

The Board of Directors
Ambev S.A.
Rua Dr. Renato Paes de Barros, 1017, 3rd floor
04530-001 São Paulo, SP, Brazil

8 October 2024

Dear Members of the Board,

ESG

Talaria Capital manages AUD 2.5bn in its global equity fund. Since inception nearly 20 years ago it has delivered compound annual returns of around 9% with lower average market exposure than is usual.

Talaria owns 20,866,000 Ambev ADRs. Our holding is based on strengths including market position and competitive advantage, growth potential, balance sheet strength, excellent reporting standards, and outstanding management.

Engagement

As part of our investment process, we consider various ESG factors. We believe that risks associated with ESG can, amongst others, affect profitability, cost of capital and shareholder return. We also believe that these risks are growing as stakeholders become increasingly aware.

Governance

Although garnering less attention than environmental impact and sustainability, governance is an important factor when considering whether to invest in a share. There are two areas I would like to engage on.

First, we note the progress made in increasing the number of independent directors. We would still advocate for a move towards a majority of board members that is independent, as well as independent board committees in charge of audit, remuneration and nomination. We understand the relationship between Ambev and its parent, ABI, might mean that achieving majority of board independence is not a requirement, but we

believe that such a step would make the shares much more appealing for minority shareholders.

Second, in terms of capital allocation, we note the continued strong dividend/interest on shareholder's equity. We do believe, though, that leaning into the balance sheet and introducing buy-backs, especially given the significant share de-rating in recent years, would be very accretive to EPS and would enhance substantially shareholder returns.

We look forward to hearing your thoughts on these matters. You can email me on sstoev@talariacapital.com.au.

Yours sincerely,

Stefan Stoev
Investment Analyst



The Board of Directors
Gilead
333 Lakeside Dr
Foster City, CA 94404
USA

10 October 2024

Dear Members of the Board,

By way of introduction my name is Chad Padowitz, and I am Co-Chief Investment Officer of the Investment Team at Talaria Capital, a global equities fund manager based in Melbourne, Australia.

Talaria Capital manages AUD 2.5bn. Since inception more than 18 years ago it has delivered compound annual returns of around 9% with lower average market exposure than is usual.

Gilead represents a meaningful investment for Talaria reflecting our strong belief that Gilead can continue to generate significant cash flow from its HIV assets alongside growing the Oncology division.

I would like to take this opportunity to congratulate your executive team for successfully navigating through a complicated pricing environment and recent success in HIV prevention therapies.

Engagement

As part of our investment process, we consider various ESG factors. We believe that risks associated with ESG can, amongst others, affect profitability, cost of capital and shareholder return. We also believe that these risks are growing as stakeholders become increasingly aware.

Governance

Although garnering less attention than environmental impact and sustainability, governance is an important factor when considering whether to invest in a share.

Noting significant strides have been made in this area, such as the separation of managerial and supervisory functions, majority of independent directors amongst others. It is noted there is no independent chairman, which is an important consideration for our investment process. We feel like a greater board independence will lead to an increased accountability which would then benefit all stakeholders.

Additionally, Gilead Sciences seems to lack a dedicated board committee focused on ESG issues, which we feel would create enhanced accountability for driving progress in this regard.

I want to thank the Board for considering Talaria's thoughts and suggestions and I very much look forward to hearing yours as well.

Kind Regards,

Chad Padowitz
cpadowitz@talariacapital.com.au

The Board of Directors
KDDI Corporation
Garden Air Tower, 3-10-10, Iidabashi, Chiyoda-ku,
Tokyo 102-8460, Japan

8 October 2024

Dear Members of the Board,

ESG

Talaria Capital manages AUD 2.5bn in its global equity fund. Since inception more than 15 years ago it has delivered compound annual returns of around 9% with lower average market exposure than is usual.

Talaria owns 391,900 KDDI shares. Our holding is based on strengths including market position and competitive advantage, balance sheet strength, and dividend yield.

Engagement

As part of our investment process, we consider various ESG factors. We believe that risks associated with ESG can, amongst others, affect profitability, cost of capital and shareholder return. We also believe that these risks are growing as stakeholders become increasingly aware.

Governance

Although garnering less attention than environmental impact and sustainability, governance is an important factor when considering whether to invest in a share. There are three areas I would like to engage on.

First, it is noted only a minority of board members are independent. While some progress in recent years has been made to make the board relatively more independent, we feel like a greater board independence will lead to an increased accountability which would then benefit all stakeholders.

Second, there are less than 5% of women in executive leadership positions. This is a very low proportion of female representation at the executive level. We are of the view that greater gender diversity would greatly improve the governance profile of KDDI.

Finally, in terms of capital allocation, we welcome the growing dividend and recently announced share buybacks. We do believe, though, that the recent acquisition of Lawson was a capital allocation decision that has brought a question mark to the overall soundness of the capital allocation strategy. We believe that instead of non-core acquisitions, greater focus should be placed on returning capital to shareholders via further buybacks and dividends in a more consistent manner given the balance sheet strength and capacity to borrow.

