creation. Stewardship is not a separate activity undertaken alongside investing. Rather, stewardship informs investment decisions and investment decisions inform our stewardship priorities.

We believe financially material environmental, social and governance factors can be an important driver of long-term returns, both by identifying opportunity and helping mitigate risk. The determination of the financial materiality of environmental, social and governance factors, like the determination of the financial materiality of any other factor, should be incorporated in a manner appropriate to the specific asset class, investment objective and style of each investment strategy.

We also recognise that clients have different objectives. While many clients focus solely on investment performance, others seek specific sustainability-related outcomes alongside financial returns. We partner with clients to develop investment solutions aligned with their objectives, ranging from process-focused integration approaches through to sustainable, impact and client-specific strategies.

As active investors, we believe long-term ownership, fundamental research and engaged dialogue can provide insights that improve investment decision-making, support the management of risk and contribute to long-term value creation.

Our Approach to Stewardship

Stewardship is integral to our investment process and a core responsibility of our investment teams. We embed stewardship responsibilities within investment teams because we believe stewardship is most effective when undertaken by the professionals responsible for investment decisions and supported by individuals with deep knowledge of an issuer, sector and investment thesis.

Our approach reflects the structure of our investment platform. Portfolio managers construct portfolios through distinct investment processes developed over time and informed by dedicated research teams and firmwide resources. Stewardship is therefore conducted in a manner that is aligned with the objectives, philosophy and investment process of each strategy rather than through a single centrally prescribed approach. This encourages strategy-specific implementation while allowing investment teams to learn from best practices across the broader platform.

Investment professionals are supported by firmwide resources, including our global research platform, Stewardship and Sustainable Investing Group, Data Science team and proprietary analytical tools. This combination of bottom-up investment expertise and centralised support helps investment teams identify financially material risks and opportunities, prioritise engagements and incorporate stewardship insights into investment analysis and decision-making.

We view stewardship as both a source of investment insight and a means of protecting and enhancing long-term value. Information gained through engagements can inform valuation assumptions, issuer assessments, proxy voting decisions, engagement escalation and portfolio construction. Equally, insights gained through investment research help determine stewardship priorities and areas of engagement focus.

Consistent with our investment-led approach, engagements frequently focus on issues such as business strategy, capital allocation, governance, risk management, disclosure practices, executive compensation and climate-related risks and opportunities, alongside other financially material considerations relevant to a particular issuer. Because the rights available to investors differ across asset classes and markets, stewardship activities also differ. We therefore apply stewardship in a manner that reflects the nature of the investment, the objectives of the strategy and the interests of our clients.

Stewardship and Sustainable Investing at Neuberger

Our investment philosophy is founded on active management, fundamental research and engaged ownership. We seek to implement these beliefs consistently across our investment platform through a combination of investment-led stewardship, proprietary research, ongoing innovation and tailored client solutions. While the application varies by strategy, asset class and client objective, our approach is supported by four complementary pillars.

OUR APPROACH TO STEWARDSHIP AND SUSTAINABLE INVESTING

Continuous innovation across four key pillars, focused on material investment results and delivering solutions

Integral Priority for Our Firm

- Scored above the median of all reporting signatories in every category of the 2024 PRI assessment report[2]
- Identified as part of the exclusive 2020 PRI Leaders' Group[3]
- Neuberger's Global Head of Stewardship and Sustainable Investing was appointed Chair of the ISSB's Investor Advisory Group (IIAG) in 2026

Proprietary, Research-Driven Approach

- Investment-led integration of portfolios integrating financially material environmental, social and governance factors
- Neuberger Quotient covering more than 4,000 equity and 2,800 credit issuers
- Incorporate climate scenario analysis
- Leverage data science to enhance traditional research
- Neuberger Net-Zero Alignment Indicator (Net-Zero Alignment Indicator) is used across select strategies

Active Engagement Drives Value

- We conduct thousands of engagements across public equity and fixed income as reported in the Activities and outcomes Report
- Engagement led by portfolio managers and research analysts
- Firmwide environmental, social and governance engagement principles
- Industry-leading advance proxy voting disclosure initiative, NB Votes

Sustainable and Impact Innovations

- Offer a range of integrated investment strategies across public and private markets
- Includes strategies which seek positive impact alongside competitive risk-adjusted returns
- Create custom solutions to deliver financial and sustainability-related objectives, including multi-asset class mandates

[2] For reporting cycle 2025, the PRI offered signatories the option to complete a partial report for signatories who had completed a full report the year before in part because there were no material changes to the assessment framework between 2024 and 2025. Neuberger accepted this option and as a result the 2025 report is shorter and focuses on two modules which are not scored. All PRI signatories are eligible to participate and must complete a questionnaire to be included. The underlying information submitted by signatories is not audited by the PRI or any other party acting on its behalf. Signatories report on their responsible investment activities by responding to asset-specific modules in the Reporting Framework. Each module houses a variety of indicators that address specific topics of responsible investment. Signatories' answers are then assessed and results are compiled into an Assessment Report. Neuberger pays a fee to be a member of PRI and the grades are only available to PRI members.

[3] In October 2020, we were identified as part of PRI Leaders' Group, a designation awarded to only 20 of approximately 2,100 investment manager PRI signatories. The year 2020 represents the first year that asset managers became eligible for PRI Leader designation, which formerly included asset owners only. The Leaders' Group showcases signatories at the cutting edge of responsible investment, and highlights trends in what they are doing. PRI uses signatories' reporting responses and assessment data to identify those that are doing excellent work in responsible investment, across their organisations and with a focus on a given theme each year. The 2020 theme is climate reporting. Information about PRI Leader is sourced entirely from PRI and Neuberger makes no representations, warranties or opinions based on that information.

Our Approach to Integration

Our investment teams determine the appropriate level of integration based on the objectives, asset class, investment philosophy, investment horizon, research process and portfolio construction approach of each strategy. As a result, there is no single integration approach applied uniformly across our investment platform. Investment teams work closely with the Stewardship and Sustainable Investing Group to develop and implement approaches that are consistent with the characteristics of each strategy and the expectations of clients. This process is supported by formal governance and oversight, including review by the ESG Product Committee and ongoing monitoring through the firm's governance framework.

The framework set out below illustrates how investment teams determine, implement and oversee the appropriate level of integration for a particular strategy.

A FORMAL PROCESS TO DETERMINE OPTIMAL INTEGRATION OF FINANCIALLY MATERIAL ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

Continuous innovation across four key pillars, focused on material investment results and delivering solutions

Determine Optimal Level of Integration of Environmental, Social and Governance Factors for Investment Strategy	Incorporate Framework Into Research and Portfolio Construction Process	Formal Review and Approval From ESG Product Committee	Monitor Through Ongoing Governance and Transparency
Consider multiple factors: • Strategy objectives • Asset class considerations • Investment time horizon • Investment philosophy • Research process • Portfolio construction	• Research sustainability-related risks and opportunities • Formalise process to measure and compare environmental, social and governance issuers at security level • Consider sustainability in operational due diligence of third-party managers • Construct portfolios influenced by these insights	• Focused on ensuring framework is consistent with: – Neuberger sustainability-related standards – PRI requirements – Regulatory requirements • Formal review and approval of approach to integration of financially material environmental, social and governance factors by ESG Product Committee, for strategies that integrate such factors	• Annual review of sustainability labelled products by ESG Product Oversight Committee • Monitor compliance with guidelines and exclusions, including internal audit • Risk monitoring • Periodic review of proprietary ratings, Climate Value-at-Risk • Investment performance reviews vs. ESG benchmarks • Compensation of many investment professionals is tied to stewardship and sustainable investing research insights and integration

Neuberger Integration Framework

For strategies that integrate financially material environmental, social and governance factors, portfolio managers select an approach from the Neuberger Integration Framework. The framework spans process-focused integration through to outcome-focused and exclusionary approaches and provides a consistent structure while allowing for flexibility across asset classes, geographies and client objectives.

Our Stewardship and Sustainable Investing Group supports this with top-down expertise, encouraging strategy-specific innovation and the sharing of best practices across the platform. Our process-focused approach, Assess, integrates financially material environmental, social and governance factors into the investment process alongside many other traditional factors, while our outcomes-based approaches—Adapt, Amplify and Aim for Impact—allow clients to target specific environmental or social objectives, and our Avoid approach enables exclusion of particular issuers. We also offer clients the ability to customise by investment vehicle to reflect individual client needs. Please refer to our Stewardship and Sustainable Investing Policy for a full description of our integration approach.

Neuberger Integration Framework[4]

	Process	Outcome			
	Assess Portfolio manager considers financially material environmental, social and governance factors for pecuniary reasons alongside traditional factors in their investment decisions. These factors are generally no more significant than other factors in the investment selection process.	**Adapt** Seek to achieve social and/or environmental outcomes through engagement with issuers while also achieving a financial goal.	**Amplify** Seek to achieve a financial goal by investing in issuers with sustainable business models, practices, products or services and leadership on relevant sustainability considerations. Formalised through sustainable investment criteria and exclusions.	**Aim for Impact** Seek to intentionally generate positive, measurable social and environmental outcomes for people and the planet alongside a market rate financial return by investing in issuers whose core business, products, services or use of proceeds of each investment contributes to solutions of pressing environmental and social issues.	**Avoid** Ability to exclude particular issuers or whole sectors from the investable universe to meet regulatory requirements and accommodate client demands.
Examples of naming convention and disclosure	**"The integration of financially material environmental, social and governance factors for pecuniary reasons"** in offering documents	**"Transition" or "Engagement"** in name of product	**"Sustainable"** in the name of a product, or disclosures aligning with the Amplify approach, in offering documents and marketing materials	**"Impact"** in the name of a product	**Divest/exclude** exclusions in documents

[4] Note: The above summary of the Neuberger Integration Framework is provided for illustrative purposes only. There may be exceptions to our internal naming conventions above in cases depending on the investment process of a product. Investment strategies' environmental, social and governance integration approaches may evolve over time. Product names and classifications are subject to change as a result of changing sustainability-related regulatory requirements across different jurisdictions. Not all Neuberger investment strategies consider financially material environmental, social and governance factors. The Stewardship and Sustainable Investing Group works together with respective investment teams to receive approval from the ESG Product Committee for appropriate taxonomy designation. Avoidance screens can be combined with other strategies that integrate financially material environmental, social and governance factors into the process based on client requests. Please refer to specific fund and strategy disclosures for further information.



Disclosure B

Governance and Resources

Our Governance Structure

Board Oversight

Neuberger Berman Group LLC Board (Neuberger Group Board)

As a private, 100% independent, employee-owned investment manager, Neuberger is structurally aligned with the long-term interests of our clients. We have no external parent or public shareholders to serve, nor other lines of business to distract us from our core mission, which is to serve our clients. The Group Board is responsible for reviewing and approving the Stewardship and Sustainable Investing strategy. The Group Board oversees climate-related enterprise risk and reviews the firm's approach to climate-related risks and opportunities at least once a year.

Management Responsibility

Senior management is responsible for overseeing the firm's operations, risk department and investment professionals. As a subset of overall management of the enterprise, senior management oversees sustainability-related risks and opportunities. The CEO is responsible for updating the Group Board on material topics and updates to sustainability-related risks and opportunities. The CEO is supported by the Global Head of Stewardship and Sustainable Investing, Head of Investment Risk, Chief Investment Officers (CIOs) and Chief Operating Officer (COO). The Global Head of Stewardship and Sustainable Investing and the CIOs ensure appropriate climate expertise and analytical capabilities are in place to support portfolio managers and research analysts in understanding the implications of climate change for security analysis and portfolio construction.

Neuberger Berman Europe Limited Board

The NBEL Board of Directors (the Board) is currently comprised of six directors certain of which also sit on our group-level Operating and/or Partnership Committees.

As a subset of all enterprise-wide risks, the Board oversees sustainability-related enterprise risk and reviews NBEL's approach to sustainability-related risks and opportunities. This oversight is carried out through several governance mechanisms, outlined in greater detail below, including reporting by the EMEA ESG Product Committee to the EMEA Product Governance Committee (which reports directly to the NBEL Board) and senior NBEL employees. The Board receives regular updates on the wider Neuberger Global ESG regulatory programme. The Head of Europe Sustainable Investing provides updates to the Board on climate risks and opportunities as well as an overview of the Stewardship and Sustainable Investing Advisory Council meetings and their findings.

NBEL directors receive training on Director's Duties and Liabilities, Senior Managers & Certification Regime, Internal Capital Adequacy and Risk Assessment (ICARA) and sustainability-related topics and/or issues. Where relevant and appropriate, senior management has integrated financially material environmental, social and governance risk factors and climate-related risks into day-to-day operations at NBEL, including into budget, overall strategy, capital management, risk management, and other matters that the Board oversees, and this is reflected in the materials that are provided to the Board.

On an annual basis, the Neuberger Stewardship and Sustainable Investing Group presents the Stewardship and Sustainable Investing Strategy to the Board and NBEL CEO.

Management Responsibility

Senior management is responsible for overseeing NBEL's operations, risk department and investment professionals. As a subset of overall management of NBEL, senior management also oversees climate-related risks and opportunities. The Board are updated on climate-related risks and opportunities considered material by the following NBEL subject-matter experts: the Global Head of Stewardship and Sustainable Investing, the Head of Europe Sustainable Investing, the Head of Investment Risk, the Sustainable Investing Policy and Regulation Lead, and EMEA Counsel.

The Head of Europe Sustainable Investing is responsible for ensuring appropriate climate expertise and analytical capabilities are in place to support portfolio managers and research analysts in understanding the potential implications of climate change for security analysis and portfolio construction.

Stewardship and Sustainable Investing Governance Structure—Shared Membership



Neuberger's Key Committees

Committee	Description
Partnership Committee	Engages in how to effectively develop the firm's investment strategies and client franchise through evolving markets while enhancing our firm culture.
Operating Committee	Promotes high-quality execution of our business goals, including opportunities for global scale, regional specialization, and workforce development.
Investment Risk Committee	Oversees investment performance and risk evaluation, acts as an escalation point for investment risks, evaluates the suitability of new products under consideration, and oversees and reviews commingled fund liquidity.
Operational Risk Committee	Provides oversight of—and acts as an escalation point for—risks that may expose the firm to uncompensated loss or significant business disruption and acts as a forum for review and approval of actions taken to mitigate, manage, or accept those risks.
EMEA Product Governance Committee	Oversees product governance processes and controls, including development, management and regulatory compliance.

In addition, Neuberger has formed specific SSI committees and groups comprised of senior professionals across the firm, which include:

Committee	Description
Stewardship and Sustainable Investing Committee	Reviews the firm's investing strategy and policy to propose amendments, and serves as a forum to share research, drive deeper engagement, and foster innovation on sustainability topics.
ESG Product Committee	Oversees sustainability-related commitments made at the product and/or investment strategy level as established by the Stewardship and Sustainable Investing Policy.
Global ESG Product Oversight Committee	Provides ongoing assurance that sustainability-related commitments made at the product and/or investment strategy level and approved by the ESG Product Committee are implemented appropriately.
Challenge Review Group	Reviews appeals submitted by investment teams against issues identified as prohibited by applicable avoidance criteria.
Governance & Proxy Committee	Oversees application of firmwide proxy voting guidelines and procedures, including NB Votes Initiative.
Private Markets Avoidance Review Group	Reviews and approves investment challenges under the Neuberger Private Markets Avoidance Policy for eligible clients and commingled funds.
EMEA ESG Product Committee	Approves Sustainable Finance Disclosure Regulation (SFDR) classifications for products being marketed in EMEA, European ESG badging, and related UK stewardship matters.

In addition to our internal committees, in 2021 we established the Stewardship and Sustainable Investing Advisory Council. The Council brings the latest knowledge from academia, the non-profit sector, and institutional asset owners to provide guidance on the future of impact investing and sustainability topics and challenge us to go further in our own efforts.

Stewardship and Sustainable Investing Advisory Council



Vijay Advani
Former Executive Chairman of Nuveen, the Investment Management arm of TIAA, and current Chairman of the US-India Business Council Global Board of Directors



Ben Caldecott
Director, Oxford Sustainable Finance Program & Founding Director of the UK Centre for Greening Finance & Investment



Janine Guillot
Former Special Advisor to the Chair of the International Sustainability Standards Board



Mindy Lubber
President and CEO of Ceres, a sustainability focused nonprofit organization based in Boston, MA



George Serafeim
Charles M. Williams Professor of Business Administration and Chair of the Impact-Weighted Accounts Project at Harvard Business School

Resourcing Stewardship

Stewardship and Sustainable Investing Group

Our dedicated Stewardship and Sustainable Investing Group (SSI Group) is responsible for setting the firm's global Stewardship and Sustainable Investing Strategy in collaboration with the Stewardship and Sustainable Investing Committee (SSI Committee) and after consultation with portfolio managers, CIOs and CEO of Neuberger. The SSI Group drives the implementation of the global stewardship and sustainable investing strategy by deepening stewardship efforts and overseeing the integration of financially material environmental, social and governance themes into new and existing investment strategies that integrate the same. The Stewardship and Sustainable Investing Strategy is reviewed by the firm's Partnership Committee and Group Board of Directors on an annual basis.

The team also coordinates the firm's approach to proxy voting and engagement, works with research teams on innovating our proprietary assessment of companies and issuers, and leads thought leadership, highlighting our stewardship and sustainable investing research as a way to encourage dialogue and share best practices.

The team's work is supported by stewardship and sustainable investing working groups at the asset-class level that are responsible for providing context-specific expertise and assisting with education and implementation among the investment teams.

The Global Head of Stewardship and Sustainable Investing reports to the President and Chief Investment Officer—Equities. The SSI Group consists of professionals with a range of backgrounds, including asset management, portfolio management, environmental management, data science, non-governmental organisations and public policy. Further, several senior team members bring asset class-specific and market-specific expertise. This range of skillsets enables the team to partner effectively with teams across geographies and asset classes on their integration of financially material environmental, social and governance factors and stewardship efforts. Upon joining the team, new members are trained in our investment processes and approach to integration of financially material environmental, social and governance factors. Given the increasing client demand for products integrating such factors and associated reporting, we continue to reassess our resources, capabilities and systems to ensure that we are able to meet client objectives. The SSI Group also presents to the Operating Committee and the Partnership Committee to engage with them on integration of financially material environmental, social and governance factors across the platform, and to report on progress and goals for the coming year.

Portfolio Managers and Research Analysts

Investment professionals throughout our firm are responsible for carrying out stewardship activities and incorporating financially material environmental, social and governance factors in portfolios and investment research. A high percentage of our professionals have the responsibility of stewardship and/or sustainability-related considerations as a part of their role.

Each portfolio management team has a customised approach to the integration of financially material environmental, social and governance factors that are driven by multiple considerations, including strategy objectives, asset class and investment time horizon, and the specific research and portfolio construction process used by the portfolio manager. Each portfolio management team determines how best to pursue integration—within the parameters set by our SSI Policy, where applicable—from conducting research into sustainability-related risks, to measuring and comparing issuers at the security level. Please see section on Our Investment Beliefs and Our Approach to Stewardship and the Activities and Outcomes Report for more details on how we conduct stewardship and apply our Integration Framework.

Stewardship and Sustainable Investing Committee

The Stewardship and Sustainable Investing Committee (SSI Committee) is responsible for the annual review of the Stewardship and Sustainable Investing Policy, which is then amended as needed and presented to the board of Neuberger.

The SSI Committee is chaired by the Global Head of Stewardship and Sustainable Investing and is comprised of senior professionals across all asset classes and functions of the firm, including the President and Chief Investment Officer—Equities, senior portfolio managers from the Fixed Income and Private Investment teams, the Heads of Research across the investment platform, the Chief Risk Officer and senior professionals from our client coverage teams, and Legal and Compliance.

The SSI Committee oversees stewardship and sustainable investing efforts firmwide, including the review of goals and priorities such as the development of new investment strategies integrating financially material environmental, social and governance factors, monitoring implementation, measuring performance and contributing to annual reporting to networks like the PRI, the UN Global Compact and the Task Force on Climate-related Financial Disclosures ("TCFD"). The SSI Committee also acts as a cross-asset-class forum to share research on emerging issues and trends, and to drive deeper engagement and education on key topics across the firm. The SSI Committee reviews collaborative initiatives and memberships.

A detailed description of the Committee's broader responsibilities can be found in our Stewardship and Sustainable Investing Policy.

ESG Product Committee

Neuberger's ESG Product Committee was established as a sub-committee of the SSI Committee to ensure the integrity of any sustainability-related claims made by our strategies through our Integration Framework.

