

NEUBERGER

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	7728	98%	164	2%
Appointment of Auditor	649	96%	25	4%
BOARD-RELATED	30,130	90%	3,365	10%
Election of Directors	26,565	91%	2727	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 Authorized Common Stock	79	79%	21	21%
CHANGES TO COMPANY STATUTES	2142	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

VOTE RESULT:

PROPOSAL: Elect Dissident Nominees

- **Elect Andrew Evans: Pass**
- **Elect Paul Hilal: Pass**
- **Elect Tracy McKibben: Fail**
- **Elect Dennis Reilley: Pass**

OUR VOTE: **For**

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

VOTE RESULT:

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

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

OUR VOTE: **For**

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

OUR VOTE: **For**

PROPOSAL: Advisory Vote on Executive Compensation

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 program 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: We are pleased with the company's responsiveness to our feedback.

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 favor 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 Berman 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: We are pleased with the company's responsiveness to our feedback.

Shareholder proposals

In 2025, the number of shareholder proposals voted on increased modestly, while our average level of support declined slightly to 29%. This reflected a higher volume of proposals addressing issues we did not consider financially material, as well as improved company disclosures and progress aligned with our expectations. This trend was particularly evident in environmental proposals, where support declined as many companies demonstrated adequate responsiveness on financially material issues, while a growing number of proposals sought only marginal incremental disclosure, were overly prescriptive, or reflected a mix of anti-ESG requests. More broadly, we continued to support resolutions focused on financially material issues where company practices or disclosures warranted improvement, including emerging areas such as AI governance, where best practices and disclosure expectations continue to evolve. Below, we highlight selected shareholder proposals to illustrate the considerations and rationales underlying our voting decisions.



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: May 28, 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 recognize 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 license 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 organization 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: December 5, 2025

OUR VOTE: **For**

PROPOSAL: Shareholder Proposal
regarding Report on AI Human Rights Due
Diligence

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: May 9, 2025

OUR VOTE: **Against**

PROPOSAL: Shareholder Proposal
regarding Plastic Production and Packaging
Policies

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, recognizing 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: March 27, 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 recognize 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: January 23, 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.
