MFG Select Infrastructure Fund - Class 1

MFG ASSET MANAGEMENT

MARKETING COMMUNICATION

AS AT 31 MARCH 2024

PORTFOLIO MANAGER GERALD STACK

INVESTMENT PHILOSOPHY	OBJECTIVES	PORTFOLIO CONSTRUCTION
To prudently invest in outstanding infrastructure and utilities companies at attractive prices that exhibit highly predictable cashflows.	To seek to achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.	Concentrated 20-40 stock portfolio applying MFG Asset Management's proprietary infrastructure classification Valuation driven strategy; portfolio construction is not constrained by an index. Typical cash and cash equivalents exposure between 0 – 20%.

MFG SELECT INFRASTRUCTURE FUND - CLASS 1

FUND SIZE	TOTAL SELECT INFRASTRUCTURE ASSETS[1]	MANAGEMENT FEES	INCEPTION DATE
USD $58.3 million	USD $4,814.0 million	Management fee for the Fund is 0.80% per annum	30 December 2016

USD PERFORMANCE[#]

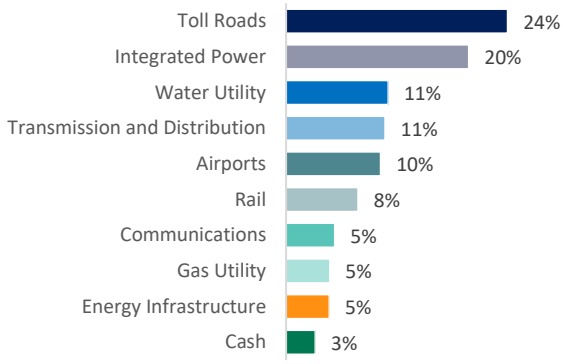
	1 Month (%)	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	7 Years (% p.a.)	Since Inception[2] (% p.a.)	OUTPERFORMANCE CONSISTENCY[3]
MFG Select Infrastructure Fund - Class 1 (Before Fees)	2.1	0.5	3.9	3.9	3.8	5.7	6.8	54%
MFG Select Infrastructure Fund - Class 1 (After Fees)	2.0	0.3	3.0	3.0	2.9	4.9	6.0	44%
S&P Global Infrastructure NTR Index	4.5	1.1	3.1	4.6	4.0	4.6	5.5	-

CALENDAR YEAR RETURNS

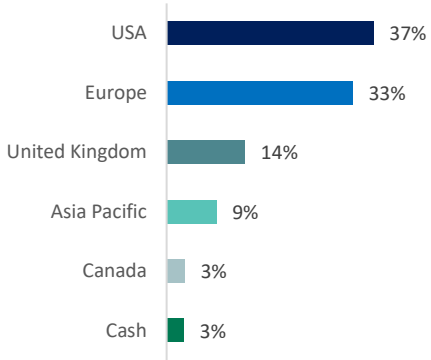
	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)
MFG Select Infrastructure Fund - Class 1 (Before Fees)	0.5	7.9	-7.1	13.4	-5.9	26.9	-4.8	24.2
MFG Select Infrastructure Fund - Class 1 (After Fees)	0.3	7.0	-7.8	12.5	-6.7	25.9	-5.5	23.2
S&P Global Infrastructure NTR Index	1.1	5.8	-1.0	11.0	-6.5	25.8	-10.4	19.1

Past performance does not predict future returns.

SECTOR EXPOSURE[4]



GEOGRAPHICAL EXPOSURE[4]