The ESG Product Committee is comprised of senior leaders, including the Global Head of Stewardship and Sustainable Investing, President and Chief Investment Officer—Equities, and Head of Investment Risk, and is an additional mechanism embedded to ensure compliance with our practices for integrating financially material environmental, social and governance factors.

The SSI Committee delegates responsibility for the detailed review of new and existing strategies making a sustainability-related claim to the ESG Product Committee to ensure integrity and consistency in their integration of financially material environmental, social and governance factors.

For funds integrating financially material environmental, social and governance factors, the ESG Product Committee focuses on making sure that the investment teams apply firm-level integration processes and tools, such as the Neuberger Materiality Matrix and the Neuberger Quotient, (or similar proprietary in-house rating) in their investment process, as appropriate. Portfolio managers must also provide case studies showing how financially material environmental, social and governance factors are integrated into their investment decision-making as well as an understanding of the drivers of low ESG-rated names in their portfolio.

EMEA ESG Product Committee

The EMEA ESG Product Committee was established as a sub-committee of the EMEA Product Governance Committee to strengthen the local governance structure and improve the overall effectiveness of the systems of compliance, risk management and internal controls of sustainability-related claims made by our products in EMEA or marketed in EMEA. The Committee is comprised of senior leaders and subject matter experts, including the Head of Europe Sustainable Investing.

The EMEA ESG Product Committee is responsible for the approval of SFDR classification for all new products launched in EMEA and for existing EMEA products seeking reclassification under the SFDR; the approval of SFDR classification for products launched outside EMEA that are marketed within EMEA; and the approval of SFDR periodic report templates for in-scope EMEA products. The Committee is also responsible for the review and consideration of environmental, social, and/or governance disclosures and updates to the EMEA UCITS and QIAIF fund platforms, as well as the review and consideration of relevant environmental, social, and/or governance requirements for EMEA products. Additionally, the Committee approves the UK TCFD report. Matters relating to UK stewardship, such as the approval of the UK Stewardship Code Report, also fall within its remit, along with oversight of third-party European sustainability fund labels. The Committee makes recommendations to the EMEA Product Governance Committee on any area within its remit where action is needed. Where it is identified that a significant issue has occurred, or a risk has been identified, it may be necessary to engage the Board of NBEL for guidance and approval.

ESG Product Oversight Committee

The ESG Product Oversight Committee (EPOC) was established as a sub-committee of the SSI Committee, which is a functional committee overseeing global stewardship and sustainable investing matters for Neuberger businesses. The EPOC has the objective of providing ongoing assurance that sustainability-related claims and commitments approved at the ESG Product Committee and EMEA ESG Product Committee are implemented appropriately, and that those claims and commitments are articulated accurately and consistently in key materials (e.g., prospectuses, fund documents, pitchbooks). The EPOC is co-chaired by the Head of Investment Risk and Head of Business Risk, and includes members from the SSI, Legal and Compliance, Product, Marketing and Risk groups.

Governance and Proxy Committee

Neuberger has designated a Governance and Proxy Committee ("Proxy Committee") with the responsibility for: (1) developing, authorising, implementing and updating Neuberger's policies and procedures in relation to governance matters; (2) administering and overseeing the

governance and proxy voting processes; and (3) engaging and overseeing any third-party vendors to monitor proxies and/or apply our custom guidelines. The Proxy Committee consists of senior management from across the firm, including the Chief Investment Officer—Equities, the Head of Global Equity Research, the Global Head of Stewardship and Sustainable Investing, senior portfolio managers, as well as a senior member of the Legal and Compliance Department, who will advise on matters as they arise.

Enterprise Risk Management

Neuberger employs a risk management framework that features dedicated investment risk, operational risk, and guideline oversight and supervision teams, including Asset Management Guideline Oversight ("AMGO") and Central Supervision. In order to provide organisational checks and balances, these teams are independent of the firm's portfolio managers. Together, they provide for consistency in and frequency of risk reviews, and have an ability to escalate to executive management and our Board regarding certain issues, including unusual investment, and counterparty credit, operational or reputational risk matters that may have a potential effect on either client portfolios or the investment management business as a whole. Risk teams also collaborate with other control units of the firm as appropriate, including Legal and Compliance, Internal Audit, Finance and Operations.

Since the implementation of SFDR Level 2, AMGO distributes weekly Sustainable Investment exposure updates during the last month of each quarter listing the percentage of Sustainable Investments in our UCITS that have a sustainable investment commitment. AMGO also conducts a substantial attestation process to ensure that sustainability-related commitments in our public funds are complied with. Our control groups meet with portfolio management and business units to help identify risks and proactively mitigate such risks to the extent possible to maintain a strong internal control environment. AMGO uses IGD, a digital platform for receiving and storing documents, including prospectus updates from the legal team. This integration streamlines the updating of investment guidelines following prospectus revisions. It allows AMGO to access updates—such as changes to sustainability-related guidelines, including avoidance criteria and sustainable investments—early in the process, ensuring readiness to amend the guidelines as soon as the updates take effect.

Neuberger has an established governance framework for assessing the efficiency of the group enterprise risk management which includes the Neuberger Group Board, Partnership Committee, Operating Committee, Investment Risk Committee, Operational Risk Committee, SSI Committee, and at the regional level, the NBEL Board, EMEA Risk and Compliance Committee, EMEA Product Committee, EMEA ESG Product Committee and EMEA Conflict of Interest Committee. The establishment of these committees' membership ensures fair representation of business skills and competences to deliver an efficient oversight of our Risk Pillars.

Internal Audit Function

The Internal Audit team's primary role is to help the firm protect its assets, reputation and sustainability. This team operates as an independent function to provide accountability to senior management through assessment of the control framework. In addition to regular sustainability-related portfolio reviews, the team conducts annual audits of environmental, social and/or governance integration practices firmwide and of individual investment teams, and reviews of key stewardship metrics, including elements of PRI reporting.

Data and Technology

In response to the growing importance of stewardship reporting we have taken considerable measures to holistically enhance our data quality and improve efficiencies. In an effort to bolster our data quality verification process, we have appointed a dedicated lead and enhanced multiple checks across key systems used for investment and client reporting purposes, as well as our modelled proprietary datasets.

Technology

A key challenge for the investment industry is the availability and reliability of data and measurement of financially material environmental, social, and governance factors. We are continually exploring new ways to strengthen our investment processes, enhance our data and tools, and provide transparent reporting to our clients. We believe data from non-traditional data sources is likely to transform active management over the coming years, minimising the reliance on voluntary disclosure and large third-party data providers. We are also using machine learning and natural-language-processing techniques. At this juncture we believe it allows us to identify non-obvious characteristics whose contribution to one or more sub-themes may not be fully expressed in financial disclosures, but still is critical to the fundamental thesis on the security.

Data Sources and Processing

ESG data or analytical inputs are derived from proprietary investment tools and in-house research (which incorporates critical thinking and human judgement into the process) alongside multiple datasets including international financial organisations, external data

vendors, company direct disclosures (e.g., sustainability reports, annual reports, regulatory filings, and company websites), company indirect disclosures (e.g., government agency published data, industry and trade association data, and third-party financial data providers), development agencies and specialty research providers.

ESG data is a key domain and part of our internal data governance with an assigned ESG Data Steward and a dedicated ESG Data and Reporting team. The ESG Data Steward has periodic engagements with ESG data vendors to discuss data coverage and evolution in methodologies. Subscription to multiple data vendors enables us to evaluate company coverage and vendor data quality. In addition, our SSI and ESG Data and Reporting teams continually explore new data products and vendors to evaluate potential enhancements to our existing data coverage and governance, as well as identify innovative and non-traditional data sources, which may provide additional insights. Neuberger continuously seeks to identify additional data and research that may enhance our analysis.

ESG data is integrated across the firm's operating management system, compliance and risk management systems, providing relevant stakeholders transparency into portfolio ESG metrics in real time.

We believe that the most effective way to integrate financially material environmental, social and governance factors into an investment process over the long-term is for investment teams themselves to research these factors and consider them alongside other inputs into the investment process. For this reason, environmental, social and governance research is included in the work of our research analysts rather than employing a separate research team.

The investment teams can then choose how best to apply all the tools of active management, whether that is to engage or ultimately to sell a company when it no longer offers an attractive risk-adjusted potential return.

We expect that data availability and quality will improve as the market and methods for obtaining and reporting data mature, which would also reduce the proportion of data that is estimated.

Monitoring of ESG Data Providers

As a global investor, we operate in many different jurisdictions, all of which are adopting sustainability-related reporting and disclosure requirements. The need to comply with these regulations is taken into consideration when applicable in business decisions around developing or enhancing infrastructure such as committees focused on sustainability-related matters, risk oversight and monitoring tools, and internal audit as well as monitoring ESG data providers. It is therefore important to be aware of the limitations in both methodology and data, and that ESG data is often incomplete or provided in a non-standardised manner.

Limitations in both methodology and data may include:

- Lack of standardisation of data providers' methodologies;
- Incomplete corporate reporting standards and misalignment with the corporate ESG data provided by the vendors;
- Inconsistencies in the vendors' methodologies for reporting ESG data and disclosures of the underlying data used for deriving third-party metrics;
- Inconsistencies in corporate hierarchies and entity identifiers can lead to inconsistencies in how data providers assign and map ESG datasets to securities;
- Low company coverage across certain indicators and asset classes, especially in private companies and companies that reside in Emerging Markets;
- Divergence in the quality and quantity of disclosure globally for Private Markets (Debt and Equity);
- Some data sets can be reported at a significant time-lag; and
- Some of the available third-party data is calculated using data estimates. There may be discrepancies between the models estimating the data and actual reported data, and significant deviations when data is restated or the underlying assumptions of these models are altered.

As such, investment teams are not dependent on raw data. As discussed in earlier principles, Neuberger has developed a firmwide proprietary ratings system, the Neuberger Quotient, which is under continual review to enhance methodology and data coverage. The Neuberger Quotient leverages third-party data, but not third-party aggregate scores. The Neuberger Quotient enhances the analysis and research of financially material environmental, social and governance risks and opportunities.

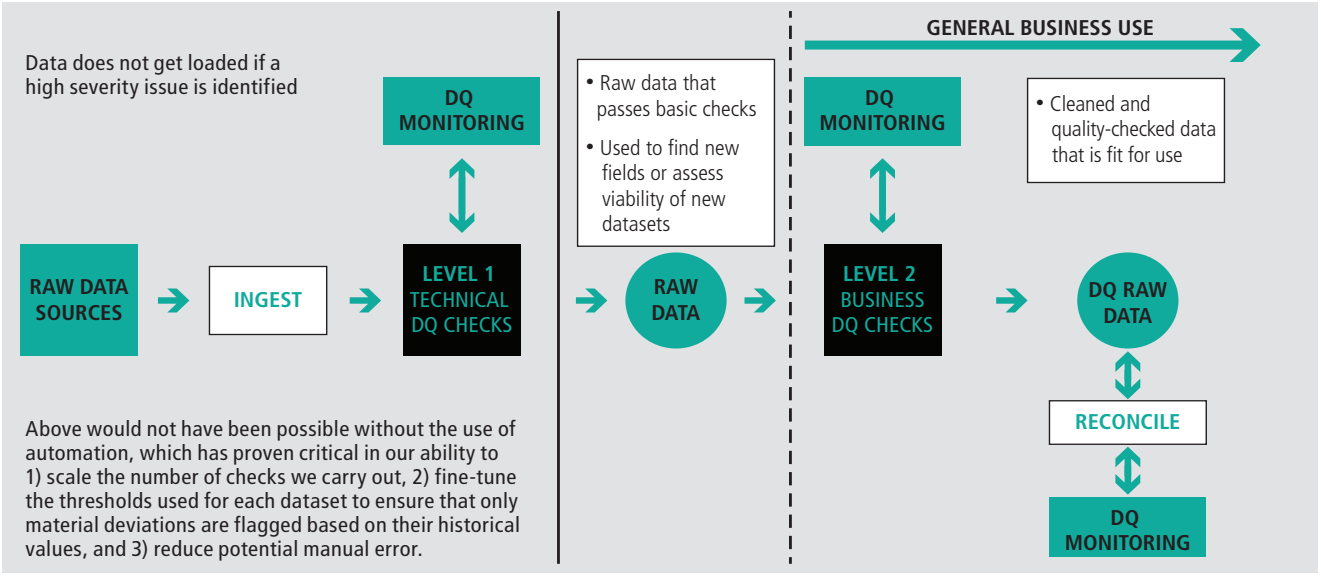
However, as this is an industry-wide challenge we continue to advocate for greater standardised disclosure and transparency. We promote acceptance and implementation of the PRI through collaborative industry-wide initiatives that aim to increase awareness, understanding and disclosure. For example, Neuberger is a founding member of the Sustainability Accounting Standards Board (SASB) Investor Alliance (now the IFRS ISSB Investor Advisory Group), which aims to help develop and maintain standards for public-company sustainability-related disclosures using a rigorous process of evidence-based research and broad, balanced

stakeholder participation. We use the SASB framework as the starting point for assessing financially material environmental, social and governance factors across our investment platform. Neuberger is also a formal supporter of the recommendations of the TCFD, which have now come under the scope of the ISSB. Alongside ISSB standards, the TCFD recommendations continue to help develop voluntary, consistent climate-related financial risk disclosures.

To help address these challenges in the near term, we are working with several third parties to receive data on financially material environmental, social and governance matters, which our investment teams are, in turn, able to consider in their investment processes. Environmental, social and governance inputs are derived from multiple datasets, including international financial organisations, external vendors, company direct disclosures (e.g., sustainability reports, annual reports, regulatory filings and company websites), company indirect disclosures (e.g., government agency published data industry and trade association data and third-party financial data providers) development agencies and specialty research providers.

We perform two layers of checks across four core datasets. The first layer of technical data quality check aims to detect any structural changes to the data files we receive daily from four core vendors. The second layer of business quality check focuses on identifying anomalies in the data flagged as critical by the business. This detailed and systematic approach to data-quality verification creates a robust foundation for us to expand the number of fields and datasets we can consume in a scalable manner. In addition, we have established new escalation routes with our key data vendors to ensure that any concerns we raise are promptly addressed and resolved.

PRODUCTION STAGES OF OUR DATA QUALITY (DQ) CHECKS



Artificial Intelligence (AI):

Progressing AI Integration in Stewardship and Sustainable Investing

Artificial intelligence presents a significant opportunity to enhance how our teams access, process and apply information. In 2025, our Stewardship and Sustainable Investing team progressed several initiatives aimed at harnessing AI to deepen the quality and efficiency of research and stewardship activities, building on our internal AI platform, NBGPT, which provides a secure environment for teams to query and analyse large volumes of information.

Stewardship and Sustainable Investing AI Taskforce

A dedicated internal forum, meeting monthly since 2024, that brings together investment, stewardship, legal, and technology colleagues to collaboratively explore and accelerate the integration of AI across Stewardship and Sustainable Investing workflows, identifying opportunities, sharing learnings and shaping our approach as the technology evolves. The forum reflects a firm belief that broad, cross-functional collaboration is essential to integrating AI effectively.

AI Stewardship and Sustainable Investing Assistant

An AI-powered tool designed to support teams in navigating large volumes of environmental, social and governance data, research and engagement information. Trained on our proprietary Neuberger Materiality Matrix, the tool can identify the most financially material environmental, social and governance factors for a specific company, improving the speed and quality of analysis and enabling more targeted, evidence-based research and stewardship activity. The tool's capabilities are constantly enhanced and improved, leveraging internal frameworks, new and additional data sources, and user-driven insights to broaden its functionality over time.

AI in Stewardship and Sustainable Investing

AI in Proxy Voting

An initiative leveraging AI to streamline the collation and processing of proxy voting data for proxy voting analysis and reporting purposes. Through the embedding of AI in our stewardship workflows, we are able to more efficiently synthesise data from several unconnected sources. This assists in vote screening, analysis, decision-making, engagement prioritisation and reporting, all while decreasing time spent on data aggregation to support these tasks. At scale, these AI tools have the potential to meaningfully enhance the efficiency and quality of our proxy voting analysis, engagement efforts and stewardship reporting.

AI in Climate Investing

Beyond core stewardship workflows, we have explored targeted AI-supported tools for climate-specific applications, including supporting qualitative assessments within our Net-Zero Alignment Indicator framework, screening labelled bonds, structuring engagement frameworks, and tracking portfolio-level climate commitments across internal platforms. These tools are intended to enhance research efficiency and analytical consistency, acting as inputs to analyst judgement rather than substitutes for it.

External Service Providers Used to Supplement Stewardship

All of our stewardship is undertaken in-house by our investment teams and SSI Group. The investment teams are responsible for integrating financially material environmental, social and governance factors and engagement insights into their investment processes, as appropriate.

We also use third-party data providers. In some cases, we integrate the third-party data into our proprietary tools to enable our investment teams and engagers to access and compare a wide range of data quickly. The criteria and framework for such services are detailed in the relevant contracts, and the SSI Group monitors the provision of such services on an ongoing basis. The key criteria that we consider when assessing a data provider are the quality of the data, the methodology which we use to calculate data points, how often we have to refresh the data, data delivery tools and data coverage.

As part of data oversight, we have dedicated team members in data governance, technology and operations who manage data quality assurance, perform data analysis and engage with third-party data vendors on data. Prior to onboarding a new provider, we conduct extensive due diligence with input from several functions such as Vendor Management, Business Technology, Legal and Compliance, Client Reporting, Research, Data Governance and SSI to ensure that new service providers have received clean and actionable criteria to support our integration of stewardship into the investment process.

We continue to explore ways to improve our communication with vendors and monitor the services they provide to ensure they support the integration of stewardship into investment processes. For example, we have engaged our Enterprise Data Governance team to undertake a comprehensive review of third-party data and support the organisation in establishing controls to monitor the quality and completeness of data provided.

Training

All of our major investment teams participate in training on stewardship and integration, supported by our SSI Group and external partners. This is not one-time training; we regularly circulate updates as they arise, and provide teach-ins and seminars on global trends, new regulations and industry developments.

We continue to develop and/or enhance procedures to help educate and train the firm's global investment professionals on sustainability-related matters by regularly communicating and providing educational teach-ins, attending departmental meetings and writing internal blogs on global sustainability trends such as biodiversity, regulatory updates, proxy voting and internal tools that are available, such as the Net-Zero Alignment Indicator. For example, we hold regular sessions on stewardship and sustainable investing policies and regulation with investment teams to support the uniform implementation of regulatory requirements across the firm and discuss financially material implications of policy changes with portfolio managers. To further support our investment teams' engagement efforts, we have developed engagement guides on key thematic topics which include detailed information along with relevant policies and expectations.

We also encourage all professionals to enhance their skills through their own chosen methods, which may include the CFA Sustainable Investing course of study, further education and degrees, and/or other activities.



Disclosure C

Policies, Processes and Review

Ensuring Our Policies Support Effective Stewardship

Each of our key policies has a defined review process, including frequency, documentation protocols and approving parties. Below is the review process for key stewardship-related policies and a list of important guiding documents:

- Our Stewardship and Sustainable Investing Policy is applied across our investment platform and provides a broad framework for our approach to integrating financially material environmental, social and governance factors, including through stewardship, engagement and active ownership, into our investment management activities.
- Our Sustainable Exclusions Policy aims to identify and limit exposure to industry issues which we feel would impair our stewardship efforts. We engage with our investment teams, utilise available data and keep abreast of industry developments.
- Our Stewardship and Engagement Policy sets forth how Neuberger engages with companies that it invests in on behalf of clients and how engagement is integrated into our investment strategy. We've developed this policy in compliance with the requirements of the Shareholder Rights Directive II (EU/2017/828).
- Our Global Standards Policy is applicable across our Irish UCITS and QIAIF portfolios, which have been categorised as either Article 8 or Article 9 financial products in accordance with the Sustainable Finance Disclosure Regulation. Implementation is managed by Neuberger's Asset Management Guideline Oversight Team, in collaboration with Legal and Compliance.