These steps would potentially have the dual benefit of an increased valuation alongside increased return to shareholders.

I want to thank the Board for considering Talaria's thoughts on these matters and I look forward to hearing yours as well. We look forward to hearing your thoughts on these matters. You can email me on sstoev@talariacapital.com.au.

Yours sincerely,

Stefan Stoev
Investment Analyst

Mr. Geoff Martha
Chairman and CEO
Medtronic PLC
710 Medtronic Parkway
Minneapolis, MN 55432-5604

10 October 2024

Dear Mr. Martha,

Talaria Capital is a global equities fund manager based out of Melbourne, Australia with approximately A\$2.5bn in funds under management. Medtronic is one of our top ten positions – comprising 3.6% of the portfolio – held through a combination of direct equities and derivatives.

At Talaria we believe engagement with our portfolio companies is a critical duty of responsible long-term investors.

We believe Medtronic is already operating at a very high standard as it applies to ESG matters. However, there is one aspect of corporate governance that we think would take Medtronic to the pinnacle of governance for publicly listed companies. Namely, we encourage and advocate for you to separate your role of CEO from your role as chairman.

Having a separation of these two roles ensures a balance of power, promotes independent oversight, and prevents any one individual from having too much control. While we are aware that it is common practice in the United States to combine these roles, it is our view that best practice is to separate the two. We believe the greatest shareholder outcomes in the long run come from having best practices such as this.

Thank you for considering this recommendation. I look forward to hearing more about Medtronic's plans and its ongoing commitment to the highest standards of corporate governance. While I would prefer a written response, there is also the option of contacting Talaria Capital via email. Please address your reply to Mr Stuart Morgan, Investment Analyst (smorgan@talariacapital.com.au).

Sincerely,
Stuart Morgan
+61 4 1159 9115
Investment Analyst | Talaria Capital

NTT LTD.

Attn: Investor Relations Department

Otemachi Place West Tower, 2-3-1 Otemachi, Chiyoda-ky, Tokyo

100-8019

JAPAN

8 October 2024

Dear Mr. Jun Sawada, Mr. Akira Shimada, other members of the NTT Board

Talaria Capital is a global equities investment manager based in Melbourne, Australia with approximately AUD\$2.5bn in funds under management. NTT continues to represent a meaningful investment for us, accounting for 1.79% of our portfolio, held through a combination of direct equity and derivatives.

At Talaria, we actively engage with portfolio companies on a range of ESG matters that we think are important. With regards to NTT, we think it is appropriate to highlight areas where we think the company has done well, and where we think there is scope for improvement.

In terms of the 'Social' pillar of ESG matters, the company should be commended on the strategies it has undertaken to improve female representation at various levels of management. We note that there are 23.7% of Board roles occupied by female across NTT group, meaningfully higher than the 10.6% in 2020 and very close to the 25-30% company target by 2025. The ratio of female managers has also significantly improved from 2020 levels, with 11.8% of managerial roles occupied by women in 2024.

However, we do believe there are ESG matters where the company is currently lagging, and where there is considerable scope for improvement, specifically within the 'Governance' pillar.

At its FY24 result, NTT announced a new medium-term management plan with a target date of FY27. This comprised of a 20% EBITDA growth target by FY27 on FY22 levels. As per the plan, the company also indicated a shift towards mergers & acquisitions as one

pathway to achieving this. There has been limited information on exactly what type of opportunities NTT seeks to exploit on the mergers front which offer material synergistic benefits to its core business. Additionally, there has been no information provided by NTT on the funding mix to execute on this plan noting that the balance sheet appears fully optimised with equity or asset sales as the two likely alternatives. We believe that a material part of the share price underperformance since the FY24 result can be attributed to the information vacuum created by the Board's lack of details around execution of the FY27 plan.

We encourage the Board to consider providing more details of its funding plan and capital allocation framework, underpinning the realization of NTT's FY27 medium-term management plan as a matter of urgency.

While a written response to our letter would be preferable, there is also the option of contacting Talaria Capital via email. Please address your reply to Mr. Jonathon Razos, Investment Analyst (jrazos@talariacapital.com.au). We appreciate the time you have taken to read our letter and address our concerns, and very much look forward to hearing your reply.

Kind Regards,

A handwritten signature in black ink, appearing to be 'JR' with a stylized flourish extending to the right.

Jonathon Razos, Investment Analyst |Talaria Capital

SECOM CO., LTD.
Attn: Investor Relations Department
1-5-1, Jingumae, Shibuya-ku, Tokyo
150-0001
JAPAN

8 October 2024

Dear Mr. Yasuyuki Yoshida, Mr. Tatsuro Fuse, other members of the Secom Board,

Talaria Capital is a global equities investment manager based in Melbourne, Australia with approximately AUD\$2.5bn in funds under management. Secom continues to represent a meaningful investment for us, accounting for 3.7% of our portfolio, held through a combination of direct equity and derivatives.

At Talaria, we actively engage with portfolio companies on a range of ESG matters that we think are important. With regards to Secom, we think it is appropriate to highlight areas where we think the company has done well, and where we think there is scope for improvement.