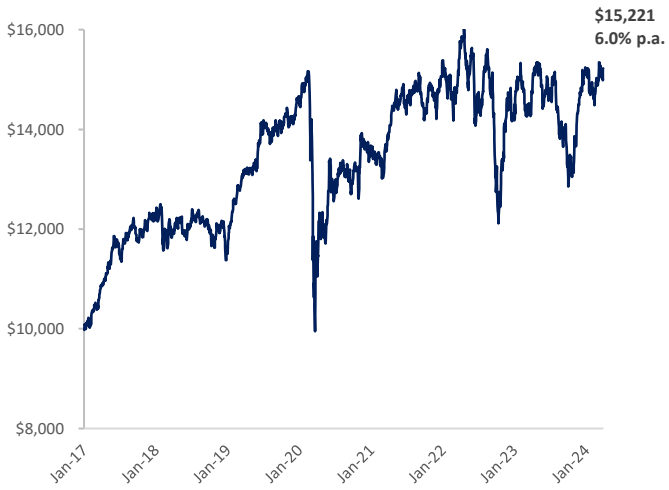


[1] Comprised of all Select Infrastructure strategies managed by MFG Asset Management.
[2] Inception date of the Fund (Class 1) is 30 December 2016.
[3] Outperformance consistency indicates the percentage of positive excess returns for rolling 3 year returns since inception.
[4] Sectors are internally defined. Geographical exposures are by domicile of listing. Exposures may not sum to 100% due to rounding.
[#] Shares are denominated in USD. This presents certain risks relating to currency conversion if an investor's financial activities are denominated principally in a different currency, for example, Euro. These include the risk that exchange rates may significantly change. An increase in the value of the investor's currency against USD would decrease the investor's currency equivalent value of the Net Asset Value and Net Asset Value per Share.

TOP 10 HOLDINGS

STOCK	SECTOR[4]	%
Aena SME SA	Airports	6.9
Ferrovial SE	Toll Roads	6.8
Vinci SA	Toll Roads	6.4
Transurban Group	Toll Roads	5.3
Severn Trent	Water Utility	5.2
National Grid Plc	Transmission and Distribution	4.6
Dominion Energy Inc	Integrated Power	4.3
United Utilities Group Plc	Water Utility	4.3
Sempra Energy	Integrated Power	4.2
Norfolk Southern Corporation	Rail	4.2
	TOTAL:	52.2

PERFORMANCE CHART GROWTH OF USD $10,000[5]



Past performance does not predict future returns.

CAPITAL PRESERVATION MEASURES[6]

ADVERSE MARKETS	3 Years	5 Years	7 Years	Since Inception
No of observations	14	22	27	27
Outperformance consistency	50%	55%	59%	59%
Average return - Fund (%)	-4.4	-4.0	-3.6	-3.6
Average return - Index (%)	-4.4	-4.5	-4.5	-4.5
Down Market Capture	1.0	0.9	0.8	0.8
DRAWDOWN				
Maximum Drawdown - Fund (%)	-18.8	-22.2	-22.2	-22.2
Maximum Drawdown - Index (%)	-16.8	-30.4	-30.4	-30.4

[5] Growth of USD $10,000 is calculated using USD returns after fees and since inception.
[6] Capital preservation measures are calculated before fees. An adverse market is defined as a negative monthly return for the MSCI World NTR Index (USD). Down market capture shows how the fund performed relative to the index while the market is falling.

Strategy Commentary

The strategy recorded a positive return in the March quarter.

The key contributors for the quarter were Aena, Ferrovial and Norfolk Southern. Spanish airport operator Aena rose following a good result and on above-expectation traffic and commercial revenue guidance provided as part of their capital markets day. Spain-domiciled road and airport operator Ferrovial rose following the announcement of a higher-than-expected toll increase at its key 407 ETR asset and as the company held a capital markets day in New York to progress its listing in the United States. US rail company Norfolk Southern jumped as activist investors launched a bid to replace the company's board and management.

The largest detractors over the quarter were Xcel Energy American Tower, Eversource Energy and Severn Trent. Xcel fell after the company notified the market that a law firm representing various property insurance interests asked the company to preserve a fallen utility pole that was situated within the vicinity of the major wildfire in Texas – with the implication that the law firm would sue for damages in the event Xcel's subsidiary SPS were found to have been negligent. While initial market speculation for the likely total cost of these liabilities was significant, it now appears that the costs will fall within the company's insurance cap. Shares of wireless tower company American Tower fell in the quarter on reduced expectations for near-term rate cuts in the US. UK water utility Severn Trent fell as the financial troubles at unlisted water company Thames Water increased political noise for the sector.

Index movements and stock contributors/detractors are based in local currency terms unless stated otherwise.