Policy/Guiding Document	Policy/Document Description	Process for Review	Ultimate approval by:
Stewardship and Sustainable Investing Policy	Provides a broad framework for our approach to integrating financially material environmental, social and governance factors into our investment management for those clients who seek various degrees of integration.	**Annually reviewed by:** Global Head of Stewardship & Sustainable Investing, the SSI Committee and executive board members	SSI Committee
Stewardship and Engagement Policy	Sets forth how engagement is integrated into our investment processes.	**Annually reviewed by:** SSI Committee and Global Head of Stewardship & Sustainable Investing	SSI Committee and the NBEL Board of Directors
Governance and Proxy Voting Guidelines	Explains our expectations and approach to voting on key topics.	**Annually reviewed by:** Governance and Proxy Committee, investment team representatives and Global Head of Stewardship & Sustainable Investing	Governance and Proxy Committee
Proxy Voting Policies and Procedures	Describes our oversight structures and processes that guide our proxy voting activities.	**Annually reviewed by:** Governance and Proxy Committee, investment team representatives and Global Head of Stewardship & Sustainable Investing	Governance and Proxy Committee
Thermal Coal Involvement Policy	Explains our review and approval approach to investing in companies that (i) derive more than 25% of their revenue from thermal coal mining; or (ii) are expanding new thermal coal power generation. For products designated as Article 8 or Article 9 funds, under the SFDR, the review and approvals process is superseded by a prohibition from investing in such companies.	**Annually reviewed by:** SSI Committee, investment team representatives, Asset Management Guideline Oversight team, Legal and Compliance, and Stewardship & Sustainable Investing Group	SSI Committee
Controversial Weapons Policy	Explains our approach to prohibiting investments in securities issued by companies that have been identified as being involved in the manufacture of controversial weapons.	**Annually reviewed by:** ESG Committee, investment team representatives, Asset Management Guideline Oversight team, Legal and Compliance, and Stewardship & Sustainable Investing team	SSI Committee
EU Climate Benchmark Standard Exclusions Policy	The policy applies to the funds captured by the requirements of the European Securities and Markets Authority in its Guidelines on Funds' Names Using ESG or Sustainability-related Terms.	**Annually reviewed by:** SSI Committee, investment team representatives, Asset Management Guideline Oversight team, Legal and Compliance, and Stewardship & Sustainable Investing Group	SSI Committee
Sustainable Exclusions Policy	Explains our approach to prohibiting investment in securities issued by companies that we believe do not meet the minimum sustainability criteria outlined in the policy.	**Annually reviewed by:** SSI Committee, investment team representatives, Asset Management Guideline Oversight team, Legal and Compliance, and Stewardship & Sustainable Investing Group	SSI Committee

As shown above, our key policies and guiding documents are reviewed at least annually and require approval from senior business leaders. Our approach to include a key committee in each review process was deliberate as it helps ensure that views from various business functions, asset classes and geographies are well represented in discussions. We believe this results in more robust dialogue and ultimately more effective policies. Further, we determined it was appropriate to require approval from members of senior leadership given the critical role of our stewardship efforts in our investing practices and our ability to achieve outcomes on behalf of clients.

Our Approach to Assurance

We have several internal and external processes in place to maintain high standards of stewardship.

Our Internal Audit team performs reviews of the Stewardship and Sustainable Investing function, inclusive of stewardship activities, in accordance with our standard audit cycling methodology. The primary focus of these reviews is to evaluate controls implemented to ensure the proprietary integration framework is maintained as described in marketing materials and policy documents. These reviews also include an evaluation of the accuracy of Stewardship and Sustainable Investing marketing materials and other related material such as the Stewardship and Sustainable Investing Policy and annual PRI reporting. The scope includes the following elements of Stewardship and Sustainable Investing:

- Stewardship and Sustainable Investing Policy & Procedures
- Integration & Screening in Public Securities
- Engagement
- Regulatory Compliance
- Proxy Voting
- Stewardship and Sustainable Investing Incorporation in Alternative Investments
- Marketing Materials & Disclosures

In addition to the cycled review of the Stewardship and Sustainable Investing function, Internal Audit:

- Performs annual reviews of specific elements of Stewardship and Sustainable Investing such as proxy voting and avoidance screens. They include verification of proxy voting statistics reported externally and analysis of avoidance screens that have been implemented. Furthermore, they evaluate the tracking and reporting of our engagement activities.
- Evaluates integration and engagement practices of individual investment teams when performing audits of such teams. Investment team audits are completed in accordance with the standard audit cycling methodology. Typically, unique audits are completed for multiple investment teams every year.
- Monitors the activities of the ESG Product Oversight Committee ("EPOC"), which is responsible for ongoing verification of Sustainability-related claims made by investment teams for products and strategies offered by Neuberger which have been reviewed by the ESG Product Committee.
- Performs ad hoc assessments of Stewardship and Sustainable Investing practices at the request of senior management.

Given the important role that Stewardship and Sustainable Investing practices serve in our investment processes, we determined it was appropriate to have our Internal Audit team conduct regular reviews of our practices as we would with other critical business elements. The results of these reviews enable us to evaluate the effectiveness of our practices and identify areas for improvement. We believe this process produces an objective assessment given the Internal Audit function is fully independent of the business.

Our independent Internal Audit team also reviews the accuracy of Stewardship and Sustainable Investing marketing materials and other related collateral such as the Stewardship and Sustainable Investing Policy and PRI reporting with a view to ensuring that our reporting on stewardship activities is fair, balanced and understandable. Additionally, our publications pertaining to our stewardship activities are reviewed by our Global Head of Stewardship and Global Head of Stewardship and Sustainable Investing. Further, select votes and supporting rationales that are disclosed in advance of meetings through our NB Votes initiative are reviewed by our Governance and Proxy Committee and Legal & Compliance team for accuracy and appropriateness.

We conduct a comprehensive mandatory anti-greenwashing training for relevant employees annually. The training is aimed at enhancing employees' ability to identify and mitigate the risks associated with greenwashing in investment practices and focuses on the principles of accurate and transparent reporting, equipping participants with the skills to critically assess sustainability claims and ensure compliance with regulatory standards. The training reinforces our commitment to integrity and accountability in our stewardship activities.

NBEL will continue to assess its approach to assurance on an annual basis, including the use of external assurance providers. NBEL is audited annually in accordance with applicable rules and regulations and whilst this audit does not specifically address our approach to stewardship, our independent Internal Audit function continues to perform this role and we are constantly reviewing and monitoring whether additional external assurance will be required going forward.



Disclosure D

Conflicts of Interest

Background

Various EU Directives and UK regulatory rules require asset managers to implement controls to prevent conflicts of interest and, when they cannot be avoided, to identify, manage and monitor them to avoid damaging clients' interests and, should they arise, disclose these situations to clients.

This section aims to explain NBEL's approach to conflicts of interest arising from its stewardship, including engagement and proxy voting activities. As an investment management firm, NBEL is authorised and regulated by the Financial Conduct Authority (FCA), and therefore will follow the FCA's regulations when it comes to conflicts of interest.

NBEL's objective is always to act in the client's best interest when considering matters that are relevant to stewardship, including voting and engagement. In accordance with FCA requirements, NBEL has established and implemented effective conflicts of interest arrangements that are appropriate to its size and organisation, nature, scale and the complexity of its business. Further details are outlined below, as well as within NBEL's Conflicts of Interest Summary, which can be found on Neuberger's website.

Our Conflicts of Interest Policy

NBEL's Conflicts of Interest Summary sets forth its commitment to always act professionally, and to always keep the best interests of clients and their beneficiaries in mind. NBEL will take appropriate steps to identify circumstances that may give rise to actual and potential conflicts of interest that could entail a risk of damage to clients' interests. In the normal course of business, as in any large financial institution, situations resulting in potential or actual conflicts of interest may arise. There is nothing inherently unethical when they do, subject to compliance with regulatory and legal requirements. However, the abuse of such situations is clearly improper, and NBEL is committed to managing these conflicts of interest to prevent abuse and protect clients, employees and counterparties.

Across Neuberger, employees are expected to take reasonable steps to identify any conflicts of interest between the firm—including its managers, employees or other relevant persons—and its clients, or among the firm's clients. Integrity, fairness, impartiality and primacy of clients' interests occupy a leading place in our ethical rules and values. NBEL's Conflicts of Interest Policy is detailed and comprehensive, however this report provides additional disclosure in relation to how NBEL's conflict of interest policies and procedures relate to stewardship, as described below.

Managing Conflicts of Interest in Stewardship Activities

We acknowledge NBEL's position as a fiduciary for our clients and their beneficiaries and seek to act in their best interests. Accordingly, we take reasonable steps to identify actual and potential conflicts that may give rise to a material risk of damage to the interests of our clients. While conflicts may arise across different areas of our business, they can also arise in the context of stewardship activities, including proxy voting. Where a material conflict is identified, Neuberger follows established procedures designed to manage the situation appropriately and protect clients' interests.

NBEL's business is also subject to many of the wider Neuberger policies, including, but not limited to, the Code of Conduct, which outlines the legal and ethical framework within which we conduct ourselves, and Code of Ethics, which is designed to ensure NBEL employees put client interests first and conduct their activities in a manner consistent with applicable laws and regulations.

Employees are provided with regular conflicts-of-interest training, including those newly joining the firm. Employees are also required to provide regular affirmations of conflict identification to the Compliance Department.

Potential Conflicts of Interest

Key aspects of our conflicts of interest policies and procedures related to stewardship are set forth below, and are complemented by further information and mitigations provided in our NBEL Conflict of Interest Summary and Stewardship and Engagement Policy.

Ownership Conflicts

The business of Neuberger is investment management. As Neuberger is privately owned by current and former employees and some family members, we believe its ownership structure generally aligns with clients, and we consider the conflicts of interest that may arise in relation to its ownership to be rare.

Personal relationships / account dealing conflicts

Our analysts, investment teams and other relevant personnel may receive confidential information and insights from issuers, sponsors and other relevant third parties, including information that is not publicly available and may, in certain circumstances, constitute material non-public information. The receipt of such information may give rise to potential conflicts of interest and restrictions on trading activities. We have implemented policies, procedures and controls designed to identify, manage and mitigate these risks.

In some cases, personal or business relationships may exist between our investment teams and the directors or senior managers of issuers or sponsors, which may give rise to conflicts of interest.

Client and Prospective Client Conflicts

NBEL and its affiliates provide a range of investment services to institutional investors, including several pension funds sponsored by corporations, governments and other organisations. These services include proxy voting and engagement activities in accordance with our Stewardship and Engagement Policy with companies in which NBEL and its affiliates are equity shareholders and/or bond investors across their AUM.

As a result, the following real or perceived conflicts may arise:

- We may engage with or exercise voting rights attached to the shares held in a company that is the sponsor of one of our pension fund clients, or is in the same group as one of our clients or prospective clients.
- We may engage with a government or government body that is the sponsor or associate of the sponsor of one of our clients or prospective clients.
- We may engage with a company that has a strong commercial relationship, including as a service provider, with Neuberger/NBEL and its affiliates, and/or with clients or potential clients.
- We may vote on a corporate transaction, the outcome of which would benefit one client or prospect more than another.
- We may engage with a company in which certain clients or prospects are equity holders and others are bond holders.
- We may otherwise act on behalf of clients who have differing interests in the outcome of our activities and our views/approaches to stewardship and engagement.

Membership in industry groups

We also find it valuable to be an active member in certain industry groups to debate and share our practitioner views on emerging policy issues. On an annual basis, our Stewardship and Sustainable Investing Committee reviews the membership organizations we belong to ensure our memberships do not conflict with our Stewardship and Sustainable Investing Policy (please see Activities and Outcomes Report for our various memberships).

Managing and Monitoring Conflicts

In all our activities, we seek to promote the long-term value and success of the companies in which our clients invest. We have set out below a summary of some of the key controls we have in place to identify and manage conflicts in our stewardship activities.

Our Compliance Controls

Stewardship and engagement activities are exercised with the aim of influencing the company's behaviour and enhancing long-term risk-adjusted returns for its investors. However, these activities are not carried out with the intention to change control of the issuer or obtain non-public information, nor is information obtained intended to manipulate the market or to be used in any other impermissible manner. In the case that material non-public information is obtained through stewardship or engagement activities, our Compliance Department is informed, and restrictions are put in place around the issuer until the information is publicly disseminated. During the application of the information barrier, stewardship professionals or any other member of Neuberger's staff are not allowed to act upon, or share, the non-public material information. The Compliance Department of NBEL requires that all staff certify on a quarterly basis that they have complied with all NBEL's policies and conflict arrangements. Detailed management information outlining completion of every certification is provided to the Conflicts of Interest Committee and Board of NBEL. Where employees identified as either Senior Management Functions or Certification Employees under the FCA's Senior Manager and Certification Regime do not complete this exercise, they are highlighted to a Certification Committee consisting of Compliance, Human Capital Resources and NBEL Chief Executive Officer to consider appropriate action.

Using Objective Assessments

While we welcome client input and suggestions for engagement, all our engagement activities are selected and pursued based on an objective assessment of the severity of the problems faced by the companies being engaged or the opportunities available to them, the likely effect of public policy and regulation, and the likelihood of success in achieving value-enhancing change or mitigating value-destroying change. We give due regard to the value of the company to our clients and to the value at risk given the issues in question.

In our engagements with companies that are the sponsors of (or in the same group as) our clients, we are careful to protect and pursue the interests of all our clients by seeking to enhance or protect the long-term value of the companies concerned. In the first instance, we make clear to all pension fund clients with corporate sponsors that we will treat their sponsoring parent or associated companies in the same way as any other

company. In addition, we will follow appropriate controls and protocols, including ensuring that in such situations the relevant client relationship director or manager within Neuberger or NBEL is not involved with the engagement or proxy voting process. This same approach would hold true with respect to any engagement with a company with whom we, our owners or our clients have a strong commercial relationship, including suppliers. To date, this type of conflict has not been identified, but if it were, it would be disclosed to clients. If we become aware of potential conflicts, they are disclosed as appropriate.

Proxy matters are conducted in the best interests of clients, in accordance with Neuberger's fiduciary duties, and applicable rules and standards as outlined by the Investment Advisers Act of 1940, fiduciary standards and responsibilities for Employee Retirement Income Security Act (ERISA) clients set out by the US Department of Labor, the UK Stewardship Code, the Japan Stewardship Code and other applicable laws and regulations.

In instances where NBEL does not have authority to vote client proxies, it is the responsibility of the client to instruct its ballots. In circumstances where NBEL has voting authority, NBEL will on a best-efforts basis comply with specific instructions to vote proxies, whether or not such client directions specify voting proxies in a manner that is different from NBEL's policies and procedures. NBEL will seek to vote all shares under its authority so long as that action is not in conflict with client instructions or applicable laws. There may be circumstances under which NBEL may abstain from voting, when it believes it would not be in the client's best interests for reasons such as the presence of share-blocking requirements or meetings in which voting would entail additional costs.

Clients and internal investment teams may at times have different immediate interests in the outcome of certain corporate activities, most notably in the result of a takeover bid involving two public companies. In addressing such situations, we are open with clients about the conflict and disclose it where practically and legally possible. We will look to implement appropriate controls and protocols in such scenarios (such as information barriers or restricted personnel lists) in accordance with applicable regulatory rules.

Proxy Voting Guidelines and Proxy Committee

As in other cases, through our company engagements and voting recommendations, we give greater consideration to the long-term value that could be created or is at risk of being destroyed for our clients than to the financial effect of a deal for any one client. For our internal investment teams, our Proxy Voting Guidelines serve to inform their assessment. However, they will make their final judgement independently with a view to their fiduciary obligations to their clients. In the event that a portfolio manager or other investment professional at Neuberger believes that it is in the best interest of a client or clients to vote proxies other than as provided in our Proxy Voting Guidelines, the portfolio manager or other investment professional will submit in writing to the Proxy Committee the basis for his or her recommendation. The Proxy Committee will review this recommendation in the context of the specific circumstances of the proxy vote being considered and with the intention of voting in the best interest of our clients.

The Proxy Committee has designated responsibility for:

- Developing, authorising, implementing and updating Neuberger's proxy voting policies and procedures
- Administering and overseeing the governance and proxy voting processes
- Engaging and overseeing any third-party vendors as voting delegates to review, monitor and/or vote proxies

The Proxy Committee consists of senior management from across Neuberger, including the Chief Investment Officer—Equities, the Head of Global Equity Research, the Global Head of Stewardship and Sustainable Investing, senior portfolio managers, and a senior member of the Legal and Compliance Department who will advise on matters as they arise. If one or more members of the Proxy Committee are not independent with respect to a particular matter, the remaining members of the Committee shall constitute an ad hoc independent sub-committee, which will have full authority to act in the event of a conflict.

Views regarding corporate governance and engagement, and the related stewardship actions, are led by our Stewardship and Sustainable Investing team, in consultation with investment teams and professionals in the Legal and Compliance Department and the Global Equity and Fixed Income Research groups, among others. These insightful, experienced and dedicated groups enable us to think strategically about engagement and stewardship priorities.

How Conflicts of Interest Are Reviewed

Where a material conflict of interest is identified, Neuberger will generally vote the relevant shares in the same proportion as the votes cast by other shareholders on the proposal, subject to applicable legal, regulatory and operational requirements. NBEL believes that this process is reasonably designed to address material conflicts of interest that may arise in conjunction with its proxy voting decisions.

Potential conflicts considered by the Proxy Committee in determining whether to deviate from our Governance and Proxy Voting Guidelines include:

- A material client relationship with a corporate issuer under consideration
- Personal or business relationships between portfolio managers and an executive officer, director or director nominee of the issuer
- Joint business ventures
- A direct transactional relationship between the issuer and senior executives at Neuberger

We review our conflicts of interest policies and procedures, including those related to stewardship activities, annually, or at any point outside of that period where we identify a material change or development, to ensure it adequately reflects the types of conflicts that may arise so that we can ensure that they are appropriately managed and as far as possible mitigated.

Below we provide examples of real or potential conflicts related to stewardship and explain how we would manage them.

Potential conflict: We have been approached by several non-governmental organisations to support their agenda and engagement with select companies in which NBEL invests on behalf of its clients. This may cause a conflict of purpose between their agenda and the best interests of our clients more generally.

How it would be addressed: While we welcome dialogue with broader stakeholders and subject matter experts, our investment decisions including our proxy votes are based on our own independent analysis of companies, and an assessment of what is in our own clients' best interests.

Potential conflict: A director of Neuberger may serve as a director of a company into which Neuberger has also invested on behalf of its clients. Being an investor and also serving on the board of the company potentially presents a conflict of interest for the director and Neuberger.

How it would be addressed: If our Proxy Voting Guidelines do not address a certain voting situation, such as a contested election, Neuberger would generally instruct that such shares be voted in the same proportion as other shares are voted with respect to a proposal, or defer to a preselected independent third party to vote our shares. This type of potential conflict occurred in 2021. A director of Neuberger served as a director of a company into which Neuberger had also invested on behalf of its clients. In 2021, the company was subject to a proxy contest where the director's re-election was being contested. The Proxy Committee determined that a conflict existed and that we could not exercise our voting discretion. As a result, in accordance with our Conflicts of Interest policy, we deferred to a preselected independent third party to vote our shares.

Potential conflict: An issuer may be held across multiple Neuberger investment teams through different asset classes (e.g., through asset-backed securities and public equities).

How it would be addressed: We mitigate potential conflicts through promotion of transparency and open communication via mechanisms such as posting engagements on shared calendars, having the Legal and Compliance Department review written correspondence with issuers, such as letters to ensure consistency with our Governance and Engagement Principles, and notifying key holders as appropriate. The Proxy Committee must approve any proxy vote that is inconsistent with Neuberger's Proxy Voting Guidelines and notify key holders as appropriate.

Potential conflict: From time to time, Neuberger will invest a client's investments into its own affiliated funds. This takes place based on the idea that the investments are in the best interest of the client, and meet that client's investment restrictions and guidelines.

How it would be addressed: As part of Neuberger's efforts to address and mitigate potential conflicts of interest, it has formed a committee comprising Chief Investment Officers, the Chief Risk Officer, members of Neuberger's Legal and Compliance Department, including Neuberger's Chief Compliance Officer and General Counsel – Asset Management, and the Head of our Asset Management Guideline Oversight function. This committee generally meets quarterly to review the following, among other things: (i) investments by the funds and other accounts advised by Neuberger or its affiliates in other funds or other pooled investment vehicles (e.g., UCITS Funds); (ii) asset allocation decisions, including decisions to allocate assets to internal portfolio managers (e.g., the allocation to a sleeve of a multi-manager); and (iii) compliance with Neuberger Investment Adviser's policy on side-by-side accounts (this review focuses on trade allocation and rotation, a full holdings review, IPO allocation and performance review).



Disclosure E

Dialogue with Clients and Beneficiaries

Methods for Sharing Stewardship Information and Incorporating Our Clients' Views

Effective stewardship relies not only on active engagement and voting, but also on transparent communication with clients and other stakeholders. Neuberger uses a range of channels to share stewardship information, gather feedback and assess the effectiveness of its stewardship programme. These mechanisms support accountability, facilitate ongoing dialogue and help ensure that stewardship activities continue to evolve in response to client expectations and market developments.

