Section A: Organisation, Investment Beliefs & Stewardship Approach

Organisation Overview

Egerton Capital (UK) LLP ("Egerton") was founded in 1994 and is an independent investment management firm based in London. It has 44 members of staff, including 13 investment professionals1. It is owned and controlled by Egerton's partners, all of whom (apart from one of the two co-founders) continue to work in the business.

Egerton manages approximately $19 billion in assets under management (as at 31 March 2026) across two strategies, equity long/short and equity long-only. All investors are invested in Egerton's commingled funds, and it does not manage any bespoke accounts.

Individual long positions, position sizes, and sector and geographic exposures are substantially similar across all Egerton funds (equity long-only and equity long/short). There is an emphasis on keeping the business structure simple, with a lack of distraction, to ensure greater focus on delivering performance to the firm's investors.

Egerton manages assets for a diversified, global client base that includes endowments, family offices, foundations, fund of funds, high net worth individuals, pension plans and sovereign wealth funds. Partners and employees of Egerton, collectively, represent the largest single-investor group, driving significant alignment between members of the firm and its investors.

Egerton's objective is to deliver superior long-term and risk-adjusted performance through investing in a diversified portfolio of primarily liquid, large-cap, publicly traded equities. Egerton views the integration of stewardship into its investment process as crucial to its ability to deliver on these aims.

Investment Beliefs & Stewardship Approach

Central to Egerton's investment philosophy is a rigorous process of fundamental research which includes meeting with company management, as well as analysis of publicly available information and proprietary and independent research. This bottom-up, research-intensive stock-picking approach to investing, naturally leads it to seek to identify well-governed companies with sustainable, long-term business models. As a result, stewardship naturally forms part of Egerton's investment process.

Egerton recognizes that the world faces growing environmental, social, and governance-(ESG) related risks. As such, certain ESG factors therefore form an important part of its stock selection process in respect of long and short positions (however, such factors will not necessarily be the determining factor for an investment, and Egerton may permit investments that have negative sustainability factors). Examples of such risks are included in the table below:

Type of Risk	Examples
Environmental	Climate change, carbon emissions, energy inefficiency
Social	Data privacy, consumer protection
Governance	Inadequate audit function, quality of earnings, shareholder rights, cybersecurity

In addition to this, Egerton actively seeks to engage with the management teams of its portfolio companies to improve long-term returns for its investors and as a method for risk management, including for environmental, social and governance factors. This takes the form of numerous meetings with company management teams throughout the year, as well as exercising its voting

[1] Egerton is unable to exercise stewardship in respect of short positions or long positions held on swap.

rights as a shareholder in these companies. Egerton aims to, and typically does, meet with management teams of all companies it invests in, however engagement on specific issues is prioritized according to Egerton's ability to drive change and the shareholder value that would be derived from doing so. Egerton seeks to vote at all company AGMs that it can, without being detrimental to Egerton's investment strategy (e.g. voting prevents Egerton being able to trade in the shares).

Outside of the portfolio, Egerton seeks to contribute to the broader financial industry and the functioning of financial markets through its membership of industry groups, and through direct consultations with regulators. This enables Egerton to contribute to the development of best practices, encourage high standards of professionalism, and facilitate networking and collaboration. Lastly, Egerton has been carbon neutral in respect of its own (management company) operations since 2019, by offsetting the carbon emissions caused by all of its activities (including, but not limited to, air travel) with the funding of an equivalent amount of carbon savings elsewhere in the world.

Section B: Governance & Resources

Governance

Egerton's Management Committee is ultimately responsible for the firm's policies and procedures in respect of stewardship and ESG risks. It has approved this report and the related policies and procedures, including Egerton's ESG & Sustainability Risks Policy, and its integration of ESG risks into investment decision making.

