

# Engagement Report

## Calls, meetings, and correspondence with issuers



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

### We engaged with the below issuers following internal research.

- 1. Yext Inc. (ticker symbol YEXT):** YEXT provides software search services. We asked YEXT if it would publish a sustainability report and raised concerns about the classified Board and lack of an independent Chairman.
- 2. AerSale Corporation (ASLE):** ASLE remanufactures airplane parts. We asked if ASLE will publish a sustainability report.
- 3. Hongfa Technology Co., Ltd. (BYQDM9):** BYQDM9 is the world's largest producer of relays. We emailed BYQDM9 following research and asked for an English version of the sustainability disclosure.
- 4. Jarir Marketing Co (4190-SA):** 4190-SA engages in the sale and trade of office and school products and supplies. We emailed 4190-SA following research and encouraged 4190-SA to increase the number of independent directors on the Board, to adopt an independent Chairman, to increase the number of women directors on the Board, and asked when updated GHG emissions, energy and water consumption data is expected to be provided.
- 5. Element Solutions Inc. (ESI):** ESI is a specialty chemicals company. We emailed ESI following research and encouraged ESI to publish a complete sustainability report annually and adopt an independent Chair.
- 6. Lithia Motors, Inc. (LAD):** LAD operates as an automotive retailer worldwide. In December 2024, we encouraged LAD to adopt an independent Chairman, asked if there is Board and management level oversight of ESG and if LAD has updated safety rates for 2023. LAD responded to us in January. To allow appropriate Board review and input, management will prepare and present to the Board a periodic review of policies, practices and contributions regarding the environment, sustainability and social and other risks and issues of concern to stakeholders. The Board will review the annual Corporate Sustainability Report with management. As appropriate, the Board will assign oversight of certain environmental and social risks to current committees or form new Board committees to focus on matters that the Board believes better handled by a committee. As for safety rates, LAD plans to publish the updated figures, including 2023 rates, in revised frameworks around mid-March.
- 7. Tri Pointe Homes, Inc. (TPH):** TPH engages in the design, construction, and sale of single-family attached and detached homes. We emailed TPH following research and encouraged TPH to establish environmental targets and report on supplier oversight.
- 8. Century Communities, Inc. (CCS):** CCS engages in the design, development, construction, marketing, and sale of single-family attached and detached homes. We emailed CCS

following research and encouraged CCS to adopt an independent Chair, provide additional disclosure on supplier oversight, set environmental targets, and report employee training data.