For example, most clients choose to give us voting authority because they agree with our integrated approach to stewardship. We publish our Proxy Voting Guidelines and provide transparency to clients on our voting record to enable them to assess our work. This includes NB Votes, our advance vote disclosure initiative launched in 2020, where we publish our vote intention and rationale ahead of select shareholder meetings. We also increased the publication frequency of our vote records for our US mutual funds and Irish UCITS funds to monthly. After further feedback, in 2021 we created a mechanism where clients can receive an email notification when we publish a new vote intention. In 2022, we began publishing a Summary of Material Changes describing the significant updates made to our Proxy Voting Guidelines and based on feedback received from clients and portfolio companies, we have continued this disclosure practice.

In the normal course of business, we have regular dialogue with our clients about investment processes, outcomes and stewardship activities where clients may choose to share their views. Clients may have a range of different objectives, which is why we offer a range of co-mingled funds that are categorised by investment approach, for example those that are "sustainable" or seek to achieve alignment with a "net zero" objective. Clients are free to select products that align with their needs. In addition, we develop customised solutions for clients in separately managed accounts to further align with their unique objectives. These can include specific stewardship objectives, for example in relation to net zero.

Given our diverse range of clients and investment strategies, we have found it beneficial to engage with our clients through multiple means of communication, including both formal and informal interactions.

Informative Reporting

Providing our clients with high-quality, informative reporting is an important component of our stewardship activities. We strive to include case studies of our stewardship efforts, both where we have not yet achieved our objective and where we have been successful, including through the UK Stewardship Code Report. We provide this reporting through various communication channels and frequencies as described below.

Client Roundtables

We have hosted a number of client roundtables that have provided opportunities to educate on emerging topics, provide updates on our stewardship and integration approaches, and gather feedback.

RFPs and DDQs

We closely monitor the questions and topics of focus included in RFPs and DDQs from clients, and incorporate these observations into our stewardship activities and reporting. In response to requests for more engagement examples, we provide engagement case studies in this report and in our Stewardship and Sustainable Investing Report. We have been pleased by the positive feedback from clients on these enhancements and continue to explore opportunities to deepen our engagement with them and incorporate their feedback into our activities.

Publicly Available Documents

We disclose key stewardship materials on our website, including policies, reports and voting records. In addition to the policies and guiding documents described in Disclosure C, these include our PRI Transparency Report and Global Corporate Credit Engagement Report, and both our firm-level and NBEL-specific Task Force on Climate-Related Financial Disclosures Report. These reports are published and distributed to clients on an annual basis.

Activities and Outcomes Report



Principle 1

Signatories integrate stewardship and investment to deliver long-term sustainable value for their clients and beneficiaries.

Stewardship as an Integral Part of the Investment Process

As an active manager, stewardship of our clients' assets is a critical component of our investment processes and is integral to how we seek to protect and enhance long-term value. Stewardship activities are embedded within investment decision-making and ongoing portfolio management, rather than operating as a separate or overlay function. Individual research analysts and portfolio managers are responsible for conducting stewardship activities—such as issuer engagement—within their portfolios and as part of their investment research responsibilities.

We believe this bottom-up, investment-led approach encourages strategy-specific implementation of stewardship while enabling portfolio management teams to learn from best practices across the broader investment platform. Our Stewardship and Sustainable Investing Group enhances this process by providing top-down expertise, coordination and support, including guidance on emerging risks, thematic priorities, engagement techniques and regulatory developments. This structure enables us to align engagement activities closely with investment objectives while maintaining consistency and rigour across asset classes and strategies.

Key Stewardship Themes and How We Prioritise Them

We focus our stewardship on issues we consider financially material to long-term risk and return. In prioritising themes, we combine (i) bottom-up assessment of issuer- and sector-specific materiality with (ii) top-down perspectives on cross-cutting themes and client objectives. We regularly refine priorities using insights from investment research, stewardship interactions and relevant stakeholder feedback, so that stewardship effort remains targeted on the issues most likely to affect long-term value creation. Stewardship topics are determined by investment teams through their fundamental research and analysis, supported by the Stewardship and Sustainable Investing Group, which provides thematic insight and expertise to promote consistency and rigour across strategies.

Bottom-up assessment

The primary way in which stewardship topics are identified is through fundamental investment research and analysis conducted by our portfolio managers and research analysts, drawing on deep industry-and company-specific expertise. Through this bottom-up process, investment teams assess which factors are most likely to be financially material to an issuer's long-term performance, risk profile and valuation, and therefore most relevant for stewardship focus.

To support this analysis and promote consistency across the investment platform, teams leverage additional tools including the Neuberger Materiality Matrix and our Governance and Engagement Principles. These frameworks help investment teams identify, test and prioritise stewardship topics by providing structured perspectives on potentially financially material issues, while allowing investment judgement and issuer-specific insights to remain central to decision-making.

- **The Neuberger Materiality Matrix** spans multiple asset classes, more than 70 different industries, under 11 sectors and across more than 30 potentially financially material environmental, social and governance factors. The matrix allows us to develop forward-looking views by industry, guiding investment analysis and engagement in a consistent and comparable way, and accommodating real-time insights from sector experts. The matrix is available to all investment teams to use as a starting point for further analysis, and can be applied to asset classes, including private markets.
- **Governance and Engagement Principles:** As discussed further in Principle 3, Neuberger has identified nine key governance and engagement principles that guide our stewardship activities and are focused on fostering corporate behaviours we believe can support long-term economic value creation.
- **Neuberger Quotients** are asset class-specific, industry-relative ratings for many companies covered by our central equity and credit analysts on potentially financially material environmental, social and governance characteristics. The Neuberger Quotient ratings can serve as an input to the investment process, help inform engagement priorities and support investment decisions, alongside other fundamental indicators such as business fundamentals, industry trends and financial metrics. The ratings are available for all investment professionals at Neuberger throughout the research environment. The underlying data is updated regularly and the rating methodology is reviewed as necessary with the sector analysts.

  Our custom ratings cover over 4,000 equities and 2,800 credit issuers (including sovereigns), some of which incorporate the analysts' extensive industry experience to make decisions on qualitative categories that may be hard to measure. Given limited disclosure of environmental, social and governance data in some markets and for some types of issuers, some ratings include significant qualitative judgement from analysts themselves. Those ratings may be used by portfolio managers as part of their approach to integrating financially material environmental, social and governance factors for corporate issuers, for example, by adjusting internal credit ratings up or down based on the Neuberger Quotient.

Top-down cross-cutting themes

We believe that financially material environmental, social and governance factors may be an important driver of long-term investment returns from both an opportunity and a risk-mitigation perspective. We believe that the determination of the financial materiality of environmental, social and governance factors, like the determination of the financial materiality of any other factor, should be incorporated in a manner appropriate for the specific asset class, investment objective and style of each investment strategy. Considering these financially material factors in an investment process may help generate enhanced returns or mitigate risk within a portfolio.

Therefore, we take a comprehensive approach toward managing client assets, including the integration of financially material factors into the investment processes for those strategies where this is disclosed. While the consideration of any particular factor will be specific to the unique investment strategy, below are selected examples of considerations that we may apply to our evaluation of issuers as part of our investment process and during our engagements. Where appropriate, topics may be referenced in our Proxy Voting Guidelines.

- **Climate Change:** As an asset manager with a long-term perspective, Neuberger recognises the impact of climate change and that many countries and companies are taking steps to transition toward global net-zero emissions. To evaluate climate factors as part of our investment analysis, we have implemented top-down scenario analysis for modelling both transition and physical risk at the company level for some listed public equity and corporate issuer fixed income portfolios consistent with the recommendations of the TCFD. We also conduct bottom-up analysis of the degree of net-zero alignment of individual issuers using our proprietary Net-Zero Alignment Indicator methodology.
- **Human Rights:** Neuberger recognises the impact companies may have on human rights as it relates to their employees, contract workers, supply chain workers and within the communities in which they operate. As a signatory to the United Nations Global Compact Principles (UNGC Principles), we are committed to respecting and upholding the protection of human rights, labour laws, environmental protection and anti-corruption practices. As such, we believe it is important to evaluate how companies consider the same principles: support labour rights, comply with local and international laws, give back to the communities they serve and operate in, and have well-managed supply chains as determined by our company analysis and engagements.
- **Human Capital Management:** Neuberger believes topics related to human capital can be among the most significant risks and opportunities for companies. We expect boards to disclose and be able to discuss efforts to make the companies inclusive, attractive and high-retention environments. We identify this as a vital component in attracting and retaining talent for the long-term sustainable success of the companies we invest in.
- **Board Quality and Independence:** Boards play an important role in scrutinising management decision-making and representing minority shareholders, and as a result, we believe they should be comprised primarily of independent and qualified directors with relevant experience. Quality board composition coupled with effective policies and transparency regarding corporate governance structures and practices are critical to the long-term success of a company.
- **Executive Compensation:** Executive compensation plays a pivotal role in aligning the interests of management with those of shareholders, ensuring that the leaders of a company are appropriately incentivised to drive business success and enhance shareholder returns. Therefore, Neuberger expects each company to design compensation policies that are appropriate to its situation and that will attract and retain skilled executives who will be incentivised to increase their company's long-term shareholder value. We expect compensation committees to design, adopt and clearly articulate a strong link between executive compensation and performance.
- **Risk Management and Accountability:** Boards are instrumental in overseeing a company's risk management processes and maintaining corporate accountability, which is a key focus of Neuberger's evaluation process to ensure appropriate governance practices. Boards of directors should actively engage with management to evaluate and control enterprise risk. Companies should provide transparency in communication and reporting on material risks and how they are addressed within long-term strategy and capital allocation decisions.

Strategy Spotlight: Impact Strategies

Some of our strategies, such as our Impact strategies, intentionally seek to generate, measure and report sustainability outcomes. This is clearly disclosed in the offering documents and marketing materials if it is the case.

At Neuberger, we have identified five consistent, investable themes across our relevant strategies, and believe investors can contribute to these themes by investing in or engaging with companies whose products and services have the potential to deliver significant positive social or environmental outcomes.

Below we outline the five broad themes that some of our strategies, such as our Impact strategies, may contribute to, to varying degrees.

1. **Drive sustainable and equitable growth**
   Identifying attractive business models that support the economic development and prospects of people and small businesses to drive more inclusive growth. The key metrics we use to assess a business' contribution to this theme include educational qualifications conferred (e.g. degrees awarded), incremental profit/savings enabled and efficiencies gained for small businesses from productivity enhancing software, among others.

2. **Improve positive health and safety outcomes**
   Identifying attractive business models that enable people to live healthier and safer lives, including having greater access to food and clean water. The key metrics we use to assess a business' contribution to this theme include quality-adjusted life years, patients treated, gallons of water treated/conserved, and agricultural yield improvement, among others. We see a multitude of underserved communities, patients and geographic regions that can benefit from greater access as well.

3. **Promote gender and racial equality**
   In many instances, the greatest contribution that companies can make to gender and racial equality is by enacting best practices within their own organisations. As a result, this theme cuts across all sustainable outcomes investments and we seek to engage with portfolio companies on measuring, managing and disclosing key metrics such as pay equity, board/management representation and retention rates.

4. **Combat climate change and enable energy transitions**
   Identifying attractive business models that either directly or indirectly help to reduce GHG emissions. The key metric we use to assess a business' contribution to this theme is avoided emissions. Beneficiaries are global but we see particular benefit to least developed nations with physical climate risk that do not have the financial resources for extensive climate adaption projects.

5. **Conserve the natural environment**
   Identifying attractive business models that enable the circular economy, reduce waste and protect or restore natural environments. The key metrics used to assess a business' contribution to this theme include waste recycled/averted, virgin material avoided, and land restored, among others.

How Integration Differs Across Strategies, Asset Classes and Geographies

Our approach is proportionate to the rights, responsibilities and influence available across asset classes and investment styles. Where voting rights are available, we integrate stewardship considerations into voting and engagement. In asset classes where voting is less relevant, stewardship is often expressed through research, due diligence, issuer engagement and, where applicable, terms and pricing considerations. Geographic context can also affect the prevalence and severity of issues and our analysis and engagement priorities reflect these differences. For example, issues related to human rights, supply chain management and corruption are more prevalent in emerging and developing economies than developed markets. Similarly, the type and severity of physical risks will depend on the location of company operations.

Investment teams are responsible for choosing how best to apply all the tools of active management, whether that is to engage or ultimately to sell a security when it no longer offers an attractive risk-adjusted potential return. Investment professionals across our investment platform have developed asset class-specific philosophies for strategies and funds that integrate financially material environmental, social and governance factors into the process that are aligned with our overall firm philosophy:

- **Public equity:** We consider financially material factors where we believe they may impact security valuation, e.g., through a company's forward-looking multiple, the value of its intangible assets or its earnings.
- **Corporate credit:** We consider financially material factors where we believe they may impact near- and medium-term cashflows and EBITDA.
- **Municipal credit:** We consider financially material factors where we believe they may impact the governance profiles of local governments and public enterprises, labour and stakeholder relations, as well as management and mitigation of environmental risks.
- **Sovereign debt:** We consider financially material factors where we believe they may impact credit spreads and risk of default. For example, sovereigns with declining control of corruption, weakening adherence to the rule of law, or increasing vulnerability and readiness to climate change may bring incremental risk.
- **Private equity fund investments:** We may consider how the lead Sponsor's integration of financially material risk factors is incorporated into the investment process at the firm and fund strategy levels.
- **Private direct investments:** We may assess industry-specific environmental, social and governance factors that are likely to be financially material for a given company, as well as the lead Sponsor's level of integration.
- **Real estate:** We may consider environmental, social and governance topics where we believe that they may impact the long-term investment value of real estate companies.

We recognise that the degree and form of stewardship integration vary by strategy, asset class and geography, and in some cases are more limited by the rights and influence available. For example, engagement within private markets strategies may focus primarily on general partners whereas in public equity or corporate credit we would seek to engage with company management teams. In sovereign debt and emerging markets, it may be more effective to engage collaboratively when interacting with governments. Frequency of engagement may also differ; for example, our public equity teams may engage with a company multiple times in a given year, whereas touchpoints will often be less frequent in municipal credit and private markets.

Neuberger Quotients and Engagement

Engagement is a crucial aspect of Neuberger's active management and has been critical to refining the Neuberger Quotient ratings. The Neuberger Quotient is built around the concept of sector-specific risks and opportunities, and produces an overall rating for issuers by assessing them against certain financially material environmental, social and governance factors. Engagement is an important component of the investment process for most Neuberger funds. The firm leverages internal engagements with management teams of issuers through a robust engagement programme to better understand risks and opportunities, and assess good corporate governance practices of investee issuers. For example, a retailer had disclosed enhancements to addressing cybersecurity risks and human capital management practices that were not yet reflected in third-party data. Based on updated disclosure, we were able to adjust the inputs to our ratings, resulting in what we believe to be an improved assessment of the company through collaboration with the covering analyst.

Data science initiatives have also helped reinforce our ratings on specific companies. For example, by scraping online employee sentiment for one holding, we determined that employee views suggested higher-quality labour practices than were reflected in third-party metrics, reinforcing the conclusions we had drawn in multiple engagements, and creating additional confidence in our own ratings for the company. In our view, Neuberger Quotient ratings are a significant step forward in drawing together what we believe are unique insights that can be applied within portfolios and broadly to promote improved practices across asset classes. They are also a work in progress, and we will continue to refine the integration of data and human perspectives to enhance their contribution.

Stewardship Informs Investment Decisions

No stewardship activity is conducted in a silo; information is shared to better inform investment decisions, engagement priorities and voting decisions. Our decision to embed responsibility for active ownership actions within investment teams serves to deepen the integration of information and insights gathered through stewardship efforts into investment processes such as Neuberger Quotient ratings, valuation models, proxy voting decisions and engagement escalation. As described above, information gathered through engagements and data science initiatives is directly integrated into our investment analysis and decision-making. The examples below illustrate how stewardship insights have informed investment decisions, and how investment analysis has shaped our stewardship activities across asset classes.

Amazon: Engagement Drives Enhanced Safety Disclosure

Using reviews of Amazon's sustainability disclosures and filings, alongside regular safety-focused discussions, we gained insights into the company's evolving safety practices and metrics, indicating a positive trend in safety improvements. However, we noted that Amazon did not disclose safety metrics for its outside delivery service providers (DSPs), something that we believed was essential to better capture its overall safety record.

In keeping with our view that what gets measured gets managed, we encouraged the company to expand its safety disclosures to include DSPs. Subsequent to our dialogue, Amazon began reporting safety metrics for DSPs in the first quarter of 2024, reflecting not only its commitment to improvement but also, in our view, illustrating the impact that engagement can have, even on the largest of companies.

In 2025, Amazon confirmed that it would continue providing this level of disclosure on an ongoing basis. This additional disclosure was incorporated into our internal assessment, further informing our view of issuer risk and safety management.

Lions Gate Entertainment Corp.: Investment Analysis Informs Stewardship Action

At Lions Gate Entertainment Corp., we found the company's dual-class share structure to be inconsistent with market practice and believed it impaired value. We communicated our concerns through engagement and a written letter to the board. Lack of responsiveness ultimately compelled us to submit a shareholder proposal calling for the collapse of the dual-class share structure, a stance supported by a majority of shareholders.

At the time we made the proposal, the company's Class B shares traded at a forward Enterprise Value-to-EBITDA multiple below that of selected peers. We believed this discount was driven in part by the dual-class structure, which dampened trading liquidity, complicated the capital structure and gave certain shareholders outsized influence.

The company subsequently reviewed potential changes with external advisers and concluded that a "one share, one vote" structure would strengthen its governance profile, align voting power with economic ownership, simplify the capital structure and potentially broaden its appeal to investors. In May 2025, when the company completed the separation of its STARZ business, both standalone publicly traded companies adopted a single-class share structure.

Natural Gas Plant Operator: Engagement Insights Support Covenant Waiver

In 2025, our fixed income investment team assessed a situation in which a natural gas plant operator faced challenges when a winter storm drove a spike in natural gas prices and created liquidity constraints around its working capital needs. The company sought a covenant waiver to access certain reserve baskets for liquidity and working capital purposes and alleviate a short-term operating issue.

Our engagement focused on ensuring covenant outcomes reflected underlying credit fundamentals and appropriately protected creditor interests. As part of this process, we assessed the appropriateness of lender flexibility given the temporary nature of the disruption, the criticality of the asset to the local power market and the company's continued adherence to a conservative capital structure.

Management provided clear disclosure, quantified the impact and set out forward projections demonstrating continued debt service capacity. These engagement insights strengthened our confidence in supporting the covenant waiver and maintaining our investment in the issuer.



Principle 2

Signatories identify and respond to market-wide and systemic risks to promote well-functioning financial markets.

Our Approach to Market-Wide and Systemic Risks

Our approach considers both market-wide risks and systemic risks. Market-wide risks can affect broad segments of the economy or capital markets, while systemic risks have the potential to impair the functioning of an interconnected financial or economic system. Understanding how these risks are transmitted helps us assess their potential implications for client portfolios and determine the most appropriate response. Risks may affect different asset classes, sectors and geographies through different channels and over different time horizons, meaning the impacts are often neither uniform nor simultaneous. This perspective informs both our investment processes and our stewardship activities.

Market-wide and systemic risks can vary significantly in nature, scope and severity, ranging from macroeconomic and liquidity risks to geopolitical shocks, technological disruption and physical and transition climate risks. Many are difficult to diversify away completely and can influence investment outcomes across portfolios over the long-term. Consequently, we seek to understand not only the existence of a risk, but also the mechanisms through which it may affect companies, markets and asset values. We believe that understanding these transmission channels supports better investment decision-making, more effective stewardship and more targeted engagement activity.

Our approach combines investment-led stewardship, fundamental research, portfolio construction, issuer engagement, policy engagement and collaboration with clients and other market participants. We recognise that different risks require different responses. In some circumstances, the most effective response may be direct engagement with issuers to understand how they are managing financially material risks and opportunities. In others, it may involve engagement with policymakers, regulators or industry bodies where we believe our expertise can contribute to the development of market standards, disclosure frameworks or the broader functioning of capital markets.

We believe policymakers and regulators play an important role in shaping market stability and resilience, and we engage constructively across jurisdictions where appropriate. At the same time, we continue to focus on areas where we believe we can have the greatest impact as an active investment manager, including issuer engagement, security selection, portfolio construction and stewardship activities that support long-term value creation and risk management on behalf of our clients.