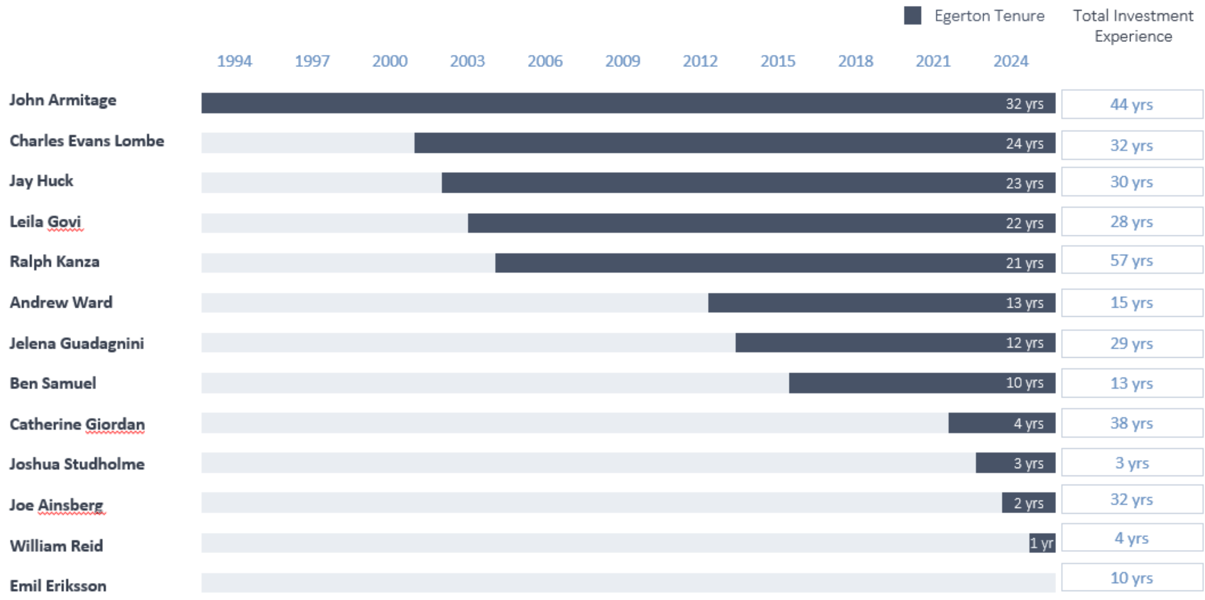
The Management Committee meets monthly to discuss the day-to-day management of non-investment aspects of the firm. Its members are Egerton's Chairman, four senior analysts from the Investment Team, the Chief Executive Officer (also the Risk Manager), the Chief Operating Officer and the General Counsel & Chief Compliance Officer, thereby ensuring cross-firm representation from the investment team, the middle and back office, and legal and compliance.

As an additional layer of oversight, Egerton provides detailed reporting on proxy voting (especially ESG-related voting), quarterly, to the boards of directors of each of its funds under management, both for their information and for them to challenge Egerton on it.

Resources

Each of the investment team analysts are responsible for the fundamental analysis and engagement with management teams of the companies Egerton invests in. Egerton has a team of 13 investment professionals, led by John Armitage, the firm's founder and CIO. John has a near continuous 37-year track record of equity selection. Prior to co-founding Egerton, John worked at Morgan Grenfell Asset Management, where he began his career in 1981. He managed the Morgan Grenfell European Growth Trust from its launch in April 1988 until March 1994; it was one of the top ranked European equity funds over this period (Source: Morgan Grenfell Investment Management, 1994).

The team has significant experience, with a number of members having worked together for over two decades, as shown in the organization chart below (as of February 2026):



The Investment Team is comprised of generalists/ multi-sector specialists, to ensure the team has the depth of knowledge that comes with specialism, while retaining a breadth of perspective across sectors. An analyst will likely be responsible for covering 3-7 reasonably sized positions in the portfolio at any point and time.