- 9. BXP, Inc. (BXP):** BXP is a developer, owner, and manager of premier workplaces. We emailed BXP following research and encouraged BXP to adopt an independent Chairman and asked if BXP has a supplier code of conduct. BXP responded to our email and noted they do not have a firm policy with respect to whether or not the roles of Chairman of the Board and CEO should be separate or combined. The Board believes it is important to maintain flexibility to determine its Board leadership structure based on the best interests of BXP and its stockholders from time to time, and BXP has operated under both structures in the past. In 2022, following six years of Board leadership, Mr. Klein stepped down as Chairman of the Board and BXP's independent directors determined that it was in the best interests of BXP and stockholders to elect Mr. Thomas as its Chairman thus combining the role of Chairman and CEO. Mr. Thomas is a seasoned industry veteran with more than 35 years of real estate and executive leadership experience. He has deep financial and operational experience and extensive knowledge of BXP, the real estate industry and risk management practices gained from various executive and leadership roles. The Board determined that it continues to be in the best interests of BXP and its stockholders to maintain the combined role of Chairman and CEO and re-appoint Mr. Thomas as Chairman. There is also a Lead Independent Director. BXP does not have a code of conduct for suppliers. BXP's agreements with vendors include covenants to comply with all applicable laws and BXP has a Human Rights Policy, which is opposed to both child and forced labor in any form. This became a potential issue recently during the procurement of photovoltaic solar panels by the third party, where BXP took steps through the contract negotiation process to verify that materials were not the product of Uyghur forced labor. Given BXP's business activities, this is a low-risk area for BXP as we suggested.
- 10. Tronox Holdings Plc (TROX):** TROX produces titanium products. We emailed TROX with questions following our annual research review in December 2024. TROX set up a call to discuss in January 2025. TROX answered our question regarding the expected cost to meet its carbon intensity reduction targets. TROX does not have the cost disclosed but is looking to disclose capital costs in its 5-year capital projection. The cost to achieve its carbon reduction targets has been very low so far. TROX reached a PPA agreement in South Africa which will reduce emissions by 13% and allow for cost savings to the tune of double-digit millions of dollars in 2024 alone. In the next 5 years, spending will be between \$5 to 10 million a year to meet reduction targets and 2030 and beyond this will increase. We noticed 61% of TROX's proved and probable reserves are in or near Indigenous land. We asked if TROX has formal agreements in place with all reserves located in or near Indigenous land and for those without formal agreements, how does TROX ensure there is no business activity on sacred land. Native Title and cultural heritage management is relevant to TROX's mining operations specifically in Australia. TROX does not conduct business activity on sacred land. TROX has formal agreements in place, cultural heritage management plans, and engages with traditional owners through the course of their projects. TROX even has formal agreements when it's not required. We noted TROX failed to reach its safety goals, and its safety rates have worsened. TROX noted they were disappointed with safety numbers in 2023. TROX set ambitious targets for themselves and did miss them although they were set high. TROX's total TRIR improved overall from 2023 to 2024. However, disabling injuries were a bit higher. TROX is in the top 25% safety quartile in their industry group. We recommended TROX disclose how TROX's safety rates compare to the industry average in its sustainability report.
- 11. Molina Healthcare, Inc. (MOH):** MOH provides managed healthcare services to low-income families and individuals under the Medicaid and Medicare programs and through the state insurance marketplaces. MOH responded to our email following research and set up a call to discuss. We encouraged MOH to report whistleblower statistics. MOH noted employees and supplier/vendors have access to a 24/7 alert line and all reports are reviewed by the Compliance Committee. MOH noted the majority of reports are HR related issues and will consider disclosing statistics in the future. We asked MOH to discuss its supplier oversight program. MOH noted most of its suppliers/vendors are domestic with only a small proportion in India. We noted this is likely low risk given suppliers geographic locations. We asked MOH about its approach to its footprint. MOH noted it will be publishing its updated sustainability report in late January 2025. MOH's footprint is small given its fully remote workforce model. MOH does not own any real estate. MOH is working with PwC to determine Scope 3 protocol and has looked into using carbon offsets. MOH makes a lot of political contributions. MOH noted political contributions are effective in ensuring access to government officials and MOH believes its contributions to be less than competitors. MOH noted it has previously engaged with shareholder groups who encouraged MOH to disclose its political contributions which led to its current disclosure. Finally, we noted we are not big proponents of off

cycle one-time incentive awards to executives and asked MOH to explain the purpose/need for those awards. MOH noted its off-cycle grants were designed as a retention device particularly for its CEO whose contract was expiring. We encouraged MOH to address these issues with ISS and Glass Lewis early and often to avoid a negative reaction from the proxy services. MOH noted our suggestion.