Key Market-Wide and Systemic Risks Identified

Market-wide and systemic risks are considered within our investment and risk management processes.

The principal risks we monitor include, but are not limited to:

- interest rate and inflation risk;
- credit and default risk;
- currency and foreign exchange risk;
- liquidity and financial stability risk;
- geopolitical conflict and fragmentation;
- trade disputes, protectionism and supply-chain disruption;
- demographic change and labour-market developments;
- technological change, including the adoption and governance of artificial intelligence;
- employment and broader social stability risks; and
- physical and transition climate risks.

These risks may interact, but they do not necessarily affect every investment in the same way or at the same time. For example, a geopolitical shock may affect commodity-linked companies, energy importers, currencies and credit markets through different channels and over different periods. Similarly, climate transition risk may be transmitted through changes in policy, technology, financing costs, consumer demand or the value of physical assets. Understanding these transmission mechanisms helps investment teams distinguish between broad thematic concerns and risks with a plausible and financially material connection to the assets they manage.

We also consider the underlying drivers of long-term economic and market outcomes, including labour-force growth, productivity, capital formation and the conditions under which capital, goods and labour move across borders. This broader perspective helps us assess emerging risks based on their potential investment effects, rather than beginning with a predetermined set of stewardship themes.

These considerations are integrated into fundamental research, portfolio construction and risk oversight. Some risks, including leverage, interest rates and credit conditions, can be assessed using established indicators. Others may crystallise rapidly or involve greater uncertainty. Our global risk management structure supports the identification of emerging risks, escalation of internal communications and, where appropriate, reassessment of portfolio exposures.

Engagement with Issuers on Market-Wide and Systemic Risks

Investment-led and integrated engagement

Engagement with issuers is an important mechanism through which we seek to understand and respond to the company-level effects of market-wide risks. Our approach is investment led and embedded within investment teams, ensuring that dialogue with issuers is grounded in fundamental analysis and portfolio-specific considerations.

A market-wide risk becomes relevant for issuer engagement when there is a plausible transmission mechanism into the company's strategy, financial performance, asset values, cost of capital or long-term resilience. Engagement may then focus on how the company identifies and manages that exposure, whether its disclosures allow investors to assess the risk adequately, and how the relevant considerations are reflected in governance, capital allocation and long-term planning.

This bottom-up engagement is supported by analytical tools and capabilities developed by our centralised Stewardship and Sustainable Investing Group. Together, these resources help investment teams identify financially material risks and opportunities, prioritise engagements and incorporate the resulting insights into investment analysis.

Against this backdrop, climate change represents a particularly salient market-wide risk because of its potential to affect asset values and investment outcomes across sectors, geographies and asset classes. Its effects may be transmitted through physical damage, regulation, technological change, financing costs and shifts in market demand. Below, we describe how our climate-related engagement is applied across asset classes to understand and respond to these financially material effects.

Climate-Related Engagement Across Asset Classes

Climate change remains a key market-wide and systemic risk due to its potential to affect economic growth, asset valuations and financial stability across sectors and regions. We use engagement as a tool to mitigate exposure to financially material physical and transition risks by encouraging issuers to enhance disclosure, strengthen governance and improve long-term risk management practices.

During 2025, our climate-related stewardship activities included:

- discussing material climate topics with corporates on more than 2,000 occasions;
- updating our engagement guides on net-zero alignment, carbon markets, sustainability reporting standards, nature-related risk and sector-specific guidance across 44 sectors to reflect evolving policy, regulatory and market developments.

Listed equity and corporate fixed income

Our listed equity and corporate fixed income teams collaborate closely on issuer engagement, sharing insights and resources across asset classes. This approach enables more holistic and effective discussions with issuers, recognising that stewardship priorities may differ by capital structure while remaining interconnected.

Climate risk and opportunity assessment tools—including emissions analysis, Climate Value at Risk, the Net Zero Alignment Indicator, natural capital assessments and the Neuberger Quotient—help inform engagement priorities. These tools support the identification of issuers where climate-related risks may be financially material and where improved transition planning or disclosure could enhance long-term resilience.

Engagement priorities typically include:

- board-level oversight of climate risk;
- alignment of disclosures with TCFD recommendations;
- setting and monitoring science-based targets;
- management of physical and transition risks; and
- progress against stated climate commitments.

Where progress in managing transition-related risks appears slower than expected, particularly among higher-emitting companies, we use the Net-Zero Alignment Indicator to help prioritise engagement and focus discussions on specific areas relevant to an issuer's transition strategy and risk management practices. Research analysts and portfolio managers use insights gained through these engagements to enhance their understanding of how issuers are managing transition risks and opportunities, which may subsequently inform their assessment of net-zero alignment.

Between January 1, 2025, and December 31, 2025, our corporate engagement efforts included:

	Fixed Income	Public Equity
Capital allocation	230	91
Short- and medium-term targets	225	74
Decarbonisation strategy and green opportunities	396	241
Physical climate risk	40	20
Emissions performance	157	89
Emissions disclosure	175	123
Long-term ambition	215	85

Sovereign issuers

Engagement with sovereign issuers on climate-related issues presents distinct challenges, but remains an important area of focus. Sovereign transition pathways are shaped by geographic, historical and socioeconomic factors, and progress is often incremental.

Our engagement focuses on assessing how sovereigns intend to deliver on high-level commitments, such as Nationally Determined Contributions, and identifying gaps in implementation, including the absence of detailed transition plans for key sectors. We believe that collaborative engagement through industry initiatives can play a meaningful role in supporting sovereign climate resilience and long-term debt sustainability.

Private markets

In private markets, engagement with general partners is a key mechanism for collaborating on climate-related matters. On behalf of certain client mandates, or at client request, we engage with private equity managers on climate topics such as reporting GHG emissions and conducting climate risk analysis, alongside broader integration of financially material environmental, social and governance factors.

Escalation of Stewardship Activity on Systemic Risks

How and why we escalate

Given the non-diversifiable nature of many market-wide and systemic risks, escalation of stewardship activity often extends beyond bilateral issuer engagement. Escalation pathways may include intensified engagement, collaboration with other investors, participation in industry initiatives, or direct engagement with policymakers, regulators, and standard-setters. Decisions to escalate are informed by investment considerations, the scale and urgency of the risk, and our assessment of the most effective mechanism to drive change.

Industry Collaboration Spotlight: Advancing Climate Resilient Sovereign Debt Markets

An example of escalated stewardship activity in 2025 relates to climate related sovereign risk. Recognising that physical climate shocks can trigger liquidity stress, disorderly defaults and prolonged loss of market access, we participated in the Bondholder Working Group (BHWG) of the London Coalition for Sustainable Sovereign Debt to help develop a proposal for debt pause clauses designed to strengthen sovereign balance sheet resilience to major external shocks, including climate-related disasters and other natural emergencies, while continuing to support well-functioning capital markets.

The central sustainability objective of this work is to help countries most exposed to physical climate risks preserve fiscal space when severe shocks occur. By providing a clear, rules-based mechanism for temporary liquidity relief that is market-ready and grounded in practical implementation realities, the proposal is particularly relevant for vulnerable sovereigns, including low-income countries and small island states, where extreme weather events and natural disasters can have outsized macroeconomic and social impacts.

Our work began with an assessment of prior efforts to incorporate climate resilient debt clauses, including initiatives convened by the International Capital Market Association and Wilton Park, as well as lessons learned from early adopters such as Grenada and Barbados. Building on this foundation, the working group—together with the Sustainable Sovereign Debt Hub, hosted by Nature Finance and the Emerging Markets Investors Alliance—undertook extensive engagement across the sovereign debt ecosystem.

This engagement included dialogue with investors, sovereign issuers and their representatives, sovereign advisors, legal counsel, multiple departments of the International Monetary Fund, the World Bank and other multilateral development banks, the Paris Club community, index providers, rating agencies, banks, law firms, and market bodies, including the Institute of International Finance and the International Capital Market Association. We also presented our approach at the Roundtable on Climate Resilient Debt Clauses and Beyond in Madrid, hosted by the Government of Spain; at London Coalition Steering Committee meetings hosted by HM Treasury; and through webinars organised by the Sustainable Sovereign Debt Hub and Bank of America.

Insights from this extensive engagement informed the development of a public proposal that moves beyond bespoke, geographically specific triggers and gradual, case-by-case implementation. Instead, the proposal is designed to be operationalised consistently by emerging market bond investors at scale. Importantly, it pairs the debt pause clause concept with strengthened transparency and governance provisions, intended to reduce the likelihood that acute shocks translate into disorderly defaults, prolonged loss of market access, or setbacks to long-term investment in climate adaptation and development priorities.

Through this collaborative and escalated stewardship activity, we sought to address a climate-related systemic risk and contribute to more resilient sovereign debt markets over the long-term.

Policy Engagement and Market-Wide Initiatives

Engagement with policymakers and standard setters

An important way we promote a well-functioning financial system is by commenting on policy and regulatory topics ranging from sustainability-related disclosures to the global alignment of reporting requirements through formal letters to domestic and foreign financial regulators and responding to policy consultations on stewardship and sustainability-related topics.

We also find it helpful to be an active member in certain industry groups to debate and share our views on emerging issues. We are therefore members of several trade associations across jurisdictions, including the Investment Association (IA), the Investment Company Institute (ICI), the Securities Industry and Financial Markets Association (SIFMA) and the European Fund and Asset Management Association (EFAMA). In order to ensure that our memberships do not conflict with Neuberger's SSI Policy, our SSI Committee reviews our memberships on an annual basis. Throughout 2025, we engaged on emerging sustainability-related reporting standards and disclosure requirements for asset managers, as described in the examples below.

Consultation	Body	Feedback Provided
SFDR Level 1 Review Call for Evidence	European Commission	Provided feedback on key changes to the SFDR framework, including the potential introduction of new sustainability fund categories, the simplification of product and entity level disclosures, and the challenges around goldplating across EU jurisdictions.
Australian Treasury Consultation on Sustainable Investment Product Labels	Australian Government	Provided feedback to advocate for clear, principles-based labels, validated by consumer testing. Labels should be meaningful and not diluted by overly broad criteria, and should help bridge the gap between product manufacturing and distribution.
UK Sustainability Reporting Standards (SRS) and Transition Plan Consultation	UK Department for Business and Trade (DBT)	Supported the implementation of ISSB standards as a requirement for companies in the UK. However, raised concerns regarding softer language regarding the reference to the SASB standards as part of IFRS S1 on General Sustainability Disclosures.
European Sustainability Reporting Standards (ESRS) Exposure Draft Consultation Survey	European Financial Reporting Advisory Group (EFRAG)	Welcomed the revised ESRS guidance on double materiality explicitly allowing companies to use SASB Standards to identify financially material industry-specific risks and opportunities. We also urged EFRAG to ensure equivalence of financially material information with ISSB reports.
Consultation on the Proposed Amendments to the Sustainability Accounting Standards Board (SASB) Standards	International Sustainability Standards Board (ISSB)	Reiterated our support to SASB Standards as part of IFRS S1 General Sustainability Disclosures. SASB standards are key for companies to determine financially material factors for their industry. In this consultation, we provided technical feedback on proposed updates to key industry-related topics, factors and metrics in priority sectors.

Participation in Industry Initiatives

As long-term investors and stewards of our clients' assets, we participate in industry initiatives that will increase transparency, protect investors, and foster fair and efficient capital markets. In addition to our own research efforts, we believe partnering or liaising with peers, clients, issuers and third-party experts on market-wide and systemic risks is an effective and necessary approach given the collective action needed to adequately address them. Highlights of our participation in various initiatives and collaborative efforts are included below.

International Sustainability Standards Board's ("ISSB") Investor Advisory Group ("IIAG")	As a member and Vice Chair of the IIAG, we support the ISSB in developing the global baseline for sustainability reporting by providing feedback on the technical and practical aspects of the standards from an investor point of view. By responding to public consultations and surveys launched by the ISSB, we have supported the ISSB's focus on financial materiality and the ability it provides for jurisdictions to go beyond the baseline through building blocks.
European Fund and Asset Management Association ("EFAMA")	As members of EFAMA's Stewardship and ESG Committee, we actively participate in regular meetings to bring our views to the table on EU sustainable policy initiatives on transparency and disclosures, data, corporate governance, and other topics. The Committee develops policy positions to encourage the mainstreaming of sustainability-related regulatory requirements across the EU and support policymakers in implementing the EU's Sustainable Finance Strategy.
Investment Company Institute (ICI) Proxy Working Group	In 2025, Neuberger joined the ICI Proxy Working Group to provide our perspective and advocate for improvements on key proxy voting-related matters. We believe our participation in these discussions is particularly important as regulators are considering potential changes to existing rules and guidance. The importance of our participation was further underscored when an executive order focused on proxy advisors was issued in December 2025.



Principle 3

Signatories engage to maintain or enhance the value of assets.

Approach to Engagement

Our approach to engagement is rooted in the fundamental analysis conducted by our analysts and portfolio managers, with a focus on creating economic value while reducing risk for our clients. Engagement with issuers is a core responsibility of long-term active ownership, and we view it as a key mechanism through which we can seek to influence outcomes that are financially material to investment performance.

We believe that engaging with issuers on financially material topics can improve company performance and reduce risk over time. Environmental, social and governance risks are considered as part of our assessment of financial materiality, recognising that such risks may affect the value of an investment or issuer in different ways depending on the nature of the exposure. These impacts may arise, for example, through physical damage to assets, policy or technological changes that alter the economics of a business model, or shifts in consumer preferences and market demand.

Accordingly, we seek to identify the financially material risks and opportunities that are most relevant to individual sectors and issuers. This enables us to engage in a targeted and informed manner on key topics, with the objective of promoting responsible management of those risks and improving issuer resilience. While much of our engagement arises organically through the investment diligence process, we are increasingly focused on ensuring that engagement is sustained throughout our period of ownership rather than concentrated solely at the point of investment.

Our long-term relationships with issuers position our investment teams well to engage constructively on these topics. In 2025, we conducted 3,495 public equity engagements and 1,332 corporate credit engagements, reflecting the scale and depth of our engagement activities across asset classes.

2025 Engagement Overview

Public Equity
3,495

Fixed Income
1,332

Primary Engagement Topics

Governance
- Long-term business strategy (2,910)
- Capital structure (1,296)
- Financial disclosure and controls (640)
- Risk management (380)
- Board independence and leadership (316)

Social
- Human capital management (548)
- Government relations (375)
- Supply chain management (320)
- Accessibility and affordability (186)
- Community relations (170)

Environmental
- Climate risk management (2,695)
- Energy management (319)
- Water management (89)
- Circular economy and product/ packaging lifecycle (87)
- Waste and hazardous materials management (76)

Definition and Purpose of Engagement

We define our engagement activity as follows:

Engagement

We believe engagement is a two-way dialogue between Neuberger and an issuer on financially material topics to the entity and its investors where we provide context and feedback on areas of concern or opportunities for improvement. Engagement should not be one-sided, but rather involve knowledge-sharing.

Types of engagement:

- 1:1 in-person meetings or conference calls
- 1:1 meetings at conferences
- Small group meetings where we had meaningful dialogue with the company
- Site visits/due diligence meetings that involve in-depth risk and opportunity assessments or interviews

The purpose of our engagements varies depending on the circumstances of the issuer, the investment strategy and the nature of the issue being discussed. Engagement objectives may include, but are not limited to:

- improving understanding of financially material risks and opportunities;
- encouraging enhanced disclosure where information gaps impede investment analysis;
- promoting sound governance, risk management and capital allocation practices; and
- supporting long-term value creation and downside risk mitigation.

Engagement objectives are set with reference to investment relevance and are reassessed over time as issuer circumstances, market conditions or risk profiles evolve.

Prioritisation of Engagement

Neuberger has identified nine key governance and engagement principles that guide our stewardship activities and are focused on fostering corporate behaviours we believe can support long-term economic value creation. As a multi-asset class manager, we engage with issuers across the capital structure, using a range of tools and approaches aligned with these principles.

Strategy

Adopt, formulate and communicate value-enhancing strategies

Incentives

Align management and board incentives with long-term shareholder goals

Board independence

Effective board of directors must be truly independent

Shareholder representation

Strive to maximise shareholder representation

Capital deployment

Allocate capital to maximize long-term risk-adjusted shareholder value

Transparency & communications

Provide transparency in communication and reporting

Risk management

Boards of directors should actively engage with management to evaluate and control enterprise risk

Environmental issues

Consider financially material environmental risks and opportunities to their business and operations

Social issues

Actively assess financially material risks and opportunities pertaining to human capital management, customers, local communities and society to their business and operations

Our prioritisation of engagement is informed by several considerations, including:

- the severity of a concern, as assessed through proprietary internal ratings;
- the potential economic exposure of client portfolios to the identified risk;
- our expected level of influence, whether through engagement, voting or other investor rights;
- the type of entity (for example, corporate issuer or sovereign); and
- the presence of emergent risks identified through internal analysis or broader engagement activity.

Prioritisation is an ongoing assessment rather than a static process. The timing of engagement may be reactionary in response to specific events, opportunistic in connection with industry developments or scheduled meetings, or proactive where circumstances allow and without undue restrictions such as quiet periods or transaction-related constraints.

Ultimately, we seek to prioritise engagement activities where we believe there is a reasonable prospect of achieving a positive outcome for the protection or enhancement of our clients' asset values, whether through improved disclosure, stronger governance practices or better management of financially material risks.

Methods of Engagement

We employ a variety of engagement methods, selected based on the issuer, the issue under discussion and the level of access available. As engagement with a given issuer often spans multiple years, it is common for multiple tools and techniques to be used over time. Engagement is primarily conducted bilaterally, though we also engage collaboratively where this is expected to enhance effectiveness.

Our most common engagement tools include:

Company Meetings: Our most commonly used engagement method across asset classes is direct dialogue with issuers through company meetings. Research analysts and portfolio managers collectively host, on average, over 3,000 one-on-one meetings with company management teams each year, both in person and via conference calls, in addition to a similar number of external meetings and on-site visits. These meetings provide an opportunity to communicate our views and concerns directly and to deepen our understanding of issuer strategy, governance and risk management.

Written Communication: Where informal engagement does not adequately address identified concerns, portfolio managers may escalate to formal written communication with management teams or boards of directors. Such correspondence sets out specific concerns and recommended courses of action. We expect issuers to engage constructively and respond to both formal and informal communications.

Shareholder Proposals and Proxy Contests: Portfolio management teams may seek governance change through shareholder proposals, proxy contests and other measures of shareholder activism if a company's responsiveness is deemed inadequate.

NB Votes: Through our NB Votes initiative, we publish voting intentions in advance of certain shareholder meetings, particularly where our clients have significant economic exposure, to increase transparency and signal the rationale behind key voting decisions.

Proxy Voting: For listed equity strategies, proxy voting is a key engagement tool. We exercise voting authority on behalf of clients where authorised, in fulfilment of our fiduciary responsibilities and as a means of reinforcing expectations around governance, accountability and long-term value creation.

Industry Collaborations: We collaborate with several organisations, especially where we feel our leadership can make a significant contribution, and may engage collaboratively where it is expected to enhance effectiveness.

Asset Class and Market Considerations

Our engagement approach is informed by the characteristics of different asset classes and the markets in which we invest, including levels of market efficiency, data availability, ownership structure, and the nature of our investment exposure.

In more informationally efficient public equity markets, particularly in developed markets, engagement is typically orientated toward downside risk mitigation, governance quality, and the consistency of long-term value creation. In these contexts, engagement and proxy voting serve as tools to reinforce expectations, improve transparency, and signal the importance of sound governance and risk management practices.

In less efficient markets or asset classes where public disclosure may be less standardised, such as emerging market equities, private debt, or non-investment grade

fixed income, engagement may play a more central role in gaining insight into material ESG risks and opportunities. In these cases, engagement supports proprietary analysis, helps address data gaps, and informs underwriting, relative valuation, and risk assessment.

Across all asset classes, the objectives and methods of engagement are calibrated to reflect our level of access, the nature of our investment exposure, and our ability to drive meaningful outcomes for our clients.

Asset class engagement example: Fixed Income

Within fixed income, ongoing dialogue with management is an important tool in tracking our investment thesis and reducing the overall risk profile of our portfolios over time. For Developed Market Corporate Credit, we view our engagement activities as critical to our investment process. We establish issuer-specific engagement goals covering a financially material topic, track its progress over time and incorporate a measure of responsiveness and actions into our opinions of the issuer's credit profile and valuation of its debt securities.

