

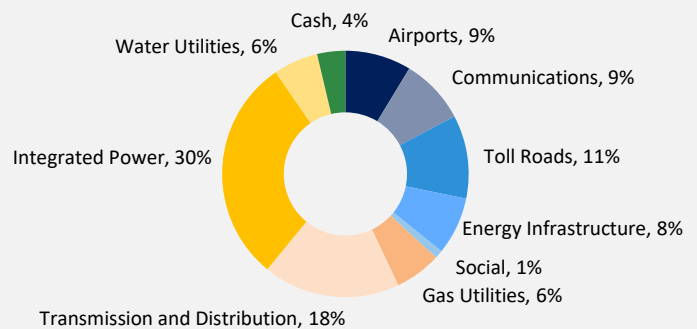
# MFG Global Core Infrastructure (USD)

Portfolio Manager	Strategy Inception Date	Total Strategy Assets	Total Infrastructure Assets <sup>1</sup>
Gerald Stack	18 January 2012	USD \$7,248.9 million	USD \$13,833.6 million

Objective	Approach
Capital preservation in adverse markets	Diversified rules-based portfolio applying our proprietary infrastructure classification
Pre-fee return of CPI plus 5%p.a. through the economic cycle	Highly defensive, inflation-linked exposure
	Benchmark unaware

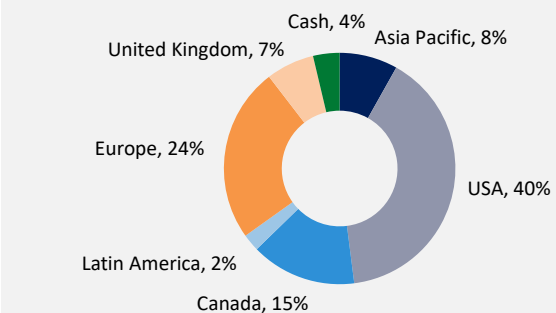
Top 10 Holdings <sup>2</sup>	Sector <sup>2</sup>	%
Transurban Group	Toll Roads	3.0
Cellnex Telecom SA	Communications	3.0
Enbridge Inc	Energy Infrastructure	3.0
Vinci SA	Toll Roads	2.9
National Grid PLC	Transmission and Distribution	2.9
Fortis Inc	Transmission and Distribution	2.9
TC Energy Corporation	Energy Infrastructure	2.9
Aena SME SA	Airports	2.6
Ferrovial SA	Toll Roads	2.6
Snam SpA	Gas Utilities	2.4
	<b>TOTAL:</b>	<b>28.2</b>

## Sector Exposure<sup>2</sup>



USD 5 Year Risk Measures <sup>3</sup>	Against Global Equities	Against Infrastructure Benchmark <sup>4</sup>
Upside Capture	0.6	0.9
Downside Capture	0.5	0.8
Beta	0.6	0.7
Correlation	0.8	0.9

## Geographical Exposure<sup>2</sup>



3 Year rolling returns <sup>5</sup> (measured monthly)	1 Year	3 Years	5 Years	Since Inception
<b>Against Global Infrastructure Benchmark</b>				
No. of observations	12	36	60	91
Average excess return (% p.a.) (Gross)	3.6	4.4	3.7	4.0
Average excess return (% p.a.) (Net)	3.0	3.7	3.1	3.2
Outperformance consistency (Gross)	100%	100%	95%	97%
Outperformance consistency (Net)	100%	100%	92%	95%

Performance <sup>6</sup>	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	10 Years (% p.a.)	Since Inception (% p.a.)
Composite (Gross)	-7.3	3.8	5.6	6.7	9.5	9.8
Composite (Net)	-7.4	3.3	5.1	6.1	8.8	9.1
Global Infrastructure Benchmark	-7.7	4.8	2.7	3.9	6.2	6.3
Excess (Gross)	0.4	-1.0	2.9	2.8	3.3	3.5
MSCI World NTR Index	-16.2	-14.3	7.0	7.7	9.5	9.4

Annual Performance <sup>6</sup> (%)	CYTD	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012*
Composite (Gross)	-3.7	14.4	-1.3	29.0	-6.1	21.2	7.2	-0.1	17.4	14.0	16.4
Composite (Net)	-3.9	13.8	-1.8	28.2	-6.7	20.4	6.5	-0.8	16.6	13.2	15.6
Global Infrastructure Benchmark	-0.9	11.0	-6.5	25.8	-10.4	19.1	11.4	-12.2	14.1	14.4	7.0
Excess (Gross)	-2.8	3.4	5.2	3.2	4.3	2.1	-4.2	12.1	3.3	-0.4	9.4
MSCI World NTR Index	-20.5	21.8	15.9	27.7	-8.7	22.4	7.5	-0.9	4.9	26.7	13.0

# Strategy Commentary

The strategy recorded a negative return in the June quarter. The stocks that detracted the most were the investments in Aena and Cellnex Telecom of Spain and National Grid of the UK. Aena slid after the world's largest airport operator, despite a strong traffic recovery, reported disappointing earnings for the first quarter due to higher energy prices. Cellnex Telecom fell as investors fretted that record eurozone inflation could hurt the company's real earnings power and boost benchmark bond yields. National Grid declined as yields on 10-year UK gilts spiked to their highest level in five years and yields on 10-year US Treasuries surged above 3%.