- 12. Kaltura, Inc. (KLTR):** KLTR provides various Software-as-a-Service products and solutions and a Platform-as-a-Service. We emailed KLTR following research and encouraged KLTR to publish a sustainability report in accordance with GRI or SASB standards, adopt an independent Chair, eliminate the classified Board structure and supermajority voting provisions, and to increase racial/ethnic minority representation on the Board. We also asked how many Israeli employees have been drafted for military service.
- 13. Localiza Rent A Car SA (RENT3-BR):** RENT3-BR engages in car and fleet rental business in Brazil and internationally. We emailed RENT3-BR following research in December 2024 and RENT3-BR responded to our email in January 2025. We encouraged RENT3-BR to adopt an independent Chair. RENT3-BR believes that there is value in having one of its founders leading the Board, with skin in the game and deep knowledge of the business. RENT3-BR highlighted the lead independent director role. We also encouraged RENT3-BR to establish environmental targets aligned with the SBTi. RENT3-BR has included climate change, water, waste and energy management, traffic safety, and racial and gender equity targets in the management contracts of the Executive Board. These targets have a direct effect on this group's variable compensation with a 5% weighting.
- 14. Global Indemnity Group LLC (GBLI):** GBLI provides specialty property and casualty insurance for small to middle-market businesses. We emailed GBLI following research and encouraged GBLI to publish a formal sustainability report in accordance with GRI and SASB standards.
- 15. Simply Good Foods Company (SMPL):** SMPL is a consumer-packaged food and beverage company. We emailed SMPL following research and we encouraged SMPL to report employee training statistics and align its sustainability report with GRI or SASB standards. We asked if SMPL has specific plans or goals in place to improve sustainable sourcing of palm oil.
- 16. CECO Environmental Corp. (CECO):** CECO provides solutions in industrial air quality, industrial water treatment, and energy transition solutions worldwide. We emailed CECO following research and reiterated our suggestions from 2023. We asked when to expect an updated sustainability report. We also encouraged CECO to report more comprehensive environmental data and to establish environmental targets. Finally, we encouraged CECO to report on supplier oversight.
- 17. Westinghouse Air Brake Technologies Corporation (WAB):** WAB provides technology-based locomotives, equipment, systems, and services for the freight rail and passenger transit industries worldwide. We emailed WAB following research and encouraged WAB to eliminate the classified Board structure, describe supplier oversight program, and report whistleblower statistics.
- 18. Stagwell Inc. (STGW):** STGW provides digital transformation, performance media and data, consumer insights and strategy, and creativity and communications services. We emailed STGW following research and encouraged STGW to adopt an independent Chair and publish a sustainability report in accordance with GRI or SASB standards.
- 19. NRG Energy, Inc. (NRG):** NRG operates as an energy and home services company. We emailed NRG following research and noted NRG operates and maintains its generation portfolio which as of the end of 2023, NRG had signed agreements for 1.9 gigawatt of renewable power capacity through PPAs. NRG also has approximately 6,500 megawatt of additional coal, natural gas and wind generation capacity at 15 plants operated on behalf of third parties, as of 12/31/2023. We asked how much of self and third party generated, if any, is onshore and offshore wind projects and does NRG have a contingency plan following President Trump's wind executive order.
- 20. Prosus NV (PRX-NL):** PRX-NL engages in the e-commerce and internet businesses. We emailed PRX-NL following research and encouraged PRX-NL to adopt an independent Chair, report additional environmental metrics, and report the results of supplier assessments. PRX-NL responded and directed us to an additional document with water and waste data. PRX-NL also highlighted the lead independent director role on the Board.
- 21. Orion SA (OEC):** OEC engages in the manufacture and sale of carbon black products. We emailed OEC following research and encouraged OEC to disclose complaints made on its whistleblower line and asked if OEC uses renewables in its operations.

