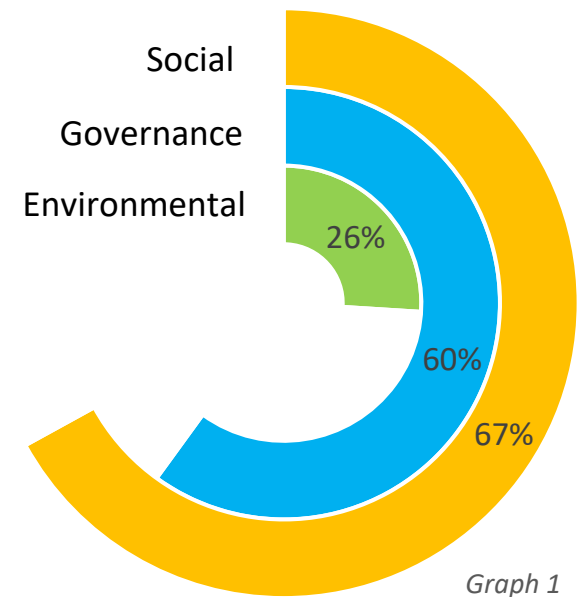


Neuberger Berman (NB) is an asset management company with **\$460 billion AUM** (December 31, 2021). NB voted on **46,470 management proposals** and **666 shareholder proposals** in 2021. During that time, NB conducted 3,162 engagements along E, S, and G themes (see Table below and Graph 1). Overall, NB opposed management on at least one item at **42%** of meetings in 2021. Key areas of opposition for management proposals involved director elections, management compensation, and share issuances without a clear case for the dilution.

### Primary Engagement Themes

<b>Environmental</b>	<ul style="list-style-type: none"> <li>• Green opportunities</li> <li>• Environmental reporting</li> <li>• Pollution and mitigation management</li> <li>• Waste/water management</li> </ul>
<b>Social</b>	<ul style="list-style-type: none"> <li>• Community/government relations</li> <li>• Human capital management</li> <li>• Labor relations</li> <li>• Workforce diversity</li> <li>• Health &amp; safety</li> </ul>
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Long-term business strategy</li> <li>• Capital Structure</li> <li>• Risk management</li> <li>• Board independence and quality</li> <li>• Disclosure and financial control</li> <li>• Compensation structure</li> </ul>

### % of Engagements by Theme



*As reported in NB 2021 ESG Annual Report*

### NB Votes initiative

NB Votes was launched in 2020. It is an advanced proxy vote disclosure initiative where NB announces its voting intentions in advance of the annual general meetings (AGMs) of select companies where its clients have significant economic exposure.

In 2021, NB disclosed key votes and supporting rationales at **62** of their portfolio companies, twice the number of votes disclosed in 2020. Of the votes disclosed, NB took positions **against** management 48% of the time.

### Case Studies on NB Voting Against Management in June 2022

Company	Topic	Proposal	Intended Action and Concerns
<b>Fujimi Incorporated</b>	Shareholder Representation	Company Renewal of a Takeover Defense Plan	Vote <u>AGAINST</u> the Poison Pill proposal for lack of independent oversight and clauses that create an unreasonable burden to a potential acquirer; Vote <u>AGAINST</u> the CEO as the proposal's Representative Director
<b>CarMax, Inc.</b>	Board Independence	Election of a Director	Vote <u>AGAINST</u> the Director Election for Overboarding – director serves on a three public company boards and is an acting CEO/Chair
<b>Monster Beverage Corporation</b>	Environmental Issues	Shareholder Proposal to Report on GHG Targets and Align with the Paris Agreement	Vote <u>FOR</u> the proposal (also WITHHOLD from the Election of a Director for a 2021 Related Party Transaction)
<b>Warby Parker, Inc.</b>	Strategy	Election of Directors following September 2021 IPO	<u>WITHHOLD</u> votes on three directors for several governance practices adopted at the IPO – no Independent Chair and not having sunset provisions to phase out the Classified Board and Dual Class voting structures
<b>Apellis Pharmaceuticals, Inc.</b>	Risk Management	Ratification of the Auditor	Vote <u>AGAINST</u> the Auditor Ratification to mitigate potential Conflicts of Interest, as non-audit fees exceeded fees paid for audit-related services in the past two fiscal years



Understand How ESG Weighs into Investor Considerations to Make Your Next Engagement More Successful.

## What ZMH Can Do for You

*Our Proprietary **ESG Engagement Dashboard™** allows you to leverage technology and data to optimize your shareholder interactions.*

**ZMH Advisors LLC.** is a technology-based shareholder and ESG advisory firm. We combine two decades of corporate governance and investor engagement experience with next-gen data analytics to deliver customized solutions for clients ranging from pre-IPO to S&P 500 companies. Our data-driven approach is powered by a proprietary **ESG Engagement Dashboard™**, which provides unique insights on investors with \$45T AUM.

Know what could be asked during an engagement

Stay up to date on investor's ESG priorities

Access to 1000+ case studies & detailed analysis

Understand how investors will vote on your ballot

Gain access to 7M NPX voting records & governance policies

Contact information & key players at each firm

CONTACT US TO SCHEDULE A DEMO

[info@zmhadvisors.com](mailto:info@zmhadvisors.com) | <https://zmhadvisors.com>