Outlook

Notwithstanding our expectations for greater volatility in the short to medium term driven by inflation and interest rates, we are confident that the underlying businesses we have included in our defined universe and in our investment strategy will prove resilient over the longer term. We regard the businesses we invest in to be of high quality and, while short-term movements in share prices reflect issues of the day, we expect that share prices in the longer term will reflect the underlying cash flows leading to investment returns consistent with our expectations.

The strategy seeks to provide investors with attractive risk-adjusted returns from infrastructure securities. It does this by investing in a portfolio of listed infrastructure companies that meet our strict definition of infrastructure at discounts to their assessed intrinsic value. We believe that infrastructure assets, with requisite earnings reliability and a linkage of earnings to inflation, offer attractive, long-term investment propositions. Furthermore, we believe the resilient nature of earnings and the structural linkage of those earnings to inflation means that investment returns typically generated by infrastructure stocks are different from standard asset classes and offer investors diversification when included in an investment portfolio. In the current uncertain economic and investment climate, the historically reliable financial performance of infrastructure
investments makes them attractive, and an investment in listed infrastructure has the potential to reward patient investors with a long-term time frame.

Case Study

(David Costello – Fund Manager)

Thames Water crisis presents compelling opportunity for Severn Trent and United Utilities investors

The unexpected resignation of Sarah Bentley as Chief Executive of Thames Water on 27 June 2023 roiled the United Kingdom's water sector and the corridors of power at Whitehall. Confronted by rampant inflation and an historically poorly maintained network, management projected that the privately owned company would need to spend ~£2 billion more than its authorised revenue allowance in the current five-year regulatory period.[1] Encumbered by persistent regulatory penalties and excessively geared, Thames was rapidly sinking deeper into financial distress. Compounding the company's woes, the prospect of crippling fines stemming from ongoing investigations of alleged environmental breaches by both the Environment Agency, and water regulator, Ofwat, posed a looming threat to the company's ability to finance its operations.

Concerned that Thames could collapse, threatening the provision of water and sewage services to nearly a quarter of the United Kingdom's population, His Majesty's Government drew up contingency plans to place the company into the special administration regime, a form of temporary nationalisation designed to ensure continuity of essential services while new owners are sought. Crisis talks between Thames Water's ultimate parent company, Kemble Water Holdings Limited, Ofwat, and the British Government yielded a conditional commitment that the Group's institutional shareholders would inject £750 million of equity into the business during the current AMP7 regulatory period, ending 31 March 2025.[2] Shareholders acknowledged that delivery of the company's turnaround plan would also require the provision of further equity support, indicatively sized at ~£2.5 billion, in the 2025 - 2030 regulatory period.[3] Thames' shareholders noted, however, that this investment would be forthcoming only if supported by 'appropriate regulatory arrangements',[4] understood to include an assurance that Ofwat would approve cumulative real bill increases of ~40% for the next five-year regulatory period, that it would permit Thames to make distributions to the financing vehicle in the Kemble Group's byzantine corporate structure, and that its regulators would exercise leniency in assessing fines for environmental breaches.The prospect of a meaningful equity injection, and the testimony of the new Interim Chief Executives of Thames Water before a parliamentary inquiry on 12 July, that the business had ample liquidity and was not at risk of triggering special administration, quelled fears of Thames' imminent collapse. Relief would prove short-lived.

[1] Written Evidence from Thames Water to the Inquiry of the Industry and Regulators Committee into Ofwat, the Water Industry and the Role of Government, 15 August 2023, https://committees.parliament.uk/writtenevidence/123149/html/

[2] Thames Water, Thames Water Shareholder Funding Update, 10 July 2023, https://www.thameswater.co.uk/news/thames-water-shareholder-funding-update-10-july-2023

[3] Ibid.

[4] Ibid.

Less than a month later, Leigh Day, a law firm, announced that it was commencing group litigation proceedings against Thames Water and five other water and sewage companies, claiming that they had systematically underreported pollution incidents, thereby allowing them to overcharge customers.[5]

The stream of negative headlines with regards to Thames Water weighed heavily on the performance of Magellan Infrastructure strategy holdings, Severn Trent and United Utilities, in the third quarter of 2023, a period during which the Magellan Select Infrastructure strategies maintained moderate positions in each of these names. Compounded by sharp rises in yields on UK Government bonds, the enterprise value of both United Utilities and Severn Trent's regulated businesses declined to a level broadly commensurate with the book value of their regulatory assets, a phenomenon last observed in the run-up to the 2018 general election in which Jeremy Corbyn campaigned for Labour on a platform of re-nationalising the UK's privatised water industry.