Analyst	Portfolio Coverage
Andrew Ward	Healthcare/ Industrials (Aerospace)
Ben Samuel	Communication Services/ Financials (Payments/Indian Banks)/ Technology (Software)
Catherine Giordan	Generalist (Forensic Accounting)
Charles Evans-Lombe	Consumer (Home Builders)/ Healthcare/ Industrials/ Materials
Jay Huck	Consumer/ Technology (Semis, Hardware)
Jelena Guadagnini	Communication Services/ Technology (Software)
Joe Ainsberg	Consumer/ Financials (Alternatives/Credit Rating Agencies/Exchanges)
Joshua Studholme	Financials (Banks/Reinsurance)/ Energy/ Materials (Metals/Mining)
Leila Govi	Communication Services (Media/Telco) Consumer (Luxury)
William Reid	Generalist
Emil Eriksson	Generalist

The Investment Team members have an array of experience and expertise that contributes to Egerton's ability to ensure the stewardship of its clients' assets. This includes Jay Huck and Catherine Giordan, both of whom are trained forensic accountants, enabling analysis of the integrity of a company's financial reporting, and assisting Egerton is avoiding investments in companies that are not as financially sound as they seem. In addition, while evaluating the risks and opportunities that climate change presents is the responsibility of the entire team, Joshua Studholme has an extensive background in climate science, having previously been a fellow in Climate Physics at Yale University.

Ralph Kanza, Egerton's Chairman, plays a key role in the firm's identification and analysis of macroeconomic and geopolitical risks. Ralph acts as a senior advisor to John Armitage and the Investment Team. With over 50 years of investment experience, both as an equity broker and portfolio manager, Ralph has been an important 'sounding board' to the Investment Team since joining Egerton as a partner in 2005. Ralph's role as senior advisor to the Investment Team includes offering views on (i) macro-economic conditions, sectors, and regions, (ii) the risks inherent in the portfolio, and (iii) portfolio exposure which, in the case of the long/ short funds, includes option hedging. In addition, as Ralph does not pick stocks directly, he can offer other members of the Investment Team a dispassionate view on the portfolio's individual holdings.

Egerton's Investment Team have access to a broad array of research and tools when conducting their fundamental research on investee companies. This will comprise a range of sources including independent reading, broker/sell side research, speaking with various companies (e.g. customers, suppliers, competitors), channel checks, and speaking with industry experts. In addition, Egerton ingests over 100 ESG data fields monthly from Sustainalytics, including summary ESG ratings which have been added into our daily portfolio monitoring.

All Egerton investment staff, including the Investment Team, receive mandatory training on ESG and stewardship annually, with a focus on shareholder engagement and proxy voting.

Egerton uses the ProxyEdge system for the administration and submission of all its proxy voting.

Section C: Policies, Process & Review

Egerton's policies and procedures are essential to the implementation of the firm's investment beliefs and approach in its day-to-day activities. The key policies and procedures in place to ensure the stewardship of Egerton's client's assets are its Engagement Process, its Voting Policy, its ESG and Sustainability Policy, and its Information Security Policy. All Egerton policies are reviewed and updated at least annually, and are approved by Egerton's Management Committee.

Engagement Process

This process is summarized in Egerton's 'Stewardship & Shareholder Engagement' document, which can be downloaded from Egerton's website here.

It details how Egerton seeks to build effective relationships with boards and management teams of the companies it invests in, through regular meetings over the life of Egerton's investment, and how it may escalate and respond to concerns.

Voting Policy

This policy is summarized in Egerton's 'Stewardship & Shareholder Engagement' document, which can be downloaded from Egerton's website here.

Egerton votes in a manner intended to maximise the value of the investments for its clients.

Egerton aims to vote at all company AGMs where voting would not be detrimental to Egerton's investment strategy (e.g. voting prevents Egerton being able to trade in the shares).

Egerton typically votes in favour of routine housekeeping proposals, including election of directors (where no sustainability factors appear relevant) but will vote against management where, for example, proposals could entrench management or make it more difficult to replace board members, or where there is a lack of, or poor, public disclosure of carbon and other GHG emissions, with no credible reduction plan.

Egerton's proxy voting procedures and record-keeping are undertaken by the Fund Operations team who, subject to Egerton's policies and procedures designed to manage conflicts of interest, refer to the relevant analyst for voting decisions.

Proxy Edge is used to cast votes but, crucially, Egerton does not utilize the services of any other third party such as a proxy voting adviser and therefore remains able to fulfil its stewardship responsibilities by itself properly and fully.

Egerton provides an annual public disclosure of its shareholder voting activity, which is available on its website.