- 22. Brilliant Earth Group, Inc. (BRLT):** BRLT designs, procures, and sells diamonds, gemstones, and jewelry. We emailed BRLT in December 2024 and encouraged BRLT to declassify its Board, and to disclose the number of suppliers audited annually, the results of those audits and any corrective actions taken. BRLT responded to our email in January 2025 and will share our thoughts and policy explanations on classified Boards with the members of its Board. BRLT noted as of January 2025 it does not have plans to make changes to its Board structure or corporate governance policies, which have been in place since the IPO.
- 23. Invitation Homes, Inc. (INVH):** INVH is the nation's premier single-family home leasing and management company. We emailed INVH following research and encouraged INVH to disclose the number of suppliers audited annually, the results of those audits and any corrective actions taken. INVH responded to our email and noted our suggestions.
- 24. Rayonier Advanced Materials (RYAM):** RYAM manufactures and sells cellulose specialty products. We emailed RYAM following research and encouraged RYAM to disclose complaints made on its whistleblower line, to disclose data to back up the use of professional development programs by employees and to disclose the number of suppliers audited annually, the results of those audits and any corrective actions taken. RYAM responded to our email and noted our suggestions.
- 25. Everest Group, Ltd. (EG):** EG provides reinsurance and insurance products. We emailed EG following research and encouraged EG to report a complete sustainability report annually and adopt an independent Chairman.
- 26. Portland General Electric Company (POR):** POR is an integrated electric utility company, engages in the generation, wholesale purchase, transmission, distribution, and retail sale of electricity in the state of Oregon. We emailed POR following research and asked if POR has a contingency plan following President Trump's wind executive order.
- 27. United Homes Group (UHG):** UHG is a homebuilding company, engages in the design, building, and sale of homes in South Carolina, North Carolina, and Georgia. We emailed UHG following research and encouraged UHG to publish a sustainability report in accordance with GRI or SASB standards, to eliminate the classified Board structure, and to adopt an independent Chairman.
- 28. ZimVie Inc. (ZIMV):** ZIMV develops, manufactures, and markets a portfolio of products and solutions designed to support dental tooth replacement and restoration procedures. We emailed ZIMV following research and encouraged ZIMV to disclose complaints made on its whistleblower line, to disclose data to back up the use of professional development programs by employees, to disclose the number of suppliers audited annually, the results of those audits and any corrective actions taken. We also encouraged ZIMV to disclose environmental data annually and to disclose climate change risks and opportunities in accordance with TCFD or CDP.
- 29. Suzano SA (SUZB3-BR):** SUZB3-BR produces and sells eucalyptus pulp and paper products. We emailed SUZB3-BR following research and asked about greenwashing allegations that claim SUZB3-BR's eucalyptus plantations are causing environmental damage and provide minimal carbon sequestration.
- 30. Oportun Financial Corp. (OPRT):** OPRT is a financial services company. We emailed OPRT following research and encouraged OPRT to eliminate the supermajority voting provisions and adopt a majority vote standard and to remove the classified Board structure.
- 31. Amgen, Inc. (AMGN):** AMGN discovers, develops, manufactures, and delivers human therapeutics. We emailed AMGN following research and noticed AMGN has a goal to engage with 73% of suppliers by spend to support their adoption of SBTi targets by 2027. As of 12/31/22, 45% of suppliers by spend have set SBTs. We asked if AMGN has an updated number for 2023 and 2024 regarding the progress made against this goal.
- 32. MasTec, Inc. (MTZ):** MTZ is a leading infrastructure construction company operating mainly throughout North America across a range of industries. We emailed MTZ following research and encouraged MTZ to adopt an independent Chair, to declassify the Board, to provide data to back up the use of professional development opportunities by employees, to provide operational environmental data including GHG emissions, energy consumption including if any is from renewable sources, water and waste usage annually. We also asked MTZ if it plans to publish an updated sustainability report and encouraged MTZ to publish a complete sustainability report annually.