In the market's indiscriminate reaction to the Thames Water crisis, we perceived opportunity. Beyond their common sector and geographic exposures, Severn Trent and United Utilities bear little resemblance to Thames Water. The characteristics that distinguish Severn Trent and United Utilities on the one hand, and Thames, on the other, are reflected in their gearing, their achieved returns, and their environmental record:

- Gearing: as at 30 September 2023, Thames Water's £20.6 billion regulated asset base was geared to ~80%,[6] with the company perilously close to being placed into a 'cash lock-up' under its 'senior regulatory asset ratio' debt covenant. By contrast, Severn Trent and United Utilities are, in our view, prudently financed, with debt funding ~61%[7] and 59%[8] of their adjusted regulatory capital values, respectively, in-line with the notional capital structure assumed by Ofwat in setting the cost of capital for the sector.

- Achieved returns: Over the first three years of the AMP7 regulatory period, persistent regulatory penalties have seen Thames deliver its shareholders a miserly real return on regulatory equity (RoRE) of ~1.9%, approximately half the level of the company's baseline return allowance. By contrast, Severn Trent and United Utilities are among only five companies in the sector that have outperformed their baseline return allowances in AMP7, delivering cumulative RoREs of ~8.9% and 7.8%, respectively.[9]

- Environmental record: Thames's chequered environmental record has also seen it ranked amongst the worst-performing companies in the sector in the Environment Agency's Environmental Performance Assessments (EPA) in the last two years. The businesses we hold in the Magellan Select Infrastructure strategies, by contrast, have among the best environmental credentials in the sector: United Utilities has secured the best possible four-star rating in two of the last three years, while Severn Trent achieved a sector record by securing its fourth consecutive four-star rating in the EPA's most recent assessment.[10]

Indeed, while Thames Water sank deeper into financial distress during the second half of 2023, we judge that United Utilities and Severn Trent's fundamental prospects improved. Our view reflects United Utilities and Severn Trent's accelerating growth outlook, the likelihood of an increased baseline return allowance in AMP8, and expectations of sustained regulatory outperformance:

- An accelerating growth outlook: United Utilities and Severn Trent's AMP8 business plans propose record levels of investment, supporting projections that growth in their regulatory capital value will accelerate from an anaemic low-single-digit real annualised rate in the current regulatory period to ~5.5 – 6.5% per annum, in real terms, in AMP8. Our conviction that Ofwat will approve the vast majority of spending proposed in these ambitious business plans reflects the legislative mandates that underpin the proposed spend: ~82% of the enhancement investment proposed by Severn Trent in its business plan is required to meet 2030 statutory requirements introduced during the current regulatory period, while 93% of United Utilities' proposed spend is driven by legislative obligations.[11] Significantly, regulators and policy makers appear to accept the need for this investment, with public pronouncements from Ofwat, the government, and the Labour opposition repeatedly acknowledging the need for a dramatic increase in investment in the next regulatory period.

- The likelihood of an increased baseline return allowance: Ofwat's early view of the cost of capital for AMP8, struck at ~3.29% in real terms, reflected prevailing market parameters during September 2022. Sustained increases in real yields on UK Government bonds since September 2022 suggest that AMP8 draft determinations, expected in June, will embed an increased weighted average cost of capital. Our analysis of bond markets suggests a ~1.25% increase to Ofwat's early view of the real risk-free rate if prevailing bond rates persist.