ESG & Sustainability Policy

This policy establishes Egerton's framework to identify, monitor and manage ESG risks for its investors. It outlines how ESG factors are incorporated into the investment process, the application of SFDR and other ESG regimes, governance and senior management responsibility, and the integration of sustainability risks into Egerton's remuneration policy.

The full policy can be downloaded from Egerton's website here.

Use of AI

Egerton increasingly uses AI chatbots and agentic AI as part of its investment research process, for which it has an "acceptable use" policy and specifies permitted chatbots and other AI tools.

Section D: Conflicts of Interest

Egerton does not consider that it has any conflicts of interest that affect its stewardship activities.

Egerton is privately owned by its partners, none of whom are directors or executives of, or have any external role with, any public company, and it is not fettered by the stewardship policies of any of its clients or investors. Moreover, Egerton's personal account dealing policies are designed to prevent any conflicts of interest arising from the personal account dealing activities of its staff by prohibiting staff from personal trades in listed equities, derivatives of listed equities or listed corporate bonds (i.e. of the types of securities predominantly traded by Egerton).

In relation to conflicts of interest more generally, Egerton maintains a robust policy on managing conflicts of interest, which ensures its decisions are taken wholly in the interests of its clients. All potential and actual conflicts are identified, evaluated, and categorised as follows:

1. Potential and actual conflicts of interest considered material, which require active monitoring. These relate to:
    - Trading activity by Egerton on behalf of its clients.
    - Business/personal interests of the directors of its funds under management and relevant entities.
    - Business interests of clients and service providers.
    - Business/personal interests of Egerton directors, partners, and members of staff.
2. Potential and actual conflicts of interests that are not considered to impose any risk of damage.
3. Inducements are addressed by Egerton's Gifts & Inducements Policy which, amongst other things, requires any gifts or hospitality accepted above £1,000 to be disclosed to Egerton's clients and for any gifts or hospitality offered more than £250 to be approved by the compliance team.

Egerton's register of potential and actual conflicts of interest is reviewed quarterly by the firm's Management Committee. Material potential conflicts of interest (including, but not limited to, policies with respect to fair trade allocation, personal account dealing and external business interests) are disclosed to clients and potential clients in Egerton's Form ADV Part 2 and due diligence questionnaires.

All reasonable steps are taken to prevent conflicts of interest, and staff are trained to notify Egerton's Chief Compliance Officer ("CCO") if they become aware of any conflict of interest, including in relation to proxy voting. Where such a conflict of interest is identified, voting instructions will be subject to assessment and approval by the CCO. When considering matters such as engagement and voting, Egerton always aims to act in the best interest of its clients and to treat them fairly.

Section E: Dialogue with Clients

Egerton continually seeks to improve the quality and content of the information it makes available to enhance its investors' understanding of the stewardship activities it undertakes on their behalf.

Egerton aims to keep all its investors informed and up-to-date on its stewardship activities through a suite of regular reporting. These include:

- Annual disclosure of its voting activity via its website here.
- Annual report of its stewardship activities as a signatory to the UK Stewardship Code 2020, available to download via its website here.
- Annual report on its stewardship activities as a signatory to the UN PRI, available to download on the UN PRI website here.
- Monthly full position-level transparency is available to all investors (subject to a non-disclosure agreement), thereby enabling investors to raise queries about its stewardship activities.

In addition, Egerton holds regular calls with many of its investors to keep them informed of portfolio activity, including those actions related to stewardship of client assets, and specific examples of where ESG factors have been incorporated into the investment process.

Furthermore, Egerton provides climate reporting to keep investors informed on the portfolio's carbon emissions. These reports include:

- Annual Task Force on Climate-Related Financial Disclosures Reporting for the firm and for each of its funds, detailing the fund's carbon emissions in accordance with requirements from the UK Department for Work and Pensions. The firm level report is available publicly on Egerton's website here. The fund level reports are available to investors on request.
- Quarterly reporting of the weighted average carbon intensity of the funds' long positions, available to investors on request. This report uses data provided by Sustainalytics.