**33. Wesco International, Inc. (WCC):** WCC provides business-to-business distribution, logistics services, and supply chain solutions. We emailed WCC following research and noted WCC has a goal to reduce absolute Scope 1 and 2 GHG emissions by 30% by 2030. As of 2023, only a 1% reduction has been made. 92% of the facility portfolio is leased, which reduces control over facility energy consumption and adds complexity to meeting the emissions reduction goal. We asked if this goal is realistic and attainable given the lack of direct control over 70% of WCC's emissions and what the cost is to meet the goal and if it requires significant capital expenditure. WCC responded to our email and noted their emissions reduction was limited in 2023 largely related to expansion of the business, and adding new facilities. As the business expanded, the energy intensity per square foot decreased by 11.4% in 2023, proving the significantly increased energy efficiency, alongside the business expansion. Additionally in 2023, WCC was able to meet and exceed its goals related to landfilled waste diversion. WCC expects to publish its next annual sustainability report in late Q2 of this year, which will reflect the latest progress towards the emissions reduction goal throughout 2024, including investments in renewable energy for its facilities. Analysis of costs related to emissions reduction programs has been a significant part of the overall target strategy. The intention is to prioritize projects that deliver on their targets, while balancing financial effects to the business.

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

- 1. Vici Properties, Inc. (VICI):** VICI is a REIT. VICI reached out ahead of the 2025 proxy season. We noted Boston Partners voted in line with management on all items at the 2024 annual meeting. VICI noted they do not expect any unusual proposals other than ordinary matters on the proxy in 2025. We turned to sustainability and noted we last conducted our annual sustainability research review in May. We noted VICI is rated the highest possible rating internally at excellent mainly due to the triple net lease model and because sustainability is not material. We noted corporate governance is shareholder friendly with majority independent directors on the Board, great diversity on the Board, an independent Chairman and sufficient shareholder rights. We noted given VICI has under 30 employees, human capital management is immaterial but is well developed given the diversity and training disclosure. We noted we appreciate the GHG emissions disclosure as well. VICI noted they speak to the Board on a regular basis and put a lot of time into the sustainability report so appreciate the comments on governance and sustainability. We encouraged VICI to reach out prior to the annual meeting if they foresee any proxy related issues. VICI appreciated the suggestion and will take us up on it if ISS or Glass Lewis recommend a vote against management's recommendation.
- 2. Entergy Corporation (ETR):** ETR engages in the production and retail distribution of electricity. ETR reached out as a part of their shareholder outreach program. Data centers have been a key growth accelerator for ETR. ETR's industrial growth rate has increased from 6% to 11-12%. ETR's capital plan reflects investment in clean energy, while remaining focused on affordability and reliability. ETR's four-year capital plan for 2025 through 2028 includes \$34 billion of investments. ETR has a 2050 net zero target, as well as interim 2030 targets. ETR's 2030 emissions intensity and clean capacity targets are being challenged by the growth of the business. ETR needs new gas capacity to meet increasing demand. ETR noted that solar capacity is not sufficient for data center demand. ETR is leaning into carbon capture. ETR is taking advantage of existing infrastructure, favorable geological formations, and customers willing to pay a premium to achieve their own targets. ETR's Lake Charles power plant in Louisiana is prepared to have carbon capture on line by the end of this decade if all goes well. ETR has proposed a number of other gas plants in conjunction with big data centers that will be designed to accommodate carbon capture. ETR plans on retiring all coal capacity by 2030, with no intention of stepping back from this target. ETR currently has four coal plants. Coal generation made up less than 3% of 2023 revenue and less than 1% of rate base. We reiterated our preference for an independent Chair. ETR will pass this along to the Board.
- 3. CRH Plc (CRH):** CRH provides building materials solutions. CRH reached out as a part of their shareholder outreach program. We asked if the \$150 million in capital expenditure each year for delivery of the 2030 decarbonization roadmap is in part deployed to continue reducing clinker or if that is a separate expenditure. CRH noted the \$150 million includes clinker. Clinker represents around 85% of total emissions. Using more renewable fuels for combustion represents 1/3 of the emissions reduction strategy with the other 2/3 related to chemical input and replacing clinker. We noticed there were 4 employee fatalities in 2023. We asked what CRH is doing to ensure the number of fatalities reduces going forward. CRH noted they have similar numbers for 2024. Serious accidents and fatalities get an in-depth report to the Board which starts with an alert, and a root cause assessment which includes identifying themes. In 2023, there were no themes. In 2024, a theme was identified regarding employees working from heights.

CRH is working to see if they can replace human beings with technology and robotics to remove people working from heights. CRH noted the fatalities are due to experienced employees breaking safety protocols. CRH tries to figure out the root cause and resolve any culture or training issues. 15% of the performance share plan is tied to sustainability and diversity. We asked what specific targets are tied to this metric. CRH noted they have interim carbon reduction targets to the 2030 environmental goals, a diversity target to increase women in senior management to 30% by 2030, and a safety component based on culture, statistics and reporting. We noted it will be assessed over a three-year period ending in December 2025. We asked if there has been a payout given along the way or if it will be received in 2025. CRH noted the payout will be given for the first time in 2025. CRH will consider adding ESG metrics into the STI over the LTI.

