

COMGEST VOTING INTENTIONS – 2025

By: Comgest ESG TEAM

This year's proxy season marks Comgest's fourth pre-declaration of our voting intentions. As an active manager, voting is key to exercising our stewardship responsibilities. We view pre-declaring our voting intentions as an opportunity to strengthen ongoing engagements and provide increased transparency. Below, we outline our intended positions on some key shareholder resolutions for the current proxy season.

We note that sometimes the statements provided by proponents in support of their proposals may not fully reflect Comgest's view on the matter. We could still vote in favour of the proposal if we consider the issue material for the company.

Alphabet

- **Shareholder Resolution: Disclose Climate Transition Plan for Data Centres – 07 June 2025¹**

Lead filer: Trillium Asset Management

Comgest's vote intention: For

Resolution summary: Given the company's growing greenhouse gas (GHG) emissions and the challenge of meeting its goals, shareholders request Alphabet disclose additional information illustrating if and how it will meet its 2030 climate goals, including how emissions linked to its expansion of data centre operations will be managed.

Meta

- **Shareholder Resolution: Disclose Climate Transition Plan for Data Centres - 29 May 2025²**

Lead filer: As You Sow

Comgest's vote intention: For

Resolution summary: Shareholders request that Meta disclose a transition plan that results in new renewable energy capacity, or other actions that achieve actual emissions reductions at least equivalent to the energy demand associated with its expanded data centre operations.

Background and Comgest rationale: Tracking companies' progress against their climate roadmaps remains central to our investment thesis for large tech players. Both Alphabet and Meta have set ambitious climate targets and recognise energy supply and energy efficiency as critical to sustaining their operations. However, as they rapidly scale up their data centre operations to support growing artificial intelligence (AI) capacity, meeting these climate and energy goals becomes increasingly challenging. Their energy consumption is outpacing their ability to secure clean energy, raising questions on their climate neutrality claims.

Enhanced transparency on decarbonisation transition planning and energy procurement strategies would provide greater clarity and accountability. It would also allow investors to assess how climate risks are being managed, including reputational risks with accusations of greenwashing should companies be overly relying on renewable energy certificates (RECs) and

¹ The 2025 AGM date is not yet public, so the 2024 date has been provided as a guide for the timeframe.

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carbon offsets as well as physical risks should more frequent heatwaves and water shortages lead to significant power outages. Therefore, we support these resolutions and continue to monitor how companies are navigating the alignment of AI innovation with their sustainability strategies.

Linde

- Shareholder Resolution: Report on climate lobbying alignment – 30 June 2025³

Lead filer: Chevedden Corporate Governance

Comgest's vote intention: FOR

Resolution summary: Shareholders of Linde request that the Board of Directors prepare a report, to be updated annually, describing whether and how Linde is aligning its lobbying activities, both direct and indirect (through trade associations, coalitions, and other organisations), with its goal to be climate neutral by 2050.

Background and Comgest rationale: Linde has been held by Comgest since 2019, and tracking its progress against its climate roadmap remains central to our investment thesis. The company faces significant climate risks due to its energy-intensive operations and increasing pressure from customers to reduce their own footprints.

As part of our broader climate assessment, we evaluate corporate lobbying practices to determine how deeply climate action is embedded in a company's culture and business model. Misaligned lobbying can hinder emissions reductions and pose material financial risks, including reputational damage among consumers, investors, and other stakeholders.

A key concern that emerged from our climate assessment of Linde is the company's membership in—and claimed policy alignment with—the American Fuel and Petrochemical Manufacturers Association (AFPM), a trade group that has actively lobbied against greenhouse gas emissions legislation. In contrast, a peer in the chemicals industry publicly disclosed AFPM's misalignment with the Paris Agreement and as a consequence rescinded their membership to the association.

Our support for this resolution aligns with our ongoing engagement with Linde and our previous voting decisions. In 2023, we had already signalled our intention to back a similar shareholder resolution calling for a climate lobbying report as we believe that Linde's shareholders would benefit from greater transparency regarding how its lobbying aligns with global climate goals, as well as with its own 2035 climate targets and 2050 climate neutrality ambition.

However, Linde excluded this proposal from the 2023 AGM agenda, citing a technicality—that the filing shareholder had failed to attend the 2022 AGM. In response, we voted against the re-election of Joe Kaeser⁴ as Chair of the Governance Committee in June 2024, as we viewed this omission as a failure to address a critical sustainability issue.

As our views regarding the importance of addressing climate related risks and gaining visibility on how companies' climate transition plans are implemented remain unchanged, we continue to support resolutions that call for enhanced reporting on climate lobbying practices.

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⁴ In his capacity as Chair of Linde's Nominating and Governance Committee, Joe Kaeser is responsible for government affairs and political activities.

Meta

- Shareholder Resolution: Child Safety Online – 29 May 2025

Lead filer: Proxy Impact

Comgest's vote intention: For

Resolution summary: Shareholders request that the Board of Directors publish a report that includes targets and quantitative metrics appropriate to assessing whether and how Meta has improved its performance globally regarding child safety impacts and actual harm reduction to children on its platforms.

Background and Comgest rationale: We consider content safety, particularly child online safety, a material risk for Meta. Evaluating how the company mitigates regulatory, legal and reputational risks in this area is central to our investment thesis. While Meta has made substantial investments in resources and processes in recent years, we believe there is room for further action and greater transparency regarding the effectiveness of these efforts.

Our support for this resolution aligns with our ongoing engagement with Meta and our previous voting decisions. In 2024, we pre-declared our intention to support a similar resolution calling for enhanced child safety online. We followed through by voting in favour of the shareholder resolution at the company's AGM. Additionally, we remained active participants in the Investor Coalition on Mental Health and Wellbeing, serving as lead investors in discussions with the company in 2024.

Although the 2024 shareholder resolution did not pass (dissent level: 18.5%), our view regarding addressing online child safety remains unchanged. We continue to recognise the significant impact of inaction on the company's long-term business sustainability. As such, we will keep supporting resolutions that call for concrete targets and enhanced quantitative reporting.

IMPORTANT INFORMATION

All information is as of 10 April 2025, unless otherwise noted. Investing entails risks, including possible loss of principal. Comgest's voting intention is an internal decision, will apply where Comgest has full voting discretion, and has not been agreed with any third party. This material is provided for informational purposes only and nothing herein constitutes investment, legal, accounting or tax advice, or a recommendation to buy, sell or hold a security. Reference to any specific security does not fully represent all securities recommended for clients, nor does it mean that referenced securities are presently held. Information is obtained from sources deemed reliable, but there is no representation or warranty as to its accuracy, completeness or reliability. All information is current as of the date of this material and is subject to change without notice. Comgest products and services may not be available in all jurisdictions or to all client types.