Egerton looks to continually improve its stewardship-related reporting through ongoing dialogue with investors regarding their ESG concerns and reporting needs. Clients can raise such points with Egerton through reaching out directly via email or on regular or ad-hoc phone calls.

Principle 1: Integrating Stewardship & Investment

Egerton is an investment management firm that manages two strategies: equity long-only and equity long/short. The firm's objective is to deliver superior long-term and risk-adjusted performance through investing in a diversified portfolio of primarily liquid, large-cap, publicly traded equities. Egerton views the integration of stewardship into its investment process as crucial to its ability to deliver on these aims.

Stewardship was integrated throughout Egerton's investment process in 2025; from stock selection to ongoing monitoring and engagement with investee companies over the life of the investments.

This process was led by Egerton's Investment Team, as each Investment Analyst is responsible for the analysis of and engagement with the companies they are responsible for in the portfolio. Over the course of 2025, Egerton's Investment Team conducted hundreds of meetings with portfolio companies, including c.71 one-to-one meetings in 2025.

Governance, as it has always been, was a crucial factor in Egerton's investment selection process in 2025, with the Investment Team seeking to identify well-governed companies with sustainable, long-term, market-leading business models and strong management teams throughout the year.

Notably, Egerton's trained forensic accounts, Jay Huck and Catherine Giordan, continued to support Egerton in its focus on earnings quality throughout 2025. Their work, which assists in the identification of companies using aggressive accounting practices or selecting accounting practices to deliberately favour their earnings, helped to ensure Egerton's portfolio consisted of financially sound businesses.

There were several examples of engagements on specific governance points in 2025, where Egerton attempted to challenge companies where it saw scope for improvement to deliver long-term value. Further details of these engagements are included in Principle 3: Engagement.

Furthermore, Egerton exercised votes at 44 different shareholder meetings of companies in which Egerton's funds held shares, participating in 3,608 votes over the course of 2025. Further detail on Egerton's voting record in 2025, including details of its most significant votes during the year, are included in Principle 4: Exercising Rights & Responsibilities.

Lastly, while Egerton's stock selection process is largely bottom-up and stock specific, the identification of key structural themes and trends, and the companies that stand to benefit from these, has been a helpful in driving returns and in turn aiding Egerton's stewardship of client assets. Some of the more notable themes in the portfolio in 2025, and how these influenced stock selection, are included in Principle 2: Promoting Well Functioning Markets.

Principle 2: Promoting Well Functioning Markets

Identifying market-wide and systemic risks

Egerton manages a global portfolio of liquid, large-cap equities, across a range of sectors and industry groups. As such, the key market-wide and systemic risks it has to consider are macroeconomic risk, geopolitical risk, and more specifically in certain regions/geographies, regulatory risk, governance risks and technological risks.

Market and systemic risks are discussed within the Investment Team and play an important role in overall investment decision making. The Investment Team keep up to date with such risk factors through their day-to-day investment work including speaking directly with companies, attending conferences, speaking with industry participants, and reading research on structural

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shifts and macroeconomic updates. Egerton's Chairman, Ralph Kanza, plays a crucial role in understanding and analysing such risks (please see Egerton's Policy and Context Disclosure for further details on Egerton's Investment Team Structure and Ralph Kanza's role).

Some of the more notable themes in 2025 are outlined below.

Climate Change

Climate change continued to be a prominent theme represented in Egerton's portfolio in 2025, as it has continues to be apparent that certain companies with cleaner business models or those that will play a key role in the decarbonisation of the economy stand to benefit from a rising focus on climate change. Egerton also looks to avoid investments in companies that have significant climate risk.

During 2025, Egerton held investments in Energy Transfer and Siemens Energy, both of which play a key role in the shift towards a greener economy. Energy Transfer is a US midstream natural gas company with top quartile assets which yield a diversified, resilient base of existing earnings. The company is a beneficiary of the rising demand for natural gas, driven by energy security needs as well as a shift away from more polluting energy sources such as coal. Siemens Energy is an energy equipment and services business that specialises in renewable technologies, with rising demand for grid infrastructure projects benefitting the company's performance in recent years.