In terms of 'Governance' the company should be commended on its decision in recent years to begin prioritising capital management by way of buybacks. We strongly encourage the Board to continue pursuing such a strategy as we believe there is significant latent value to be unlocked within Secom from employing a more efficient capital structure.

Secom should also be commended for its recent pricing announcements which clearly demonstrate a commitment to prioritizing the interests of all stakeholders.

However, we do believe there are ESG matters where the company is currently lagging, and where there is considerable scope for improvement.

The most pressing of these is the underrepresentation of women across all tiers of leadership positions within Secom. Per Secom's 2023 ESG report, there was only one female member on the Secom Board which has been the case since at least 2019. The ratio is even worse at the Executive level. Of the thirty-two positions, all are filled by males with no female represented in any of the thirty-two positions. This is worth reiterating, there is no female representative in any of the thirty-two positions across the Secom group. We think this is a matter of critical importance that needs to be addressed with urgency. While the ratio of women in senior management positions has been improving in recent years, is still very low at only 5.8% in 2022. In all manager positions, women only account for 11% of roles. In contrast, women account for 17% of Secom's total workforce, highlighting just how underrepresented they are in positions of influence within Secom.

We are interested in understanding what strategies Secom has implemented, or is considering implementing, to ensure this material gender imbalance is appropriately rectified in the quickest possible manner.

While a written response to our letter would be preferable, there is also the option of contacting Talaria Capital via email. Please address your reply to Mr. Jonathon Razos, Investment Analyst (jrazos@talariacapital.com.au). We appreciate the time you have taken to read our letter and address our concerns, and very much look forward to hearing your reply.

Kind Regards,

A handwritten signature in black ink, appearing to be 'JR' or similar initials, written in a cursive style.

Jonathon Razos, Investment Analyst |Talaria Capital

Mr. Tomomo Nakamura
Chairman of the Board
Subaru Corporation
Ebisu Subaru Bldg.
1-20-8, Ebisu, Shibuya-ku
Tokyo 150-8554, Japan

10 October 2024

Dear Mr. Nakamura,

Talaria Capital is a global equities fund manager based in Melbourne, Australia with approximately A\$2.5bn in funds under management. We have a moderate position in Subaru, comprising 1.8% of our portfolio.

We believe Subaru is a high-quality auto manufacturer as evidenced by its stable and prudent inventory levels, consistently low incentives, and leading margins. We have noted with interest your growth in market share in the United States in the last decade, which we think was driven by outstanding execution and your presence in the growing SUV category.

It is also evident that Subaru has a very strong balance sheet. In fact, it is Talaria's view that Subaru's balance sheet has too much excess cash. As such, we recommend that Subaru consider returning more capital to its shareholders through increased dividend payouts or share repurchase programs. These methods of capital allocation would not only reward loyal shareholders but also serve as a signal of confidence in the company's future performance.

Subaru's strong balance sheet, coupled with consistent profitability, and notwithstanding the large capital projects associated with your electrification plans, suggests that the company is in a solid financial position to take such actions. Increasing dividends or implementing buybacks would align Subaru's practices with those of other global corporations that prioritize shareholder returns.

We strongly believe that such steps would reflect the company's commitment to maximizing long-term shareholder value, while still maintaining sufficient financial flexibility to invest in growth initiatives and innovation.

Thank you for considering this recommendation. I look forward to hearing more about Subaru's future plans and its ongoing commitment to delivering value to shareholders. While I would prefer a written response, there is also the option of contacting Talaria Capital via email. Please address your reply to Mr. Stuart Morgan, Investment Analyst (smorgan@talariacapital.com.au).

Sincerely,

Stuart Morgan
+61 4 1159 9115
Investment Analyst | Talaria Capital

The Board of Directors
WEC
231 West Michigan St
PO BOX 1331
Milwaukee, WI 53203 USA

10 October 2024

Dear Members of the Board,

By way of introduction my name is Chad Padowitz, and I am Co-Chief Investment Officer of the Investment Team at Talaria Capital. Talaria Capital is a global equities fund manager based in Melbourne, Australia. WEC represents a meaningful investment for Talaria reflecting our strong belief that WEC can continue to generate significant returns via operating its core regulated energy operations.

I would like to take this opportunity to congratulate your executive team for successfully navigating through a complicated regulatory environment and improving its renewable exposure. This should be commended.

Engagement

As part of our investment process, we consider various ESG factors. We believe that risks associated with ESG can, amongst others, affect profitability, cost of capital and shareholder return. We also believe that these risks are growing as stakeholders become increasingly aware.

Governance

Although garnering less attention than environmental impact and sustainability, governance is an important factor when considering whether to invest in a share.

It is noted there is no independent chairman which is an important consideration for our investment process. We feel like a greater board independence will lead to an increased accountability which would then benefit all stakeholders.

I want to thank the Board for considering Talaria's thoughts and suggestions and I very much look forward to hearing yours as well.

Kind Regards,

Chad Padowitz

cpadowitz@talariacapital.com.au