Asset class engagement example: Private Equity

Neuberger's engagement on financially material issues extends to the private equity universe, where we believe maintaining a dialogue with clients and private equity managers is an important part of our role in the ecosystem. Our due diligence efforts, which may be informed by our Manager Integration of Financially Material Environmental, Social, and Governance Considerations Scorecard for fund investments, can serve as a starting point for engagement with general partners (GPs). We connect with GPs in seminars and one-on-one settings to provide guidance and support on policies and practices.

Collaborative Engagement and Market Wide Stewardship

We recognise that we have a vested interest in the effective functioning of capital markets as a whole. Supporting best practices in stewardship and sustainable investing is therefore an important part of our approach. We engage collaboratively where we believe collective action can enhance effectiveness, particularly on systemic or market-wide issues.

Our collaborative engagements are purpose-driven, and we seek to play an active role through leadership, research contributions or technical input rather than participating passively. Examples of our collaborative activities in 2025 include participation in industry initiatives focused on emerging market governance, climate risk and sustainability disclosure standards. Through these roles, we contribute investor perspectives, support the development of consistent and decision-useful disclosures, and seek to strengthen stewardship practices across markets.

While we support many highly impactful groups and initiatives, each year, we seek to particularly focus our efforts where we feel our leadership can make a unique and significant difference. Below are examples from 2025:

Emerging Markets Investors Alliance (EMIA): In 2023, Neuberger joined EMIA, an organisation that empowers institutional emerging market investors to support good governance, promote sustainable development, and enhance investment performance in the governments and companies in which they invest. Formally incorporated in 2015, EMIA began by organising educational events on emerging market governance issues in 2010. It now offers a broad range of governance and sustainability topics, educational events, and research for investors. EMIA also enables investors to become effective advocates for good governance and sustainability in emerging markets. In 2025, we led and participated in a range of engagement initiatives organised by the Emerging Markets Investor Alliance, spanning both sovereign and corporate issuers. At the sovereign level, these initiatives covered Sovereign Decarbonisation, Fiscal and Debt Governance, Human Capital and Gender Equity, and Enhanced Labelled Bond Standards. On the corporate side, our engagement focused on key sectors including Extractive Industries, Materials, Financial Institutions, and Telecommunications, Media & Technology.

PRI: Neuberger continued to actively contribute to the PRI's work by participating in its Global Policy Reference Group (GPRG), where we share expertise and insights on ongoing policy and regulatory issues. In addition, as members of the Investor Reference Group on Corporate Reporting, we shared our views regarding stewardship practices in private equity and emerging reporting frameworks on ESG-related data, including the ISSB global baseline and the EU's Corporate Sustainability Reporting Directive (CSRD). Additionally, as members of the Sovereign Debt Advisory Committee, we contributed to the PRI's recent report titled "Considering climate change in sovereign debt". The report covers emerging topics in climate considerations for sovereign debt investors and provides engagement prompts, case studies and data sources.

Institutional Investors Group on Climate Change (IIGCC): Neuberger is a member of IIGCC, a leading global investor membership body and the largest in Europe focusing specifically on climate change. Through our IIGCC membership, we support and help shape the public policies, corporate action and investment practice required to address financially material climate risks. In 2025, Neuberger continued to serve as an active member of the Bondholder Stewardship Working Group and joined the Stewardship Regulation Working Group. This involved participation on

several calls throughout the year to share our perspective on various stewardship consultations as well as provide edits to IIGCC consultation response letters.

ESG Data Convergence Initiative (EDCI): In 2022, Neuberger became a signatory to the ESG Data Convergence Initiative, an industry collaboration representing over 500 limited partners and general partners (GPs) as of 2025 which seeks to standardise environmental, social, and governance metrics and provide a mechanism for comparative reporting for the private market industry. As an LP signatory, we request a set of EDCI metrics, including GHG emissions and employee engagement metrics, from GPs on an annual basis.

International Sustainability Standards Board's (ISSB) Investor Advisory Group (IIAG): As a member and Vice Chair of the IIAG, we support the ISSB in developing the global baseline for sustainability reporting by providing feedback on the technical and practical aspects of the standards from an investor point of view. In 2025, we demonstrated our support by responding to public consultations and surveys launched by the ISSB. In 2025, we co-hosted with ISSB an industry roundtable at our offices that brought together asset owners, asset managers, standard-setters, and public companies to discuss the current state of disclosure and challenges and opportunities for furthering the adoption of the ISSB standards.

Asian Corporate Governance Association (ACGA): Our Portfolio Manager of Japanese Equities assumed the role of the Chair of the Japan Working Group ("JWG") of the ACGA in 2021. The Group consists of over 100 asset owners and managers with combined assets under management of US$40 trillion, and aims to support the improvement of corporate governance across companies in Japan. The role of the Chair involves managing the Group's mid-term strategy, which includes collaborative engagements with key institutions in Japan's investment chain, including companies, and in the future, with regulators and industry associations. The Chair also supports ACGA's thought leadership initiatives such as publishing open letters and white papers on key issues related to Japan's corporate governance.

In 2025, ACGA JWG undertook various collaborative engagement efforts with regulators and companies. On the former, we held substantive discussions with the Financial Services Agency (FSA) on regulations related to Acting in Concert as the group continues to work closely with the regulator on promoting collaborative engagement between investors and companies in Japan. On the latter, ACGA JWG constructively engaged with Toyota Group following the June announcement by the conglomerate to privatise supplier Toyota Industries (TICO) in a record US$30 billion+ takeover bid (TOB). ACGA JWG welcomed the TOB proposal as it helped to address group-wide capital efficiency and corporate governance. However, the initial disclosure by Toyota Group did not adhere to best practice guidelines set by the Tokyo Stock Exchange with respect to TOB/privatisation in parent-child situations. As such, ACGA JWG organised various discussions with Toyota Motor CFO, TICO senior executives, and external directors on the need to improve disclosure on TOB valuations, conflicts of interest management, and the role of the External Directors to safeguard minority shareholder value and rights. The discussions also resulted in an open letter by the group. In the end, the Toyota Group not only enhanced disclosures to address the above concerns but also raised the TOB price to address some investors' suggestions that the TOB price failed to properly value TICO's business fundamentals, including unrealised gains from its assets.



For further reference, below are examples of our memberships and the role we play in each.

Organisation/Initiative	Our Role
Alternative Investment Management Association (AIMA)	Member
Asia Investor Group on Climate Change (AIGCC)	Member
Asian Corporate Governance Association (ACGA)	Member, Chair of the Japan Working Group
Asset Management Association of China (AMAC)	Member
Asset Management Association Switzerland (AMAS)	Member
Association of Investment Companies (AIC)	Member
Belgian Asset Managers Association	Member
Capacity-Building Alliance of Sustainable Investment (CASI)	Member
Ceres	Member
Chinese Climate Engagement Initiative (CCEI)	Founding Member
Climate Action 100+	Individual Engager
COLCAPITAL, a Colombian PE association	Member
Council of Institutional Investors (CII)	Member, Member of Corporate Governance Advisory Council
Emerging Markets Investor Alliance	Member
European Fund and Asset Management Association (EFAMA)	Member, Member of the ESG and Stewardship Committee
ESG Data Convergence Initiative (EDCI)	Member
Farm Animal Investment Risk and Return (FAIRR)	Member
Global Impact Investing Network (GIIN)	Member
Global Real Estate Engagement Network (GREEN)	Member
Global Real Estate Sustainability Benchmark (GRESB)	Member
Gulf Capital Market Association	Member
Green Investment Principles for the Belt and Road Initiative (GIP)	Member
Impact Convergence Forum (ICF)	Member, Member of the Steering Committee
Initiative Climat International (iCI)	Member
Institute of International Finance (IIF)	Member
Institutional Investors Group on Climate Change (IIGCC)	Member, Member of Bondholder Stewardship Working Group
Investment Company Institute (ICI)	Member, Board of Directors, ESG Advisory Group, Member of ESG Taskforce
Institutional Limited Partners Association ILPA Driving Inclusion in Alternatives	Member
Insurance Asset Management Membership Association of China (IAMAC)	Member
Interfaith Center on Corporate Responsibility (ICCR)	Member

International Financial Reporting Standards IFRS Sustainability Alliance	Founding Member, Corporate Engagement Working Group Member, APAC Working Group Member, Participant in Standards Advisory Groups ("SAG"), Member of the ISSB Investor Advisory Group ("IIAG") (formerly, the SASB Investor Advisory Group)
Invest Europe	Member, Member of the Limited Partners Platform Council
Investment Adviser Association (IAA)	Member
Investment Management Association of Singapore (IMAS)	Member
Investment Association (IA)	Member of Stewardship Committee and Climate Change, Working Group
Irish Association of Investment Managers (IAIM)	Member
Irish Funds	Member, ESG Data Reporting Working Group
Japan Investment Advisory Association (JIAA)	Member
Japan Investment Trust Association	Member
Japan Stewardship Code	Signatory
Korea Financial Investment Association (KOFIA)	Member
Latin American Venture Capital Association (LAVCA)	Member
Loan Syndications and Trading Association (LSTA) Integrated Disclosure Project IDP	Member
Net Zero Asset Managers Initiative (NZAMI)*	Signatory
Operating Principles for Impact Management	Signatory
Securities Industry and Financial Markets Association (SIFMA)	Member
Securities Investment Trust & Consulting Association (SITCA)	Member
Shanghai Asset Management Association	Member
Swiss Private Equity & Corporate Finance Association (SECA)	Member
Swiss Sustainable Finance Association	Member
Task Force on Climate Related Financial Disclosures (TCFD)	Supporter
TCFD Japan Consortium	Member, Green Investment Guidance (GIG) Supporter
Transition Pathway Initiative (TPI)	Research Funding Partner
UK Private Capital (formerly the BVCA)	Member
UK Sustainable Investment and Finance Association (UKSIF)	Member
UN Global Compact	Signatory
United Nations Principles for Responsible Investment (PRI)	Signatory Member of Corporate Reference Reporting Group ("RPRG"), Global Policy Reference Group ("GPRG"), and Sovereign Debt Advisory Committee
US SIF – The Forum for Sustainable and Responsible Investment	Member, Board of Directors
Workforce Disclosure Initiative WDI	Signatory
World Benchmarking Alliance	Member

*NBAMIL is a signatory to the Net-Zero Asset Managers Initiative. NBAMIL is authorized as an AIFM and UCITS Management Company by the Central Bank of Ireland and is Neuberger's principal investment management and distribution entity operating in the European Economic Area.

Escalation of Engagement Activities

While the overwhelming majority of our engagement is done in collaboration with companies and their management teams, we consider the use of rights afforded to us to be an essential part of our responsibility to protect and enhance client value. Our escalation approach is investment driven and considers investment objectives, issuer specific circumstances and the history of engagement.

Where concerns are not adequately addressed, escalation actions may include:

- withholding support from directors, opposing a management proposal or supporting a shareholder proposal at annual general meetings
- engaging with the board of directors
- sending letters to the board of directors
- visiting company sites
- joining a collaborative initiative
- submitting a shareholder proposal
- making our concerns public
- nominating new director candidates to the board
- withholding or ceasing investment in the company

Our general approach to escalation is applicable across geographies and asset classes. The escalation tools leveraged will depend on the rights available to us and the circumstances of the case in question. Importantly, escalation methods are not exclusive and when an escalation method is utilised, we continue to seek to drive change through private one-on-one engagements. This approach reflects our belief that escalation is most effective when integrated into a broader, sustained engagement strategy.

Engagement Method in Focus: NB Votes

Through our NB Votes initiative, we publish our vote intentions in advance of select shareholder meetings, with a focus on companies where our clients have significant economic exposure.

Company	Issue	Action	Result	Why Is It Material?
Lions Gate Entertainment Corp.	One share, one vote	In 2023, Neuberger filed a shareholder proposal regarding recapitalisation, which received majority support from shareholders.	In response to shareholder feedback, when the company completed the separation of its STARZ business in May 2025, both standalone, publicly traded companies adopted a single class of stock structure.	We believe "one share, one vote" is a foundational principle of effective corporate governance and that collapsing the structure would improve the company's governance profile.
Keisei Electric Railway	Lack of transparency on strategic objectives and capital inefficiencies	Neuberger has had multi-year engagements with the company regarding capital management. Specifically, we have focused on the importance of sound capital management and improving related disclosures.	In response to shareholder feedback, the company published its long-awaited mid-term plan to reduce cross shareholdings. While we view the disclosure positively, we believe the company continues to maintain an opaque capital management strategy including how the company plans to leverage its cash and underutilised assets to achieve sustainable growth and enhance capital returns over the long-term. We continue to engage with the company on these matters.	We believe the company should maintain an efficient capital structure that minimises the risk-adjusted cost of capital, avoids excessive leverage or cash buildup, and allows for the return of surplus capital to shareholders.

Company	Issue	Action	Result	Why Is It Material?
Rollins Inc.	Independent board leadership	For several years, Neuberger has engaged the board to appoint a lead independent director and on matters related to board composition and shareholder rights.	In late 2023, the company appointed its first lead independent director. Following that director's retirement from the board in 2024, the board committed to maintain the lead independent director role by appointing a successor. Since then, the company has also declassified the board, disclosed an individualised director skills matrix, and increased board independence to two-thirds independent.	In the absence of an independent chair, we believe it is important to appoint a lead independent director to oversee management and set an agenda aligned with shareholder interests without conflicts of interest that an executive or insider director might encounter.
Veralto Corporation	Shareholder rights	Since the company's spin-off, Neuberger has engaged the company and provided feedback regarding corporate governance best practices, and supported management's proposals regarding board declassification and the elimination of supermajority provisions to signal the importance of shareholder rights.	In response to shareholder feedback, the company put forth proposals at its annual meeting to declassify the board over a three-year period and remove supermajority requirements from the company's certificate of incorporation.	We believe sound governance practices are foundational to sustained, long-term value creation.

Engagement Case Studies

The following case studies provide examples of our engagement activities and outcomes on a range of material topics across different markets, asset classes and sectors.

Engagement Case Study

Realigning Compensation with Returns

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Toro Company	Compensation, Capital Allocation	Governance	Equities	Small Cap	Agricultural Machinery	Ongoing

Background

Toro Company designs and manufactures equipment used for professional turf maintenance, landscaping, snow and ice removal and underground construction. Neuberger has held a stake in the company for roughly two decades, based on its leading market position across product categories, reputation for innovation, and extensive distribution and customer care network.

Scope and Process

Although a strong operator of its core businesses, Toro made an expensive and ill-timed acquisition in 2022, which compressed its return on assets and return on invested capital (ROIC), and contributed to the stock's subsequent underperformance. This came shortly after management had revised its longstanding incentive compensation programme to a profitability-driven formula from a returns-based metric.

After the acquisition, we initiated new engagements to reorient the company's incentive compensation and capital allocation. In partnership with the Stewardship and Sustainable Investing Group, the investment team conducted multiple meetings with management, including one-on-one sessions with the CEO and CFO, exploring (1) the root causes of declining profitability, (2) whether management and the Board of Directors had become less diligent in their oversight of capital allocation and (3) the potential reestablishment of return on assets or ROIC as its long-term compensation metric. As part of the dialogue, we encouraged management to use free cash flow, when available, for share repurchases.

Outcomes and Outlook

In 2025, Toro reverted its incentive compensation plan to a more effective structure, with performance metrics for its performance share units (PSUs) now reflecting 60% ROIC and 40% cumulative revenue over three years. We believe this is a step in the right direction that should give shareholders confidence in management's future capital allocation decisions. In addition, the company has accelerated share repurchases, exceeding our initial expectations.

We highlighted our support for the improved alignment of compensation structure and performance through our NB Votes initiative, where we publish the firm's voting intentions on key proxy issues in order to share our thinking and encourage improved practices across an array of financially material areas.

Engagement Case Study

Expanding Access to Life-Changing Pharmaceuticals

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Eli Lilly	Access to Affordable Obesity Drugs	Social	Equities	Equity Impact	Pharmaceuticals	Ongoing

Background

Eli Lilly is the largest pharmaceutical company in the US, engaged in the development and sale of pharmaceutical products on a global basis. Key treatment areas range from oncology to immunology, but its market-leading position is in incretins (GLP), which treat Type 2 diabetes and obesity, and have generated industry-leading growth over the past five years. Given the prevalence and health burdens of obesity, the addressable market is large, but carries patient access issues tied to pricing, insurance coverage and government budgets. Due to its financial materiality, this topic has been broached by many investors, as well as policymakers, patients and the health insurance industry.

Scope and Process

Neuberger has a long history of investing in and engaging with Eli Lilly on a range of issues, including as part of the Equity Impact strategy since 2020. As the obesity category has grown with new product launches, we have engaged multiple times per year with the company's management, investor relations and sustainability team on their pricing and access strategies, pushing for a responsible balance. Collaboration between our Global Equity Research and Equity Impact teams around third-party cost-effectiveness ratios (ICERs) grounded discussions around benefits to patients and value provided, which are often overlooked in the headlines. In 2025, we connected multiple times with the company, including once with the CEO directly, on the opportunity to increase access to existing medicines and lower patient barriers with direct cash channels or new oral options slated for launch in 2026. The company responded that it uses similar data in negotiations with insurers and governments and that, as evidence builds of their effectiveness in addressing the comorbidities of obesity, access could increase significantly.

Outcomes and Outlook

In 4Q 2025, Eli Lilly announced a significant breakthrough in collaboration with the US government, with a two-year pilot programme covering obesity treatments in Medicare, expanding access to an additional 20 million Americans. Importantly, there will be a $50-per-month out-of-pocket cap to ensure affordability, and a large discount given the volume opportunity, with the government paying $250 per month to Eli Lilly. Finally, the company previewed a more affordable $150-per-month starting price for its oral obesity treatment, which is slated for availability in 2026.

Ultimately, we see the pilot programme as a constructive example of working with the government to expand access while maintaining the potential for profitable growth.

Going forward, we will track the health outcomes and cost savings estimates from the two-year pilot programme for signs of its continued viability. We also anticipate that, over time, the obesity drugs will migrate into the state-run Medicaid market as well, although budgetary constraints may slow this process. Evidence of positive outcomes is beginning to appear in national data, with the annual Gallup survey showing a decline in the US obesity rate from a high of 40% in 2022 to 37% in 2025. Longer term, the impact on weight is expected to translate into cardiovascular benefits as well as overlapping comorbid conditions such as kidney disease, obstructive sleep apnoea and, possibly, a fatty liver condition known as MASH. We believe Eli Lilly's medicines will be a key contributing factor in any further declines as access across the globe expands.

Engagement Case Study

Product Governance and Human Rights in the Semiconductor Value Chain

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Texas Instruments	Product Governance and Human Rights Due Diligence	Human Rights	Equities	Quality Equity	Semiconductors	Ongoing

Background

Texas Instruments makes semiconductors that are used across myriad industries and products on a global basis. Over the more than 20 years it has been in Neuberger portfolios, the company has always been a proactive and responsive partner on sustainability issues. Starting in April 2023, we engaged with the company on news reports that its components had been found in Russian weapons, thus evading US sanctions for use in an area of conflict, and relatedly, on the importance of "know your customer" due diligence and reporting.

The concept of "know your customer" is widely known in the financial services industry, where it gained adherence in the early 2000s. However, it is less familiar in other sectors, including information technology. This is evolving as the expanding capabilities of technology increase the risk of misuse, negative externalities, and activities that may create legal, regulatory or reputational risk.

From a regulatory standpoint, we are seeing a shift from voluntary to mandatory reporting for both upstream and downstream impacts tied to human rights. This is evident in emerging regulations such as the EU Corporate Sustainability Due Diligence Directive (CSDDD), which will apply to large EU companies and non-EU companies with significant EU operations, and requires companies to identify, assess, and address adverse impacts on human rights and the environment across their value chains.

Scope and Process

Our dialogue spanned several years and included C-suite executives, such as the company's CEO and CFO. The investment team collaborated with our Stewardship and Sustainable Investing colleagues throughout the process. In terms of actions, we encouraged the company to recognise and appropriately address the seriousness of the issue, and to enhance disclosures and transparency around governance, oversight and accountability for product and services due diligence, including know your customer policies. Over time, we hoped that the company would consider enhancing its company human rights policy to align with the UN Guiding Principles to further encompass downstream impacts and product diversion.

Over the course of the engagement, we consulted with a range of experts and organisations on human rights and warfare to develop perspective on the key issues involved. This included a third-party organisation that focuses on human rights in areas of international armed conflicts. We also participated in a workshop covering the work of a UK-based defence and security think tank, regarding the tracing of industrial components to Russian military armaments. As part of our engagement with company executives, we presented them with resources from external experts, and provided examples of practices from technology competitors.