[5] Leigh Day, First Environmental Collective Action Claim Launched on Behalf of Millions of Customers Overcharged by Water Companies, 9 August 2023, https://www.leighday.co.uk/news/news/2023-news/first-environmental-collective-action-claim-launched-on-behalf-of-millions-of-customers-overcharged-by-water-companies/

[6] Thames Water, Interim Results for the Six Months Ended 30 September 2023, 5 December 2023, https://www.thameswater.co.uk/media-library/home/about-us/investors/our-results/interim-2023-24/TWUL-Interim-Report-HY24.pdf

[7] Severn Trent, Fiscal 2024 Interim Results Presentation, 22 November 2023, https://www.severntrent.com/content/dam/stw-plc/homepage/severn-trent-results-presentation.pdf

[8] United Utilities, Fiscal 2024 Interim Results Presentation, 16 November 2023,

[9] Ofwat, Monitoring Financial Resilience Report 2022-23, 19 October 2023, https://www.ofwat.gov.uk/wp-content/uploads/2023/10/The-Monitoring-Financial-Resilience-Report-2022-23.pdf

[10] Environment Agency, Water and Sewerage Companies in England: Environmental Performance Report 2022, 12 July 2023, https://www.gov.uk/government/publications/water-and-sewerage-companies-in-england-environmental-performance-report-2022/water-and-sewerage-companies-in-england-environmental-performance-report-2022

[11] Severn Trent Water, Business Plan 2025 – 30: Investor Summary, 2 October 2023, https://www.severntrent.com/content/dam/stw-plc/investors-02/business-plan-2025-2030/pr24-investor-summary.pdf; United Utilities, PR24: Stronger, Greener Healthier – Our Plan for the North West, Business Plan Submission Presentation, 2 October 2023, https://www.unitedutilities.com/globalassets/documents/corporate-documents/uu-pr24-business-plan-submission-presentation.pdf

We note that customary cross-checks undertaken by Ofwat also support a higher return, with depressed prevailing trading multiples on the sector's listed players consistent with higher implied discount rates. Pragmatically, we also note that the imperative for Ofwat to attract unprecedented levels of capital to the sector to deliver legislatively mandated environmental improvements creates a compelling incentive for the regulator to 'aim up' when selecting point estimates from the ranges derived from their econometric analysis.

- Expectations of sustained regulatory outperformance: Under Ofwat's regulatory framework, there are three primary levers through which water companies can achieve realised returns in excess of their authorised return allowance.
    - financing – achieving a weighted average interest rate on their debt portfolio below the regulator's cost of debt allowance;
    - outcome delivery incentives (ODIs) – delivering operational and customer service improvements that exceed performance commitments agreed in the company's regulatory determination, giving rise to incentive rewards; and
    - totex – delivering the scope of work agreed in the company's regulatory determination at a lower total cost than the cost allowance provided by the regulator.

  On the financing limb, United Utilities and Severn Trent's continued outperformance of Ofwat's cost of debt allowance in AMP8 is virtually assured. With structurally superior credit quality to most of their peers, Severn Trent and United Utilities are, in our view, almost certain to continue outperforming the regulator's embedded cost of debt assumption, which is struck by reference to sector-average debt costs. Moreover, their ability to better Ofwat's assumed cost of new debt in the next AMP reflects their regulatory halo and credit quality that is superior to the blended average of the bond index the regulator uses to set the allowance.

  Similarly, on ODIs, we observe that Severn Trent and United Utilities are the only two companies in the sector that have achieved cumulative net rewards in the current AMP. While the increased emphasis on ODIs that are commonly defined and applied across the water sector in the next AMP has the potential to alter relative rankings, we note that both Severn Trent and United Utilities have consistently met or exceeded nearly 80% of their performance commitments in the current regulatory period, suggesting that their outperformance is likely to persist.

  On totex, the record levels of investment expected in AMP8 create uncertainty as to the scope for meaningful outperformance. We note, however, that Severn Trent and United Utilities have secured authorisation to accelerate certain AMP8 investments into the current regulatory period. This early start, coupled with the extensive preparations both companies have made with their supply chain should position them well to deliver their scopes of work efficiently and in full.

While we perceive that this is a compelling opportunity, it should be acknowledged that the investment case for Severn Trent and United Utilities is not without risks.

Alongside the rest of the sector, Severn Trent and United Utilities remain subject to ongoing investigations by both Ofwat and the Environment Agency into the compliance of their wastewater treatment works with environmental permits.[12] We note, however, that Ofwat has initiated enforcement cases against six of Severn Trent and United Utilities' peers, has already notified three of the implicated companies of their provisional findings and expects to issue a proposed decision in respect of these companies imminently.[13] In this context, the probability of Ofwat launching an enforcement case against either Severn Trent or United Utilities, more than two years after starting their investigation, appears to us to be remote.