Lastly, Egerton's positions in reinsurance companies, which in 2025 included Munich Re, Arch Capital and Renaissance Re, are key to the world's ability to allow the absorption and recovery from climate events, through their reinsurance products. As climate change drives growing numbers of events such as hurricanes, floods and wildfires, demand for reinsurance is expected to rise and to drive higher premium growth.

Geopolitics

2025 saw rising geopolitical tensions globally, with continued wars in Eastern Europe and the Middle East. In order to ensure downside protection for its investments, Egerton's preference is to steer away from companies that have significant geopolitical risk, and there were no notable examples of such positions in the portfolio during 2025.

As a result of the growing conflicts, countries' needs to defend themselves from growing threats rose during the year. Egerton's portfolio reflected this, through the addition of a position in Hanwha Aerospace, which primarily makes land-based defence systems. The company has benefitted from rising international orders from countries in the Middle East, as well as Poland and Romania.

Rise of AI

AI technology made significant advancements in 2025, which resulted in rising adoption in businesses and everyday life, with noteworthy impacts for the economy and for individual companies. While it may drive significant benefits, there are notable concerns from an investment perspective with regards to whether returns on AI investments will be sufficient to warrant the significant spend in the space.

Egerton looked to balance these factors through exposure to businesses it felt would benefit from the rising demand for AI, while also being more defensively positioned if said risks materialised. These included Google, Microsoft and Amazon, all hyperscaler businesses that should benefit from the increasing need for cloud computing as AI is increasingly adopted, while being diversified business that could likely repurpose a degree of their AI infrastructure spend if demand disappointed. In addition, Egerton added positions during the year that would benefit from the rising spend on AI infrastructure near-term, including Amphenol, Seagate, SK Hynix and ASML.

In addition, Egerton looked to avoid companies that looked to face rising competition or disintermediation by AI, and as such, it reduced its position in SAP in the second half of the year, although arguably too late. SAP is a provider of enterprise resource planning software, with customers including many of the largest companies in the world. There are various components to the

AI disruption fear, including that coders can use AI software to create their own apps, bespoke to their needs, or that AI models might subsume the functions of these apps all together.

Lastly, Egerton remained alert over the course of the year to the potential impact that AI might have on the broader economy, most notably in employment and inflation.

Supporting a well-functioning financial system

Egerton undertakes various activities that help to support a well-functioning financial system, through its participation in industry rule initiatives and through direct communication with financial market regulators to provide our thoughts and feedback on regulatory change.

In terms of working with other stakeholders, Egerton's preferred approach has been to engage and assess industry advocacy and lobbying, primarily through its membership of the Alternative Investment Management Association ("AIMA"). In 2025, examples of this included contributing to AIMA's response to, and interacting with the UK Financial Conduct Authority ("FCA") and US Securities and Exchange Commission ("SEC") (as appropriate), regarding:

- The FCA's review of its TCFD disclosures and their usefulness to investors.
- An expanded FCA definition of "research" to allow for evolving market practices, and to enable Egerton to use investor money to pay for a broader range of research services (which it is hoped will be used to improve investment performance).
- Proposed changes to FCA rules on payment for corporate access services, so that UK-based investment managers cease to be at a competitive disadvantage to managers in other jurisdictions.
- Proposed changes to FCA client categorisation rules, to give "semi-professional" investors greater ability to invest in investment funds that are classified as "alternative investment funds".

Principle 3: Engagement

Engagement is a key part of Egerton's investment process. Egerton will look to engage with the management teams of portfolio companies to improve long-term returns for its investors and as a method for risk management, including for ESG factors. Egerton believes that its engagement with management on such issues is integral to the discharge of its stewardship responsibility and to the interests of its investors, and it is unlikely to invest in companies where it appears that management is not acting in the best interests of shareholders.

Egerton seeks to build effective relationships with boards and strong management teams at the companies in which it invests, challenging companies where it sees scope for improvement that delivers long-term value, paying close attention to corporate strategy, earnings quality and accounting risk, capital structure, as well as focusing on specific ESG issues. It does this over the life of its investments. There were several examples of engagements relating to corporate governance in 2025 – please see the examples of SAP, Boston Scientific, Toyo Suisan and Howard Hughes in Case Studies section below.