- 4. Alaska Air Group, Inc. (ALK):** ALK operates airlines. ALK reached out to discuss sustainability topics. We asked ALK about the road map and feasibility of their 2040 net zero target. ALK has a five-part road map to achieve net zero emissions. 1) ALK aims to be the most fuel-efficient airline. This is tied to employee compensation. 2). ALK will continue to renew their fleet. This largely depends on Boeing's production line. 3). ALK aims to increase their use of SAF. Currently, SAF is less than 1% of total fuel purchases. The vast majority of the cost is offset through the purchase of Scope 3 emissions credits by individual customers. 4). ALK has made investments in companies working on electrified aircraft. ALK does not believe this will have a meaningful effect before the 2040 decade but could come into operations for regional flying next decade. 5). Carbon offsets and removals is the last step. ALK has not invested in carbon credits or carbon capture yet. We encouraged ALK to include financial metrics in their sustainability report. ALK discussed their parameters for sustainability investments. ALK's investment arm makes equity investments. ALK's investment arm conducts diligence around plans to scale, cost down curve, experienced leadership, and credible certifications. ARK's investment arm typically invests in Series A. For purchasing proven technology, ARK uses the same parameters as traditional investments. For SAF purchases, ARK has a purchase authority with clear financial parameters. ARK has a goal of offsetting 100% of the green premium.
- 5. RenaissanceRe Holdings Ltd. (RNR):** RNR provides reinsurance and insurance products. RNR reached out for a shareholder outreach call. We reiterated our preference for RNR to declassify the Board. RNR's Board discusses the classified Board each year. RNR prefers the classified Board due to their highly regulated industry and the cyclical nature of their business. Boston Partners voted against say on pay last year due to the one-time award. There is no one-time award this year. RNR adjusted the short-term incentive from relative metrics to absolute metrics. RNR continues to incorporate climate change in their risk models. RNR's view and perspective on climate change is not changing even with shifting political pressures. RNR's business is climate change, so they have to understand it.
- 6. Nexstar Media Group, Inc. (NXST):** NXST is a television broadcasting and digital media company. NXST reached out to us for a shareholder engagement call prior to releasing their proxy statement. Boston Partners voted against say on pay in 2024 due to a few concerns and insufficient responsiveness to shareholder feedback. NXST explained that most shareholders had no issues with compensation. Other shareholders shared a few suggestions: additional operating metric to be used in the LTI program; increase the performance measurement period for TSR in the LTI program; and increase the CEO's vesting period on equity. NXST's CEO is the founder and third-largest shareholder. All of his pay package is subject to the contract in 2022, which Boston Partners and ISS supported at the 2023 annual meeting. The contract expires in March 2026. The biggest concern that ISS highlighted was CEO pay compared to peers. Otherwise, pay and performance were massively aligned. NXST has floated the following changes: adjust the other NEO's PSU vesting structure and add another metric (relative TSR and free cash flow). Those shares would vest over a three-year period but be benchmarked over a two-year period due to the cyclical nature of the business. NXST is also considering capping payout at 100% if absolute TSR is negative. NXST has a policy in place that will require a separate CEO and Chairman once the founder retires from the CEO position. However, he will remain on the Board as the Chairman. We encouraged NXST to consider an independent Chairman in the future. NXST's carbon footprint is not material.
- 7. Rexel SA (RXL-FR):** RXL-FR engages in distribution of low and ultra-low voltage electrical products and services for the residential, commercial, and industrial markets. RXL-FR reached out for a shareholder engagement call as a part of their annual governance outreach. We asked if RXL-FR foresees ISS or Glass Lewis taking issue with any items at the 2025 AGM. RXL-FR noted they do not foresee any issues. RXL-FR noted the Board is classified/staggard and directors are elected on a 4-year basis. We noted our preference for directors to be elected annually although we understand that RXL-FR is in compliance with the French corporate

governance code and it is common for French companies to have staggered Boards. RXL-FR noted our preference but will continue to comply with the French corporate governance code. We noted RXL-FR is rated excellent, which is the highest internal sustainability rating and find RXL-FR's disclosure to be comprehensive. We asked RXL-FR how it measures the 25% non-financial ESG portion of the CEO's 2024 compensation. The 2024 criteria included the reduction of carbon emissions for scopes 1 and 2, the launch of pilot action plans for scope 3 and the level of employee commitment to environmental issues. RXL-FR noted it conducts an annual survey of its employees, typically in June, to measure its employee commitment to RXL-FR as an environmentally responsible company. RXL-FR has received excellent results, above 80%.

- 8. FMC Corporation (FMC):** FMC is an agricultural sciences company, provides crop protection, plant health, and professional pest and turf management products. FMC reached out as a part of its shareholder outreach program. FMC noted the two main components of its business are its core and growth portfolio. FMC noted there will be four new molecule launches over the next five years, which showcases the depth of its portfolio. FMC noted changes in its Board composition with the addition of two new Board members in 2024. FMC believes the Board is well positioned with a wide range of experiences. FMC noted its CEO has been reinstated and is focused on reconfiguration from the bottom up and furthering efficiencies. FMC emphasized sustainability is heavily integrated into its business and remains a core aspect of its growth strategy. FMC noted its waste projects resulted in \$4 million in cost savings (mobile treatment on-site). We encouraged FMC to disclose complaints made on its whistleblower line and to disclose additional data to back up the use of professional development programs.
- 9. First American Financial Corporation (FAF):** FAF, through its subsidiaries, provides financial services. FAF reached out to for a shareholder engagement call to discuss feedback concerning FAF's governance and sustainability efforts, including an officer exculpation proposal in FAF's upcoming proxy statement. FAF noted it has been reporting on its sustainability effort for eight years and is aligned with SASB standards. Given the nature of FAF's business it has focused most of its efforts on social and governance-related matters. FAF has made good strides in its diversity initiatives. FAF does not use targets or quotes. FAF added another female director to the Board. FAF noted it is in the process of bringing its environmental reporting in-house and is focused on the quality of its data. FAF also emphasized its cybersecurity and data protection efforts. FAF noted due to the highly regulated nature of its business, there are third parties coming into review FAF's review risk management procedures frequently. We encouraged FAF to eliminate the classified Board structure and noted our updated proxy voting. FAF's Board reviews this topic annually but as a highly regulated and small company, FAF feels continuity on the Board is of the utmost importance. We also highlighted our preference for an independent Chairman. FAF noted our preference and emphasized its Board has a lead independent director. FAF asked for our thoughts on officer exculpation proposals. We noted in 2024 that less than 10% of the officer exculpation proposals and all votes were due to controlled company or significant corporate governance issues. Once FAF's proxy is disclosed, we will take a closer look at the proposal, but from what FAF shared it sounds like we will likely support the proposal.