A lack of public disclosure on the progression of the Environment Agency's investigation renders the risk of adverse findings harder to handicap. We note, however, that United Utilities and Severn Trent's environmental credentials are unrivalled amongst their peers, and the management teams of both companies have expressed confidence in their compliance with environmental permits, suggesting that adverse findings are a tail risk. Should this tail event be realised, Severn Trent and United Utilities risk facing criminal prosecution and, if found guilty, could incur uncapped fines and civil penalties. In the final instance, however, the fines and penalties imposed on water companies in respect of environmental breaches are adjudged by the courts, having regard to the same sentencing guidelines that have historically given rise to fines that, in all but a few instances, have proved financially immaterial.

Severn Trent and United Utilities were also among the six companies named as defendants in the group litigation proceedings brought by the law firm, Leigh Day. We note, however, that the management teams of both Severn Trent and United Utilities are adamant the claims are entirely without merit, conflating 'combined sewer overflows' and 'pollution incidents' in a manner that is contrary to the express terms of the regulation.

Yet recent events suggest that the most significant near-term risk to our investment case arises from the prospect of further negative headlines with regards to Thames Water.

In December 2023, Ofwat challenged a dividend payment made by Thames to the Group's unregulated captive financing entity, Kemble Water Finance Limited (KWFL). The distribution, Thames said, was required to fund interest costs on debt issued by KWFL, an entity whose only source of cash flow is dividends from Thames Water. As KWFL is already in a precarious financial position, Ofwat's intercession virtually guarantees that KWFL will default on a debt payment due at the end of April 2024, and calls into question the solvency of the Kemble Group. Bonds issued by Kemble fell sharply in response, trading at deep discounts to their face value. Frenzied negotiations between Thames, Ofwat and the Government ensued.

[12] Ofwat, Investigation into Sewage Treatment Works, https://www.ofwat.gov.uk/investigation-into-sewage-treatment-works/

[13] Ibid.

On 28 March 2024, having reached an impasse in their negotiations, the shareholders of Thames Water issued a press release announcing that the regulatory arrangements expected to apply to the company in AMP8 rendered their business plan uninvestible. Having concluded that the conditions that underpinned their July 2023 commitment to provide £750 million of equity support during the current regulatory period had not been satisfied, Thames' shareholders announced that the £500 million equity contribution due by 31 March 2024 would not be provided.[14]

The announcement leaves Thames teetering on the brink. While the company noted it has £2.4 billion of available liquidity,[15] absent an equity injection, it is only a matter of time before the United Kingdom's largest water company breaches its debt covenants. A multi-notch credit rating downgrade, not inconceivable in the circumstances, would see the company breach the licence condition that requires it to maintain an investment-grade rating, creating a trigger for the government to put Thames into special administration. Press reports suggest that Thames remains locked in furious negotiations with the government, with options including a debt-for-equity swap and injection of equity by new shareholders being canvassed as potential solutions to the crisis. It seems clear, however, that the crisis will not revive proposals to renationalise the country's water industry. The Conservatives oppose such a move on ideological grounds. Moreover, Sir Keir Starmer, Leader of a Labour Party widely tipped to form government in the forthcoming general election, dropped the nationalisation of the water industry from Labour's policy platform in 2022, and in a January 2024 interview with the Reading Chronicle, reiterated his position, noting that "I don't think nationalisation is the answer".[16]

Despite any obvious direct implications for Severn Trent and United Utilities, the announcement from Thames Water's shareholders on 28 March saw the stock of both companies lurch lower. While further news regarding Thames may drive increased volatility in the near-term, patient long-term investors should seize the opportunities that arise when markets price risks indiscriminately, taking comfort in the possibility of outsized future returns.

[14] Thames Water, Thames Water Shareholder Funding Update, 28 March 2024, https://www.thameswater.co.uk/news/shareholder-update

[15] Ibid.