Engagement with investee companies is the responsibility of Egerton's Investment Team.

As part of the research and monitoring process, Egerton may look to hold meetings with management and/or directors to express concerns. These concerns will often be motivated by the failure of management to act in the best interests of shareholders, and are likely to be when Egerton has concerns about the company's corporate governance, lawfulness/corruption or strategy. If concerns persist, Egerton may escalate concerns and intervene more formally by writing to the appropriate company board or committee members. Alternatively, it may simply sell the relevant position to minimise any potential loss. There was one example of such an escalation in 2025 - please see the example of Howard Hughes in the Case Studies below.

Egerton will consider whether it would be more effective to intervene collectively with other shareholders but will only do so where this is considered appropriate and, as a rule, prefers to engage with issuers directly. Egerton may communicate with other shareholders regarding a specific proposal but will not agree to vote in concert with another shareholder without approval from

Egerton's Chief Compliance Officer (to ensure compliance with market abuse rules). There was one example of collaborative engagement in 2025 – please see the example of Toyo Suisan in the Case Studies below.

Egerton's preferred approach is to assess industry initiatives and engage through them, collaboratively, via its membership of the Alternative Investment Management Association (please see Principle 2 for examples during 2025).

Case Studies

SAP

Egerton held a position in SAP from November 2023 to March 2026. SAP is an provider of enterprise resource planning software, with customers including many of the largest companies in the world.

In November 2025, in a phone call with SAP, Egerton raised its concerns regarding the company's potential acquisition of BlackLine, an accounting software company.

Egerton's concerns centered on BlackLine's lack of growth in what should be a favourable end market, and potential indicators of stress in the company's financials, which could indicate a slowdown in growth.

Egerton followed up with an email outlining its concerns which was shared with the CFO. SAP subsequently spoke publicly about focusing their M&A on areas like AI/data/specific vertical capabilities, which was reassuring, as BlackLine does not fall in these categories.

Boston Scientific

Egerton held a position in Boston Scientific, a medical device developer and manufacturer, from June 2025 to February 2026. In December 2025, Egerton provided feedback to Boston Scientific on a number of corporate governance topics.

These included the following:

- Stockholder's rights to call special meetings – Egerton communicated its view that stockholders should have the power to call special meetings, as it enables shareholder engagement and is therefore good practice.
- Removal of supermajority voting requirements – Egerton communicated that its view that supermajority vote requirements often function as de facto barriers to amending a company's bylaws, limiting shareholders' ability to make meaningful changes.
- Officer exculpation – Egerton communicated its view that overly broad officer (as opposed to director) exculpation could allow for careless behaviour at the officer level.

Toyo Suisan

Egerton invested in Toyo Suisan in April 2024. Toyo has a diversified group of domestic Japanese businesses, but the jewel of the group is its market leading instant noodles business in the Americas.

Egerton's investment thesis was underpinned by potential for more efficient management of the balance sheet, as well as better capital allocation more broadly. For example, when Egerton invested in the company, c.25% of its market cash was held in net cash which is excessive given the business characteristics.

A key catalyst was the involvement of an activist group who were arguing for more efficient balance sheet management, primarily through return of cash to shareholders, as well as more investment focus in Toyo's best businesses coupled with disposals of lower-returns businesses.

In June 2024, the company proposed its first share buyback in 17 years, which it executed in 2025, which we viewed to be a sign that Toyo management were open to making changes.

Egerton engaged with management and IR on several occasions to reiterate its general support for the activist's proposals over the subsequent year, including meeting with the company at its Japan headquarters in December 2024.

In February 2025, Egerton spoke with the activist pushing for better balance sheet management to discuss its proposals for the company.

In May 2025, Toyo Suisan held a virtual shareholder meeting which Egerton attended, outlining its new business plan, which was encouraging as it announced a shareholder return target of 70% of FCF.

