

Re: Support for a strong and properly implemented EU Methane Regulation

We, the undersigned investors representing more than EUR 4.85 trillion in assets globally, are writing to express strong support for the EU Methane Emissions Regulation (EU MER). We urge the European Commission, European Parliament, and all Member States to maintain and implement the Regulation as adopted – including its timeline and core provisions.

The EU MER outlines sensible objectives with a phased approach to implementation, providing investors with valuable regulatory certainty. Reopening the regulation – via an omnibus or other process with unclear timing and scope – would introduce unpredictability and undermine companies and investors actively working toward compliance. What is needed now is consistency and clarity. **The EU MER should not be reopened at this critical stage.**

As prudent fiduciaries, we recognise the economic and financial risks of climate change and the comprehensive response it demands. Reducing oil and gas methane emissions is one of the fastest, lowest-cost ways to limit near-term global warming. Legal compliance requirements like those included in the EU MER, supported by international frameworks such as the Oil and Gas Methane Partnership 2.0 (OGMP 2.0), have helped elevate methane to a strategic issue for company boards – helping mitigate key portfolio risks and support decarbonisation objectives.

Strong mitigation of methane emissions, and accountability via robust measurement, reporting and verification – as required by the EU MER – also benefits the oil and gas industry and its financial stakeholders. Performance on methane is increasingly viewed as an indicator of the quality of management teams, operational excellence, process safety, and companies' long-term competitiveness.

This recent progress should not be reversed. We believe the EU should continue to play a leadership role on this issue, leveraging its position as one of the largest importers of oil and gas globally. We strongly encourage the European Commission, European Parliament and all Member States to:

- **Avoid re-opening the EU MER via any upcoming omnibus initiatives and any potential legislative delays to the phase-in timeline.** Legitimate challenges importers may face in meeting requirements can be addressed through Member State implementation – ensuring the overall timeline is maintained while allowing for flexibility as needed.
- **Ensure consistent implementation of the EU MER across competent authorities,** to encourage predictability and clarity while preventing unequal competition through regulatory arbitrage, including:
 - **Strict standards for country-level equivalencies for non-EU jurisdictions** – third countries seeking equivalency determinations need to enact and enforce monitoring, reporting and verification requirements at least as rigorous as those required for domestic EU operations, or aligned with OGMP 2.0's Level 5 reporting; and
 - **A practical gas tracing approach that preserves the regulation's integrity and intent,** while maintaining market flexibility and minimising consumer impacts.

In conclusion, we urge the European Commission, European Parliament and Member States to uphold the Regulation as adopted and focus on delivering timely, harmonised implementation.

Sincerely,

Aegon Asset Management UK

Aegon Investment Management

Aegon UK

Aequo, Shareholder Engagement Services

Akademiker Pension

AP3

AP7 (Sjunde AP-fonden)

Border to Coast Pensions Partnership

Brunel Pension Partnership

Cardano

Christian Brothers Investment Services

Church of England Pensions Board

Coöperatie Univé U.A.

DPAM

Generation Investment Management LLP

Hymans Robertson

KBI Global Investors

Lærernes Pension (Danish Teachers' Pension Fund)

LBP AM

Miller/Howard Investments, Inc.

NEI Investments

Nest

Ninety One

Nordea Investment Management AB

Ofi Invest Asset Management

PFA Pension

Pictet Group

PKA

Railpen

Rathbones Group plc

Redwheel

Robeco

Royal London Asset Management

Ruffer LLP

Sampension

Scottish Widows

Storebrand Asset Management

Sustainable Advisors Alliance, LLC

Swiss Association for Responsible Investments

Sycomore AM

Union Investment

Wales Pension Partnership

Wesleyan Assurance Society