In 2023, we took escalated steps when we supported a shareholder proposal that called on the company to enhance its reporting to determine whether its customers' use of its products and services contribute or are linked to violations of international law, and published our intentions in advance as part of our NB Votes initiative. We believe that our position and communication with the board on this matter helped focus the company's thinking on this emerging issue.

Outcomes and Outlook

Over the past few years, Texas Instruments has taken additional steps to help safeguard its product distribution, enhancing disclosure around "know your customer" and the downstream impacts of product diversion. In 2025, the company also updated its human rights policy and related disclosures to encompass these issues. In our view, this outcome illustrates the effectiveness of multi-year engagement through an ownership lens, particularly in emerging areas of interest where we can support management in reaching constructive solutions. We intend to continue to engage with Texas Instruments to enhance its practices in relation to "know your customer" and human rights.

Engagement Case Study

Building Out Biodiversity Programmes and Disclosure

Company	Issue	Category	Asset Class	Strategy	Sector	Status
CEMEX	Biodiversity	Environmental	Fixed Income	Emerging Markets Debt	Industrial	Ongoing

Background

CEMEX, a global leader in cement and concrete production, heavily depends on natural resources such as limestone, aggregates, clay and water. Operating in an industry that has a significant environmental impact, the company has recognised the importance of issues like water management and biodiversity to its business and has pursued relevant efforts and disclosures accordingly. Biodiversity plays a particularly pivotal role to the cement and aggregates industry due to its direct link to resource access, permitting and the long-term viability of quarry operations. Cement production depends on the extraction of limestone, aggregates, clay and water—activities that are often located in or adjacent to ecologically sensitive areas and subject to increasing environmental scrutiny. Impacts on habitats and species can result in permitting delays, operational restrictions, remediation costs or constraints on site expansion, directly affecting production volumes and asset valuations. As regulatory and stakeholder expectations around nature-related impacts increase, proactive biodiversity management is increasingly critical to protecting asset longevity, operational continuity and long-term financial performance.

Scope and Process

Neuberger has owned CEMEX in fixed income portfolios for over a decade. Since 2020, the investment team in partnership with Stewardship and Sustainable Investing colleagues has held discussions with the company's Sustainability and Investor Relations teams annually on an array of financially material sustainability topics. Our engagement initially focused on climate, where the company has made meaningful progress in relation to its emissions targets, use of renewable electricity and carbon capture, among other initiatives. We later shifted the focus of dialogue to biodiversity and nature-related practices and disclosures.

In collaboration with other investors and industry experts, we evaluated the company's progress in integrating biodiversity and water initiatives into its sustainability strategy. We also wanted to assess its ability to meet evolving regulatory requirements, and encourage the company to enhance the transparency of its disclosures and to scale environmental initiatives across global operations.

Outcomes

Given the financial relevance to its business operations, CEMEX has a long history of working on biodiversity issues. For example, it collaborated with BirdLife International starting in 2008 on biodiversity conservation through habitat mapping, quarry rehabilitation and circular resource use.

Building on this history, the company is now looking to implement Biodiversity Action Plans (BAPs) at all high-priority sites by 2030, having covered 43 out of 51 sites as of 2024. In discussions, we encouraged the company to adopt standardised biodiversity metrics, achieve measurable habitat or species improvement at a minimum of 60% of sites by 2030, and enhance reporting transparency.

During the engagement, we also noted several existing strong practices and achievements, including grassland restoration, recovery of 70 mammal species, and exploration of biodiversity offsets at the El Carmen Nature Reserve. That said, scaling BAPs across quarry sites remains challenging due to economic fluctuations and site divestments.

In addition to its BAPs goal, CEMEX is looking to develop Water Action Plans for all high- to medium-stress sites by 2030, with 40% covered as of 2024. It will also work with partners to improve basin-level management and meet Corporate Sustainability Reporting Directive requirements, although regulatory gaps and data collection challenges may impede progress.

The company has adopted sustainability-linked and green financing frameworks, issuing $1 billion in hybrid notes and funding 175 projects worth $340 million. Green financing faces challenges such as complex qualification requirements, no discounted rates for compliance, and limited recognition in the US market for lower-carbon products. In addition, CEMEX is exploring ecosystem-based financing options like carbon credits and biodiversity offsets.

Engagement Case Study

Using Our Voice to Drive Capital Efficiency

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Kinden Corporation	Capital Efficiency	Governance	Equities	Japan Equity	Systems and Engineering	Ongoing

Background

Kinden Corporation is one of Japan's leading contractors in integrated electrical systems and facilities engineering. As the domestic buildout of data centres accelerates, we see the company as well positioned to capture higher-value work that can support margin improvement.

Over the past several years, the landscape facing Japanese contractors across industries has improved significantly. In the past, many had to hold excess cash in order to compete for business with large clients. However, with a return to positive inflation and accelerated growth potential, many now have substantial pricing power and fewer need to maintain large cash positions. The government, investors and industry groups have worked to prompt these companies to put their cash to work to increase returns on equity and growth prospects.

In Kinden's case, despite what we consider attractive fundamentals and medium-term prospects, the balance sheet carried excess cash and cross-shareholdings that we thought could be better utilised and unwound to enhance capital efficiency. We believed that improving capital allocation could help drive growth and, ultimately, a potential re-rating in the stock.

Scope and Process

We engaged with Kinden on capital allocation even before investing, during our due diligence phase, based on our view that there was room to improve balance sheet efficiency. After initiating our position in 2024, we continued an active dialogue, emphasising the importance of a clearer capital strategy and more decisive action on cross-shareholdings.

At Kinden's 2024 Annual General Meeting, a shareholder proposal asked that the company's excess cash be used to enhance shareholder returns through higher dividends. As part of our firm's NB Votes initiative, we escalated our efforts and pre-announced our intention to vote in favour of the proposal. To support our effort, we conducted an extensive analysis of the feasibility of the dividend given the company's financial position, which we then used as the basis for communicating our reasoning to the company. Although the proposal did not pass, we believe that our pre-disclosed rationale, coupled with our analysis, helped make the company more open to our input.

Outcomes and Outlook

By early 2025, we began to see tangible movement from Kinden on capital management. In January, the company updated its mid-term plan and set a new target to reduce cross-shareholdings to around 10% of shareholders' equity by the end of March 2027. We saw this as a meaningful step toward a more efficient balance sheet and a clearer capital framework. Recognising the progress, at the 2025 AGM, we voted for top management to acknowledge the improved direction.

We will continue monitoring Kinden's execution of the capital strategy, looking to see improved business performance and enhanced shareholder returns over time.

Engagement Case Study

Steady, Measurable Progress on Energy Efficiency

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Taylor Morrison	Energy Efficiency	Environmental	Fixed Income	Non-Investment Grade	Real Estate and Homebuilders	Ongoing

Background

Taylor Morrison is a major land developer and homebuilding company, with a footprint largely focused in the US Sunbelt. Like others in its sector, energy efficiency is a financially material matter for the company.

Residential buildings generally consume significant amounts of energy. Improving design efficiency can decrease ownership costs through lower utility bills. Moreover, homebuyer awareness of energy and water efficiency can create an opportunity for companies to increase target-market demand, thereby enhancing revenue and margins. Effectively applying resource efficiency design principles in a cost-effective manner may be a competitive advantage, especially when a company is successful in systematically educating customers on the long-term benefits of such homes.

Scope and Process

Taylor Morrison has been a holding in Neuberger fixed income portfolios for over a decade. Over the past seven years, the investment team along with our Stewardship and Sustainable Investing Group have conducted annual engagements with the company, meeting with the Chief Executive Officer, Sustainability Representative and Investor Relations team. During this time, the company has gradually improved operationally, with positive developments in the area of sustainability.

As part of our dialogue, we have encouraged the company to make its homes more energy-efficient, as measured by the House Energy Rating Scheme (HERS). Under the scheme, the more efficient a home, the lower its HERS score. A home built to 2006 energy standards (the “reference” home) scores 100; a home with a score of 70 will be 30% more energy efficient than the reference home. In our discussions, we encouraged the company to achieve a score of 45 or lower for all of its new homes. Because household energy consumption is a primary driver of operating expenses, incremental reductions in HERS scores can translate directly into lower monthly utility bills, improving housing affordability and resilience to energy price volatility.

Outcomes and Outlook

In 2022, Taylor Morrison informed us of its goal to establish scores for all of its homes, and to reduce its average HERS score over time. Since then, the company has increased the number of homes scored and reduced its average HERS scores every year.

Moving forward, we will continue monitoring Taylor Morrison’s progress on energy efficiency, with the expectation that the company will develop a concrete goal for measurement and score reduction.

Engagement Case Study

Improving Nutrition for Health and Profit

Company	Issue	Category	Asset Class	Strategy	Sector	Status
Restaurant Brands International	Nutrition	Social	Fixed Income	Non-Investment Grade Credit	Food Service	Ongoing

Background

Restaurant Brands International is the owner of Burger King, Tim Horton's, Popeye's and Firehouse Subs, which comprise over 30,000 restaurant locations across more than 100 countries. It has been part of our non-investment grade portfolios for more than a decade.

Scope and Process

Over the past several years, the investment team along with our Stewardship and Sustainable Investing Group engaged with Restaurant Brands on an annual basis on expanding its initiatives to improve nutrition across its restaurants. Based on our assessment and consistent with the Sustainability Accounting Standards Board's industry-specific standards, we believe offering a higher share of more nutritious options may benefit a company's reputation and revenue growth in the long-term, and entities offering more nutritious options are likely to capture new markets for health-conscious consumers and improve market share.

Our diligence process consisted of several discussions with the management team including the issuer's Chief Financial Officer, Head of Global Sustainability and Investor Relations team. The company was receptive while noting the importance of maintaining the appeal, and thus demand for, its products.

Outcomes and Outlook

Based on our input and that of other investors, Restaurant Brands has been working to determine how it can improve the nutrition of menu items without compromising taste or quality; importantly, the company has reported that it plans to set forward-looking targets to reduce sodium, sugar and other ingredients of concern for menu items at Burger King, Popeye's and Tim Horton's. We believe this proactive approach may also help mitigate policy and regulatory risks from the "Make America Healthy Again" agenda, which focuses on reducing consumption of ultra-processed foods, banning specific ingredients, and reforming food safety regulations. The uncertainty surrounding the implementation of these goals may create substantial compliance challenges for food manufacturers. Our dialogue with Restaurant Brands remains ongoing as we assess the effectiveness of the company's nutrition targets and their contribution to long-term value creation. We continue to encourage management to extend nutrition targets across all restaurants, which we believe would strengthen the company's ability to meet evolving consumer demand, support brand resilience and enhance long-term revenue opportunities.

Engagement Case Study

Raising the Bar on Governance and Disclosure

Company	Issue	Category	Asset Class	Strategy	Sector	Status
UGI Corporation	Leadership Structure & Safety Performance	Governance	Equities	Messinger Group	Energy	Ongoing

Background

UGI is a natural gas and propane delivery company. It operates several businesses, including a natural gas local distribution utility and a natural gas midstream gathering and processing concern. The company also runs the largest US propane delivery and distribution network, and one of the largest propane distribution businesses in Europe. Although we have long followed the company, we became investors in 2024 as the company sought to focus on the high-quality utilities/midstream segment and de-emphasize or even sell its less-desirable propane distribution unit, bringing in a highly regarded CEO with whom we have had a working relationship for three decades to facilitate the transition.

Scope and Process

With the company entering a new phase, the investment team along with the Global Equity Research team initiated engagement in an effort to enhance its corporate governance, safety performance and related disclosures. We spoke with the previous interim CEO, the new CEO, the CFO and Investor Relations team, as well as its Sustainability Officer over the course of a year. Prior to choosing the new CEO, the board appointed the independent chairman as the interim CEO. Once the new permanent CEO was appointed, we communicated our preference for the company to revert to its existing independent chair structure, as we generally believe an independent chair is better able to oversee management and set an agenda aligned with shareholder interests without the conflicts of interest that an executive or insider director might encounter. Further, we believe this structure can provide continuity and stability during management leadership transitions. Additionally, with the company's renewed focus on the utilities/midstream segment, we underscored the importance of safety performance given its direct impact on operational reliability, regulatory compliance and licence to operate. As part of this strategic reset, management also increased its long-term earnings per share compound annual growth rate target from 4 – 6% to 5 – 7%, signaling confidence in the company's revised operating focus and capital allocation priorities.

Outcomes and Outlook

The company reaffirmed that it would maintain its previous board leadership structure of an independent chair given that the separation of CEO and chair roles is widely considered a corporate governance best practice, promoting strong board independence and oversight.

In addition, UGI reported various operational and safety improvements, for example, achieving its target of a 50% reduction in accountable vehicle incidents between 2017 and 2025, a year ahead of schedule. In its sustainability reporting, it exhibited enhanced transparency, covering not only environmental and safety metrics, but also governance structures, ethics and compliance, risk oversight and stakeholder engagement.

Given the new CEO's arrival in late 2024, many of the changes implemented to date have occurred primarily at the policy and governance level. While we view these steps as foundational, it remains too early to assess whether they will translate into sustained, quantifiable improvements in safety performance and broader operational outcomes. We will continue to monitor the effectiveness of these measures over time alongside the company's execution on key industry-related risks—including regulatory and climate-related considerations and commodity price volatility—as part of our ongoing engagement.



Principle 4

Signatories actively exercise their rights and responsibilities.

Overview of Voting Activity

We believe that proxy voting is an integral aspect of active investment management and a core expression of our stewardship responsibilities. Many of our clients entrust Neuberger with the responsibility of voting on their behalf, and we take this responsibility seriously. Proxy voting is therefore conducted with the same degree of prudence and loyalty as any fiduciary obligation of an investment manager.

Neuberger has developed custom Proxy Voting Guidelines that set out our approach to voting across a wide range of corporate governance, environmental and social issues. These Guidelines are grounded in our assessment of the potential financial impact of such matters on long-term company performance and shareholder value. The Guidelines are reviewed at least annually and updated as appropriate to reflect evolving market practices, regulatory developments and our investment insights.

NB Votes: Bringing Transparency and Accountability to Proxy Voting

In 2020, we launched NB Votes, an advance proxy vote disclosure initiative through which we publicly announce our voting intentions ahead of the annual general meetings of a select group of companies held on behalf of our clients. Now in its sixth year, NB Votes seeks to provide greater transparency into our voting decisions by sharing both our intended votes and the rationale underpinning them.

Through this initiative, we aim to demonstrate how our investment-led analysis informs voting decisions on matters that we believe have material economic implications for our clients. Pre-announcing voting intentions remains relatively uncommon in the market; however, as an active manager with voting responsibility, we believe this approach reinforces accountability and supports higher governance standards.

NB Votes is designed to support our stewardship objectives in three key ways:

- **Highlighting governance practices** that we believe can enhance long-term value creation for our clients
- **Improving transparency** around our voting decisions and expectations of companies
- **Demonstrating how our long-term, active investment approach** shapes our voting activity

These objectives align with our broader commitment to responsible capital allocation and effective stewardship.

In 2025, we disclosed our voting intentions and rationales for proposals at 38 company meetings through NB Votes, opposing the company's recommendation in 55% of those cases. The initiative reflects the geographic breadth of our investments, with 18% of disclosed votes relating to non-US companies.

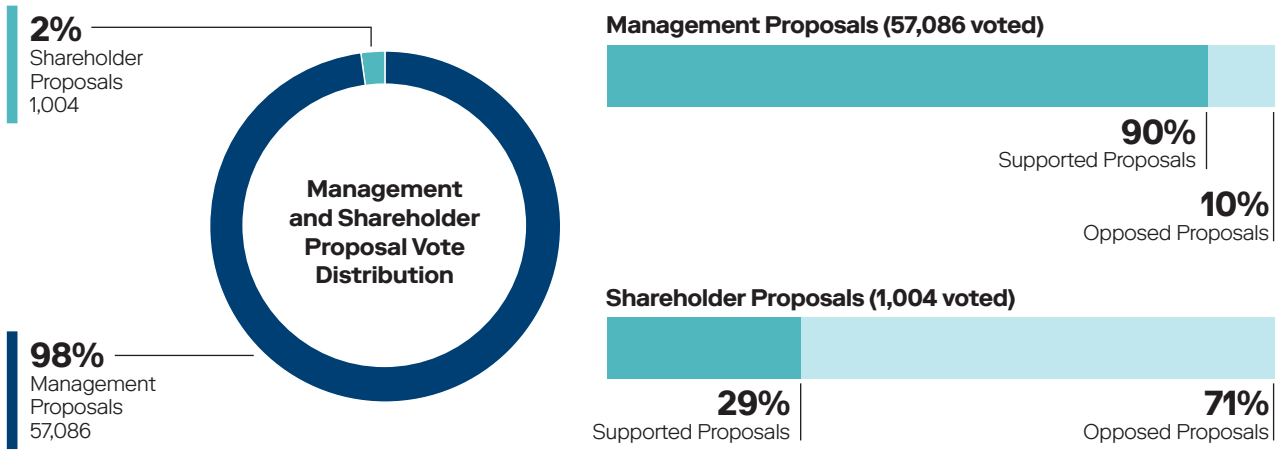
During the latest proxy season, our voting activity focused on proposals addressing issues such as board composition and succession planning, executive incentive structures and capital allocation. These matters are central to our assessment of companies' long-term financial performance, particularly in a complex and evolving macroeconomic environment.

Through NB Votes, we seek not only to communicate our expectations to companies and their boards, but also to continually assess the effectiveness of our stewardship activities and our ability to identify and prioritise the most financially material issues. For a full list of votes disclosed as part of NB Votes in 2025, please refer to the NB Votes website.

Voting Activity and Outcomes in 2025

In 2025, Neuberger voted at over 5,000 meetings globally. Management proposals accounted for 98% of proposals, with shareholder proposals comprising the remaining 2%.

Management and shareholder proposal vote distribution for 2025



Regional Representation of Meetings Voted



57%
North America
3,275

7%
Latin America & Caribbean
354

13%
EMEA
776

23%
Asia Pacific
1,353

Our voting decisions are informed by company-specific analysis and our Proxy Voting Guidelines. We opposed 10% of management proposals and 71% of shareholder proposals, reflecting instances where proposals were unclear, misaligned with shareholder interests, or inconsistent with our assessment of long-term value creation. We opposed management on at least one ballot item at 43% of meetings during the year.

Key drivers of opposition to management proposals included concerns relating to executive remuneration structures, director elections and capital management practices. In respect of shareholder proposals, opposition most frequently related to dissident director nominations, and governance related requests where we did not believe the proposal would enhance shareholder value.

Voting in Action: Management Proposals

The table below profiles broad categories and select examples of our voting activity on management proposals in 2025. Each case is unique, but the high-level picture reflects our views on issues such as director elections, share issuances and executive remuneration, and how often those proposals met our expectations. The particular positions that led to our opposition on these issues are articulated in our Proxy Voting Guidelines, but are most commonly a reflection of concerns on the clarity of disclosure, board composition, the structure of executive compensation plans, the adoption of director and officer liability or indemnification clauses, or the capital management practices of a company.

MANAGEMENT PROPOSALS	SUPPORTED PROPOSAL		OPPOSED PROPOSAL	
Audit-Related	7,728	98%	164	2%
Appointment of Auditor	649	96%	25	4%
Board-Related	30,130	90%	3,365	10%
Election of Directors	26,565	91%	2,727	9%
Ratification of Board Actions	1,099	99%	16	1%
Related Party Transactions	342	96%	15	4%
Capital Management	2,953	84%	551	16%
Authority to Issue Shares	601	78%	168	22%
Increase in Authorised Common Stock	79	79%	21	21%
Changes to Company Statutes	2,142	93%	163	7%
Adoption of Majority Voting for the Election of Directors	4	100%	0	0%
Adoption of Right to Call a Special Meeting	23	92%	2	8%
Amend Articles, Constitution, Bylaws	258	92%	22	8%
Elimination of Supermajority Requirement	106	97%	3	3%
Compensation	5,980	83%	1,184	17%
Advisory Vote on Executive Compensation	2,323	84%	454	16%
Stock Option Plan	122	78%	34	22%
Mergers And Acquisitions	499	96%	23	4%
Divestiture/Spin-off	60	100%	0	0%
Merger/Acquisition	218	93%	17	7%

Source: Neuberger. Data for the calendar year 2025.

Key Management Proposal Votes in 2025

Air Products and Chemicals, Inc.