In June 2025, Toyo Suisan reached out to us to discuss an upcoming board meeting. We discussed the proposal made by the activist investor to appoint two independent board members for election. We also discussed some of the other changes the activist had pushed for (e.g. increasing the payout ratio and disposing of low-performing businesses). In general, Egerton agreed with these proposals although we communicated, we would be more flexible on certain points (e.g. conducting high return M&A as opposed to returning excess cash).

In the same month, Egerton voted in support of the two independent directors joining the board, although they did not win sufficient support to become elected. At the same meeting, Toyo announced another, larger share buyback.

Egerton's engagement with the company is ongoing (as at February 2026), and we remain hopeful that there will be further positive corporate governance changes to come.

Howard Hughes

Egerton held a position in Howard Hughes from November 2024 to June 2025. The company is primarily a real estate development and management company based in the United States.

In January 2025, Pershing Square, an investment company, made an offer to take the company semi-private with the intention of converting Howard Hughes from a pure play land developer/real estate company into a diversified holding company.
In February 2025, they issued an improved offer to acquire 10m shares in a $900m private placement, at $90/share.

Egerton wrote to the board of Howard Hughes in February 2025 to communicate that we felt Pershing Square's revised offer fell meaningfully short of what we considered acceptable for shareholders based on the Howard Hughes' conservative NAV estimate of $118 and various drivers we had identified that were expected to be sources of potential NAV upside in the medium-term. We also followed up with calls with the IR team and management at the firm.

In May 2025, Pershing Square and Howard Hughes eventually agreed to a final improved offer whereby Pershing Square would invest $900 million to buy 9 million new shares at $100/share, thereby taking its stake to 47%. Pershing would be paid a $12 million per annum base fee and a 1.5% "management fee" of increases in the market capitalisation post the deal.

We were disappointed that Howard Hughes' independent board members agreed to these terms given a) the executive management's views of the NAV of their company and b) the change in the business model from a relatively simple business to a complex hybrid. As a result, we subsequently sold our remaining shareholding.

Principle 4: Exercising Rights & Responsibilities

Egerton is an investor in public equities, and as a shareholder in such companies, Egerton is able to vote at company meetings to influence the ways that companies are run. This includes board of director elections, executive pay decisions, significant corporate actions, as well as shareholder proposals.

During the calendar year 2025, Egerton exercised votes at 44 different shareholder meetings of companies in which Egerton's funds held shares, participating in 3,608 votes. Egerton cast votes (on behalf of its funds' positions) in such shareholder meetings as follows:

Vote Instruction	Total
For	3,366
Against	201
Abstain	41
Do not vote	0
Total	3,608

The following votes were some of Egerton's most significant votes in 2025, and are representative of the key themes of its voting behaviour:

- Amazon: Egerton voted for a shareholder proposal (and against management recommendation) to request that the Board of Directors conduct an evaluation and issue a report evaluating how it oversees risks related to discrimination against ad buyers and sellers based on their political or religious status or views.

- Lithia Motors: Egerton voted for a shareholder proposal (and against management recommendation) requesting shareholder approval of certain "golden parachute" executive compensation packages.

- Meta: Egerton voted for a shareholder proposal (and against management recommendation) for the disclosure of voting results based on class of shares. Meta has a dual class structure, with the company's CEO, Mark Zuckerberg, owning nearly 100% of Class B stock which carries ten (as opposed to one) vote per share, therefore meaning Class B stockholders can disproportionately impact voting decisions. Currently, voting results are disclosed by Meta without distinction between share class, and it would benefit Class A stockholders to at least have transparency on voting.

- Seagate: Egerton voted against a management proposal to re-appoint Ernst & Young as the independent auditors for the company, as the firm has been its auditors since 1980.

- Toyo Suisan: Egerton voted against management proposals to (re-)appoint twelve directors (eleven of whom were incumbent) and supported a shareholder proposal to appoint two new independent directors. Also voted for a shareholder proposal (and against management recommendation) to approve purchase of own shares.

Principle 5: Selection and Oversight of Managers

This section does not apply to Egerton as it does not use any external managers.

Principle 6: Monitoring of Service Providers

Egerton does not use the services of proxy advisors, investment consultants, or engagement service providers. All Stewardship responsibilities are conducted in-house.