Stocks that contributed the most included the investments in Transurban, Atlas Arteria and APA Group of Australia. Transurban rose as traffic numbers recovered to pre-pandemic levels and the tollway operator benefited from the inflation protection tollways offer investors. Atlas Arteria, which operates four toll roads across France, Germany and the US, likewise gained on improved traffic numbers and the inflation protection it offers. APA, which owns and operates Australia's largest natural-gas infrastructure business, rose too on its allure as an inflation hedge – all its contracted revenue is inflation protected.

*Stock contributors/detractors are based in local currency terms.*

<sup>1</sup> Comprised of all Infrastructure Strategies.

<sup>2</sup> The data is based on a representative portfolio for the strategy. Refer to the GIPS Disclosure below for further information. Sectors are internally defined. Geographical exposure is by domicile of listing. Exposures may not sum to 100% due to rounding.

<sup>3</sup> Risk measures are for the Global Core Infrastructure Composite before fees. The Global Equities Index is the MSCI World NTR Index<sup>4</sup>.

<sup>4</sup> The Benchmark or Global Infrastructure benchmark is comprised of the following: from inception to 31 December 2014 the benchmark is UBS Developed Infrastructure & Utilities NTR Index and from 1 January 2015 onwards, the benchmark is the S&P Global Infrastructure NTR Index. Note: the UBS Developed Infrastructure and Utilities NTR Index ceased to be published from 31 May 2015, replaced on 1 January 2015 with the S&P Global Infrastructure NTR Index.

<sup>5</sup> Rolling 3-year returns are calculated in USD and rolled monthly for the duration of each period shown. The average excess return is then calculated for each period, with outperformance consistency indicating the percentage of positive excess returns. Strategy inception is 18 January 2012.

<sup>6</sup> Returns are for the Global Core Infrastructure Composite and denoted in USD. Performance would vary if returns were denominated in a currency other than USD. Strategy inception is 18 January 2012. Refer to the GIPS Disclosure section below for further information. Composite (Net) returns are net of fees charged to clients and have been reduced by the amount of the highest fee charged to any client employing that strategy during the period under consideration. Actual fees may vary depending on, among other things, the applicable fee schedule and portfolio size. Fees are available upon request.

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\* Returns are only for part year.

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The Global Infrastructure Benchmark is comprised of the following: from inception to 31 December 2014 the benchmark is UBS Developed Infrastructure & Utilities Net Total Return Index and from 1 January 2015 the benchmark is S&P Global Infrastructure Net Total Return Index. The benchmark changed because UBS discontinued their index series.

The UBS Developed Infrastructure & Utilities Net Total Return Index is a market capitalisation weighted index that is designed to measure the equity performance of listed Infrastructure and Utility stocks. Index results assume the reinvestment of all distributions of capital gain and net investment income using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

The S&P Global Infrastructure Net Total Return Index is a market capitalisation weighted index that is designed to track 75 companies from around the world diversified across three infrastructure sectors energy, transportation and utilities. Index results assume the reinvestment of all distributions of capital gain and net investment income using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

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The Global Core Infrastructure composite is a global strategy investing in strictly defined or "pure" infrastructure companies (typically 80-100). The filtered investment universe is comprised of stocks that 1. generate reliable income streams, 2. benefit from inflation protection and have an appropriate capital structure. The investment objective of the strategy is to minimise the risk of permanent capital loss; and achieve superior risk adjusted investment returns over the medium to long-term. The composite was created in February 2012.

To achieve investment objectives, the composite may also use derivative financial instruments including, but not limited to, options, swaps, futures and forwards. Derivatives are subject to the risk of changes in the market price of the underlying securities instruments, and the risk of the loss due to changes in interest rates. The use of certain derivatives may have a leveraging effect, which may increase the volatility of the composite and may reduce its returns.

A copy of the composite's GIPS compliant presentation and/or the firm's list of composite descriptions are available upon request by emailing [client.reporting@magellangroup.com.au](mailto:client.reporting@magellangroup.com.au)

The representative portfolio is an account in the composite that closely reflects the portfolio management style of the strategy. Performance is not a consideration in the selection of the representative portfolio. The characteristics of the representative portfolio may differ from those of the composite and of the other accounts in the composite. Information regarding the representative portfolio and the other accounts in the composite is available upon request.

USD is the currency used to calculate performance.

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