Meeting Date: January 23, 2025
Proposal: Elect Dissident Nominees

Our Vote: For
Vote Result:
- **Elect Andrew Evans:** Pass
- **Elect Paul Hilal:** Pass
- **Elect Tracy McKibben:** Fail
- **Elect Dennis Reilley:** Pass

Our Rationale: Air Products and Chemicals' recent elevated risk profile and total shareholder return underperformance heightened concerns regarding strategic missteps and capital allocation decisions that may have stretched the balance sheet. In January 2025, we supported the election of an alternate slate to the APD board because we believe their additive skills—including C-suite experience, capital allocation expertise in high capital-intensive industries and decades-long experience in the industrial gases sector—would better align the board with shareholder interests, particularly by strengthening the business through more disciplined capital-allocation decisions and a shift back to lower-risk, higher-return projects of the core business. For these reasons, we supported the election of dissident nominees Andrew Evans, Paul Hilal, Tracy McKibben and Dennis Reilley.

Outlook and Outcomes: Three of the four dissident nominees were elected to the board. Following the vote, the company also announced the separation of the CEO and chair roles and subsequently named a new CEO in February 2025.

Morgan Stanley

Meeting Date: May 15, 2025

Proposal: Elect Members of the Compensation, Management, Development, and Succession (CMDS) Committee

Our Vote: For
Vote Result:
- **Elect Thomas H. Glocer:** Pass
- **Elect Erika H. James:** Pass
- **Elect Dennis M. Nally:** Pass
- **Elect Rayford Wilkins Jr.:** Pass

Our Rationale: Succession planning had been a major focus for the Morgan Stanley board for several years. In our view, the process successfully culminated with the appointment of Edward (Ted) Pick as CEO and the retention of key business leaders through the transition. We voted in support of the reelection of members of the Compensation, Management, Development and Succession (CMDS) Committee to highlight best practices, as well as key elements that contributed to the seamless transition, such as the development and retention of key talent, transparent communication with stakeholders and a time-bound, focused transition period.

Outlook and Outcomes: All members of the CMDS Committee were reelected to the board.

The Toro Company

Meeting Date: March 18, 2025
Proposal: Advisory Vote on Executive Compensation

Our Vote: For
Vote Result: 92.1%

Our Rationale: The compensation committee made changes to the long-term incentive plan, under which performance metrics for performance share units (PSUs) now include 60% return on invested capital (ROIC) and 40% cumulative revenue over three years. Given our multiple discussions with the company regarding our preference for the reincorporation of a returns-based metric in the compensation programme to improve alignment between the pay plan and the company's capital allocation strategy, we were pleased by the company's responsiveness to our feedback.

Outlook and Outcomes: The company added a returns-based metric to its compensation programme.

Element Solutions Inc.

Meeting Date: June 3, 2025 **Our Vote:** Against

Proposal: Advisory Vote on Executive Compensation **Vote Result: 93.8%**

Our Rationale: We have concerns regarding the use of board discretion to increase payouts for unmet targets under the short-term incentive plan. 2025 raised additional concerns with the removal of cash return on investment (CRI) from the long-term incentive plan in favour of adjusted earnings per share (EPS) with a relative total shareholder return (TSR) modifier that allows for a 100% payout if performance is within the 25th – 75th percentile. We do not view this as a sufficiently rigorous performance hurdle. Rather, we believe the inclusion of a profitability metric, like CRI, would be more appropriate given the company's high free cash flow (FCF) conversion and capital allocation philosophy, and that its incorporation would better maintain discipline around future capital allocation decisions.

Outlook and Outcomes: This proposal passed and we continue to engage the company on this topic and encourage improvements.

Lions Gate Entertainment Corp.

Meeting Date: April 23, 2025 **Our Vote:** For

Proposal: Lionsgate Transactions **Vote Result: 99.9%**

Our Rationale: In 2023, Neuberger filed a shareholder proposal to collapse the dual-class share structure, which received majority support from shareholders. The company reviewed the potential changes to the dual-class share structure with external advisors and concluded that a "one share, one vote" structure would strengthen the company's governance profile by aligning the voting power and economic interests of all shareholders, streamline the capital structure, and potentially increase the company's attractiveness to retail and institutional investors who may be unwilling or unable to invest in dual-class structures. In May 2025, when the company completed the separation of its STARZ business, both standalone publicly traded companies adopted a single-class share structure.

Outlook and Outcomes: The company adopted a single-class share structure.

Voting in Action: Shareholder Proposals

In 2025, the volume of shareholder proposals increased modestly, while our average level of support declined to 29%. This reflected a higher proportion of proposals addressing issues we did not consider financially material, alongside improved company disclosures and responsiveness in certain areas.

This trend was particularly evident for environmental proposals, where support declined as many companies demonstrated progress on financially material risks, while an increasing number of proposals sought marginal or overly prescriptive disclosures, or reflected a mix of anti ESG requests. We continued to support proposals addressing financially material issues where company practices or disclosures warranted improvement, including emerging areas such as artificial intelligence governance.

SHAREHOLDER PROPOSALS	SUPPORTED PROPOSAL		OPPOSED PROPOSAL	
Environmental	7	5%	134	95%
Reducing Greenhouse Gas Emissions	5	26%	14	74%
Social	60	32%	128	68%
Oversight of Artificial Intelligence	8	35%	15	65%
Reviewing Political Spending or Lobbying	19	76%	6	24%
Governance	187	32%	390	68%
Declassification of the Board	15	100%	0	0%
Eliminating Supermajority Provisions	25	76%	8	24%
Majority Vote for Election of Directors	14	100%	0	0%
Right to Call a Special Meeting	11	16%	57	84%
Separation of Chair and CEO	27	90%	3	10%

Source: Neuberger. Data for the calendar year 2025.

Key Shareholder Proposal Votes in 2025

Meta Platforms Inc

Meeting Date: 28 May 2025

Proposal: Shareholder Proposals Regarding AI-related Disclosures

Our Vote: For

Vote Result:

- **Shareholder Proposal Regarding Reports and Targets on Child Safety Impacts: Fail**
- **Shareholder Proposal Regarding Transparency Report on Deepfake Identifying Software: Fail**
- **Shareholder Proposal Regarding Report on Risks of AI Data Sourcing: Fail**
- **Shareholder Proposal Regarding Transparency Report on Data Collection and Advertising Practices: Fail**

Our Rationale: While we recognise the Company's efforts and due diligence to manage related risks that are financially material to its operations, given the importance of content management to the Company's business, consumer trust, and social licence to operate, we believe that enhanced disclosure would indicate the high priority the Company puts on these matters. Specifically, we believe the current format and organisation of these disclosures could be improved. More comprehensive and consolidated reporting on these matters would enhance clarity, accessibility, and decision-usefulness. Clearer articulation of governance structures, executive accountability and oversight processes would, in our view, strengthen market confidence, support more informed capital allocation decisions, and facilitate constructive engagement with policymakers and industry peers as AI becomes increasingly embedded in the company's business model.

Outlook and Outcomes: These proposals did not pass, and we continue to engage with the company on these matters.

Microsoft Corporation

Meeting Date: 5 December 2025

Proposal: Shareholder Proposal Regarding Report on AI Human Rights Due Diligence

Our Vote: For

Vote Result: 25.8%

Our Rationale: Given the nascency and accelerated pace of AI development, coupled with the rapidly evolving regulatory landscape, we believe related matters will become increasingly important to the Company's franchise over time. We would like to see the Company continue and reinforce its leadership and protect long-term reputational and shareholder value by strengthening its human rights due diligence for AI/cloud end use. We believe continued leadership in AI innovation must be matched by robust human rights due diligence across AI and cloud end-use to mitigate regulatory, legal and reputational risks to long-term value.

Outlook and Outcomes: This proposal did not pass and we continue to engage the company on this topic and encourage improvements.

Colgate-Palmolive Company

Meeting Date: 9 May 2025

Proposal: Shareholder Proposal Regarding Plastic Production and Packaging Policies

Our Vote: Against

Vote Result: 2.9%

Our Rationale: In 2025, the company received a shareholder proposal requesting it to re-examine its plastic production and packaging policies and assess the efficiency and impact of them on Colgate's financial position. Through its enterprise risk management process, Colgate evaluates sustainability initiatives' long-term costs, savings, and benefits, recognising the importance of meeting growing consumer demand for sustainable products to avoid reputational and financial risks. Reducing plastic use lowers material costs and may yield significant long-term savings, while failure to meet evolving regulatory requirements could adversely impact its business, operational results, cash flows, and financial condition by increasing compliance and manufacturing costs and/or negatively impacting its reputation.

Outlook and Outcomes: This proposal did not receive majority support from shareholders.

Mitsubishi Pencil Co., Ltd.

Meeting Date: 27 March 2025 **Our Vote:** For

Proposal: Shareholder Proposal Regarding Share Repurchase **Vote Result: 7.6%**

Our Rationale: We have had multi-year engagements with senior management of the company regarding raising capital efficiency and improving transparency of its capital allocation plans. We recognise the progress demonstrated by the publishing of its first-ever mid-term plan in February 2025, which included some of our feedback, as well as responsiveness to many of our requests, including disclosure of a capital allocation plan. However, given the return on equity ("ROE") target for FY27 was lower than our expectations, we believe support for the shareholder proposal on share repurchases was warranted and that its adoption would be accretive for shareholder value creation.

Outlook and Outcomes: While this proposal did not pass, we continue to engage the company on this topic and encourage improvements.

Costco Wholesale Corporation

Meeting Date: 23 January 2025 **Our Vote:** Against

Proposal: Shareholder Proposal Regarding Report on Risks of Maintaining Select Workforce Efforts **Vote Result: 1.7%**

Our Rationale: In 2025, the company received a shareholder proposal requesting the board to evaluate and publish a report on the risks of the company maintaining its diversity and inclusion roles, policies, and goals. For consumer staples companies, we believe brand value and a positive reputation can lead to increased customer loyalty, higher customer retention rates, and, ultimately, increased revenue and profitability. We believe the company's human capital management strategy, policies, and practices have enhanced COST's brand equity and contributed to the company's net sales, market share, member trust and membership fee revenues, and overall operational results. Further, as part of its human capital management strategy, Costco provides competitive wages, benefits and opportunity for growth to employees, enabling it to attract and retain high-quality candidates.

Outlook and Outcomes: This proposal did not receive majority support from shareholders.

Transparency and Disclosure of Voting Records

Recognising the importance of transparency, Neuberger publicly discloses its Proxy Voting Guidelines and Procedures, as well as the full voting records of its registered UCITS funds. We also disclose the rationale for votes cast in opposition to management.

While vote-level disclosure for separate accounts is subject to client consent, we provide aggregate annual reporting covering all votes cast across commingled and separate accounts.

In addition to these disclosures, NB Votes further enhances transparency by publicly pre-announcing selected proxy voting intentions and providing the rationale underpinning those decisions ahead of company meetings. This initiative enables clients, companies and other stakeholders to better understand our expectations, how we assess financially material issues, and how our investment-led analysis translates into voting outcomes.

Proportion of Shares Voted

Neuberger seeks to vote all shares under its authority, provided doing so is consistent with client instructions and in clients' best interests. In 2025, we voted at over 5,000 meetings globally, representing approximately 99% of meetings at which we were eligible to vote.

Meetings at which votes were not cast typically reflected circumstances such as share-blocking requirements, disproportionate costs, or missing or late powers of attorney. In all cases, we consider whether the expected benefit of voting outweighs the associated costs, taking into account the likely impact on the value of clients' investments.

Conflicts of Interest

In 2025, no conflicts of interest arose in relation to proxy voting activities.

Exercising Rights Across Other Asset Classes

Fixed Income

The thorough review of credit documentation is an important component of Neuberger's credit process. We examine structural elements embedded within the issuers' credit agreements and indentures. While financial maintenance covenants are part of this analysis, we also look to ensure there are limitations on the incurrence of senior, pari passu and junior debt, the ability of an issuer to pay dividends, restrictions around the use of asset sale proceeds, affirmative covenants related to reporting requirements and restrictions on broader payment and value transfers outside of the restricted group. Additionally, we thoroughly examine the security package, seeking to confirm that we have a pledge on the most valuable assets of the company. In respect of the amendment process, we evaluate the impact of an amendment on an issuer's credit profile as well as the compensation received from approving the amendment.

Neuberger engages with capital markets participants in respect to new issue documentation and seeks to address weaknesses identified in the documentation, when possible. We believe engagement with management teams is also critical in identifying material factors as credit documentation generally provides a range of flexibility to an issuer in respect to capital allocation and business strategy. Engagement with respect to capital allocation provides an opportunity to better appreciate an issuer's financial and operating strategy, as well as points of potential risks which could be material to the credit profile of the issuer.

We engage with management and sponsors to encourage improved disclosure and more balanced creditor protections, and in certain situations where appropriate we may avoid financing structures that lack enhanced protections. For example, in 2025 we reviewed a new issuance opportunity of an infrastructure company which owns transportation, storage terminal assets, and power plants. While some of the company's respective assets had clear strategic value, we identified material risks to the highly leveraged nature of the assets, management's poor long-term track record, and the company's capital investment strategy. In our assessment of the covenant framework, our analysis concluded that the structural protections were insufficient relative to the complexity of the structure and we declined to participate in the transaction; ultimately, the issuance was not consummated. Key considerations included limited maintenance covenants, EBITDA-based leverage metrics with adjustment flexibility, and the ability to incur incremental or asset-level debt, which may increase the risk of structural subordination.

We periodically engage with issuers and lenders where temporary operating factors create covenant pressure, even in non-distressed situations. For example, as described in Principle 1, we assessed a situation in which a natural gas plant operator faced challenges when a winter storm spiked natural gas prices and liquidity constraints in meeting working capital needs for its operations.

We also engage with issuers ahead of sustainability linked and labelled bond issuances, encouraging alignment with recognised standards, robust reporting and materially relevant performance targets. This includes engagement with corporate and sovereign issuers developing green, social and sustainable bond frameworks across multiple regions.

Private Markets

We believe that Neuberger Private Markets is differentiated by its ability to act as a strategic partner to general partners (GPs) across the full spectrum of their capital needs, including primaries, secondaries and co-investments. The role we play within the private equity ecosystem is closely linked to the scale of our platform and the long-standing partnerships we have built with leading GPs. These multiple touchpoints often enable a constructive and ongoing dialogue with lead sponsors, reflecting our position as a long-term partner with scale and deep resources. As such, we seek to engage with our GP partners to share best practices and provide resources to support the integration of financially material environmental, social and governance considerations into their investment processes and portfolio management.

Additionally, our position within the private equity ecosystem can provide enhanced visibility, as we often hold both fund-level and direct investment exposures with many of the GPs with whom we work. This dual perspective may afford additional insight and monitoring capability in respect of our direct investments, including the ability to raise concerns and collaborate with GPs where we identify financially material environmental, social or governance matters.





Principle 5

Signatories integrate stewardship considerations into their selection and oversight of external managers.

Based on the guidance provided, Neuberger Berman Europe Limited has concluded that this Principle does not apply to the assets covered by this report. NBEL does not use external investment managers in any material manner.



Principle 6

Signatories monitor and hold to account stewardship service providers.

We view proxy voting as an integral component of our investment process. As such, responsibility for proxy voting is embedded within our investment teams. Our voting decisions—and the proprietary research and analysis that underpin them—are conducted internally and are never outsourced. We do not use investment consultants or external engagement service providers for our stewardship activities; our engagement programme is conducted in-house.

Use of Proxy Advisors in Our Stewardship Process

Neuberger utilises proxy advisor research as a supplementary input to support our stewardship and voting activities. We currently receive research from multiple third-party proxy research providers, including Institutional Shareholder Services and Glass Lewis, to help inform our analysis of ballot items. While this research can provide useful additional context—particularly on market practices, regulatory developments and issuer specific governance considerations—all voting decisions are determined by our Proxy Voting Guidelines and our proprietary research.

The use of external proxy research can enhance the depth and efficiency of our stewardship process by providing an independent perspective that complements the insights generated by our investment teams. This additional research can be incorporated as one component of a broader, investment-led analysis, alongside company disclosures, engagement insights, and internal governance assessments. In this way, proxy research can contribute to, but not replace, our own judgement and accountability as an active owner.

Scope of Services Provided by Our Proxy Service Provider

In addition to research reports, Neuberger has engaged Glass Lewis as its proxy service provider to support the operational execution of our proxy voting activities. Specifically, Glass Lewis is engaged to:

- Notify us, in a timely manner, of meetings and of any additional solicitation materials made available reasonably in advance of vote deadlines;
- Vote proxies in accordance with our Proxy Voting Guidelines or as otherwise instructed, and submit such proxies in a timely manner;
- Perform other administrative functions associated with proxy voting;
- Maintain records of proxy statements and other solicitation materials received in connection with proxy votes, and provide copies promptly upon request; and
- Maintain records of votes cast.

These services support the efficient and accurate implementation of our voting decisions while ensuring that responsibility for voting outcomes remains with Neuberger.

Monitoring the Quality and Accuracy of Proxy Advisor Services

We have established multiple controls to monitor the quality, accuracy, and effectiveness of proxy services.

The application of our custom Proxy Voting Guidelines is audited on a quarterly basis to ensure accurate implementation. In addition, our internal audit team conducts an annual audit of our proxy voting policies and procedures to assess their design, operational soundness and opportunities for enhancement.

Oversight of proxy voting activities is provided by our Governance and Proxy Committee, which reviews the services provided by Glass Lewis on at least an annual basis to confirm they remain consistent with our needs and expectations. These expectations—developed by the Committee in partnership with the Global Head of Stewardship and with input from investment teams—include standards for timeliness, accuracy and completeness of research and services.

Beyond formal audits, we maintain regular dialogue with our proxy service provider and conduct a comprehensive annual due diligence meeting to review service quality, research methodologies, operational performance and emerging governance topics. We also participate in surveys and roundtables, sharing our perspectives on evolving stewardship and voting issues to support ongoing improvements in the quality and relevance of third-party proxy research.

In November 2025, we held our annual due diligence meeting with Glass Lewis, covering proxy operations, business updates and relevant proxy voting regulations. We also used the meeting to raise areas for improvement in 2026, including the timeliness of research in certain markets and enhancements to custom policy tools.

Disclaimer

Pension & Investments, Best Places to Work in Money Management 2025: The Pensions & Investments Best Places to Work in Money Management annual survey is designed to recognize the best employers in the money-management industry. Neuberger participated in the category among organizations with over 1,000 employees. Pensions & Investments partnered with a third-party research firm to conduct a two-part survey process of employers and their employees. The first part, worth approximately 20% of the total evaluation, consisted of evaluating each nominated company's workplace policies, practices, philosophy, systems and demographics. The second part, worth the remaining 80% of the total evaluation, consisted of an employee survey to measure the employee experience. The combined scores determined the top companies. Pensions & Investments, owned by Crain Communications Inc., is the 50-year-old global news source of money management and institutional investing. Neuberger pays a fee to participate in the Pensions & Investments employee survey.

Important Information about PRI Grades: For illustrative and discussion purposes only. PRI grades are based on information reported directly by PRI signatories, of which investment managers totaled 3,605 for 2025, 2,651 for 2024, 3,123 for 2023, 2,791 for 2021, 1,545 for 2020 and 1,247 for 2019. For reporting cycle 2025, the PRI offered signatories the option to complete a partial report for signatories who had completed a full report the year before in part because there were no material changes to the assessment framework between 2024 and 2025. Neuberger Berman accepted this option and as a result the 2025 report is shorter and focuses on two modules which are not scored. All PRI signatories are eligible to participate and must complete a questionnaire to be included. The underlying information submitted by signatories is not audited by the PRI or any other party acting on its behalf. Signatories report on their responsible investment activities by responding to asset-specific modules in the Reporting Framework. Each module houses a variety of indicators that address specific topics of responsible investment. Signatories' answers are then assessed and results are compiled into an Assessment Report. Neuberger Berman pays a fee to be a member of PRI and the grades are only available to PRI members. Ratings referenced do not reflect the experiences of any Neuberger Berman client and readers should not view such information as representative of any particular client's experience or assume that they will have a similar investment experience as any previous or existing client. Awards and ratings are not indicative of the past or future performance of any Neuberger Berman product or service. Moreover, the underlying information has not been audited by the PRI or any other party acting on its behalf. While every effort has been made to produce a fair representation of performance, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for damage caused by use of or reliance on the information contained within this report. Information about PRI grades is sourced entirely from PRI and Neuberger Berman makes no representations, warranties or opinions based on that information.

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NEUBERGER

The Zig Zag Building
70 Victoria Street
London, SW1E 6SQ
United Kingdom

neuberger.com

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