**We received the following responses from issuers, as well as participated in the following discussions, regarding Boston Partners' proxy vote against management.**

- 1. Equity Commonwealth (EQC):** EQC is an internally managed and self-advised REIT. EQC responded to our proxy letter regarding our votes against Item 2: Advisory Vote on Golden Parachutes at the November 2024 annual meeting. We voted against Item 2 mainly because the golden parachute payment to the CEO is \$21.6 million and well above both the median of peers and EQC CEO pay received last year. Also, equity awards will vest on a single-trigger basis. EQC responded to our letter and noted the Change in Control agreement for the CEO was entered into in 2019 based on market comparables at that time, and their compensation consultant reaffirmed that the terms were at market in 2024. The amount referenced in the letter is comprised of several components. \$9.5 million of that amount is cash severance, which has a double trigger consisting of a change in control and a qualified termination.

#### **Proxy Voting:**

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

- 1. Korea Electric Power Corp. (015760-KR):** Voted against non-independent director nominee Jung-eun Ahn because 015760-KR is a large company, and the Board is not majority independent.

2. **Wuxi NCE Power Co., Ltd. (BP91NF):** Voted against the approval of the stock option incentive plan because directors eligible to receive options under the scheme are involved in the administration of the scheme.
3. **Pure Cycle Corporation (PCYO):** Voted against three nominating committee members because the Board does not have any underrepresented directors.
4. **Commercial Metals Company (CMC):** Voted against all director nominees because the company maintains a classified Board structure.
5. **Lithium Americas (Argentina) Corp. (LAAC):** Voted against the employee share purchase plan because there are concerns regarding insufficient disclosure on lack of performance conditions, a short vesting period for stock options, and change in control provisions. Further, non-employee directors may receive stock options. Voted against three incumbent members of the nominating committee because the Board has seven or more directors and does not have at least two members that are not of the majority gender.
6. **New Jersey Resources Corporation (NJR):** Voted against all director nominees because the company maintains a classified Board structure.
7. **Jabil Inc. (JBL):** Voted against the governance committee Chair due to the Board's unclear responsiveness to the previous year's majority-supported shareholder proposal related to the special meeting right. Voted against say-on-pay because a former NEO will receive severance benefits for a voluntary employment separation.
8. **RGC Resources, Inc. (RGC):** Voted against all director nominees because the company maintains a classified Board structure. Furthermore, one of the director nominees is an incumbent member of the nominating committee, and the Board does not have any underrepresented directors.
9. **Spire Inc. (SR):** Voted against all director nominees because the company maintains a classified Board structure.
10. **Thai Beverage Public Company Limited (Y92-SG):** Voted against two directors for overboarding concerns. Additionally, one of the directors failed to attend at least 75% of meetings. Voted against other business because the details were not disclosed.

#### Boston Partners voted the following number of proxies:

Number of meetings: 38

Number of issues: 298

#### Index of Acronyms:

**AGM:** Annual General Meeting

**CDP:** Carbon Disclosure Project

**GHG:** Greenhouse Gas

**GRI:** Global Reporting Initiative

**IPO:** Initial public offering

**ISS:** Institutional Shareholder Services Inc. is a proxy advisory firm.

**LTI:** Long Term Incentive

**NEO:** Named Executive Officer

**PPA:** Power purchase agreement

**PSU:** Performance Share Units

**SASB:** Sustainability Accounting Standards Board

**SAF:** Sustainable aviation fuel

**SBT:** Science Based Targets

**SBTi:** Science Based Targets initiative

**STI:** Short Term Incentive

**TCFD:** Task Force on Climate-Related Financial Disclosures

**TRIR:** Total Recordable Injury Rate

**TSR:** Total Shareholder Return

#### Disclosure

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