[16] The Reading Chronicle, Sir Keir Starmer Speaks Out after Thames Water Supply Chaos, 27 January 2024, https://www.readingchronicle.co.uk/news/24078516.sir-keir-starmer-speaks-thames-water-supply-chaos/

IMPORTANT INFORMATION

MFG Select Infrastructure Fund - Class 1 ('**Fund**') is a sub-fund of MFG Investment Fund plc, an open-ended umbrella fund with segregated liability between sub-funds, which is incorporated in Ireland and authorised under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended). This is a marketing communication and is not a contractually binding document. Please refer to the Prospectus of MFG Investment Fund plc and the Supplement and KIID for the Fund and do not base any final investment decision on this communication alone. The Prospectus, Supplement, KIID and a summary of investor rights are available in English at www.magellangroup.com.au. For investors located in Germany, the KIID is available in German at www.magellangroup.com.au.

This document provides summary information regarding the Fund. Magellan Asset Management Limited trading as MFG Asset Management ('**MFG Asset Management**') is the investment manager and promoter of the Fund. This material must not be copied, reproduced, published or distributed without the prior written consent of MFG Asset Management.

No representation or warranty is made with respect to the accuracy or completeness of any of the information contained in this document and is subject to change at any time and no person has any responsibility to update any of the information provided in this material. You should not construe the contents of this material as legal, tax, investment or other advice. If you are in any doubt as to whether or not an investment in the Fund is suitable for you, you should consult your bank manager, stockbroker, solicitor, accountant or other financial adviser. You (either alone or with the help of an appropriate financial or other advisor) should inform yourself as to the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment.

Please see the Fund's Prospectus for a discussion of certain risks that should be considered by you. No distribution of this document will be made in any jurisdiction where such distribution is not authorised or is unlawful. There shall be no sale of shares in any jurisdiction in which an offer, subscription or sale would be unlawful, and in any event no securities shall be sold until authorisation has been obtained from the relevant regulatory authority. The marketing of shares or the cessation of the marketing of shares in the Fund, as applicable, in any member state of the European Union shall be in accordance with the requirements of the UCITS Directive. This document does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or in which the person making such offer or solicitation is not qualified to do so. It is the reader's responsibility to inform themselves about the above restrictions.

MFG Asset Management will not be responsible or liable for any losses, whether direct, indirect or consequential, including loss of profits, damages, costs, claims or expenses, relating to or arising from your use or reliance upon any part of the information contained in this document including trading losses, loss of opportunity or incidental or punitive damages.

The investment program of the Fund presented herein is speculative and may involve a high degree of risk. It is not intended as a complete investment program and is suitable only for sophisticated investors who can bear the risk of loss. The Fund may lack diversification, which can increase the risk of loss to investors. The Fund's performance may be volatile. The past performance of the Fund is not necessarily indicative of future results and no person guarantees the performance of the Fund or the amount or timing of any return from it. There can be no assurance that the Fund will achieve any targeted returns, that asset allocations will be met or that the Fund will be able to implement its investment strategy or achieve its investment objective. This document may contain 'forward-looking statements'. Actual events or results or the actual performance of a Fund may differ materially from those reflected or contemplated in such forward-looking statements. The management fees, incentive fees and allocation and other expenses of the Fund will reduce trading profits, if any, or increase losses. The Fund will have limited liquidity, no secondary market for interests in the Fund is expected to develop and there are restrictions on an investor's ability to withdraw and transfer interests in the Fund. In making an investment decision, you must rely on your own examination of any offering documents relating to the Fund.

An investment in shares of the Fund does not represent a direct interest in any of the underlying assets owned by the Fund which may be freely acquired and disposed of by MFG Asset Management for and on behalf of the Fund.

The Fund will invest in companies that generate the dominant part of their earnings from the ownership of infrastructure assets and the Fund's portfolio of 20 to 40 investments is designed to provide sufficient diversification so that investors are not overly correlated to any single company, industry segment-specific or macroeconomic risk. The Fund is actively managed, meaning that investment decisions are made on a fully discretionary basis. The performance of the Fund is measured against the S&P Global Infrastructure Net Total Return Index. Therefore, the Fund can be said to be managed by reference to the S&P Global Infrastructure Net Total Return Index, but as a performance reference benchmark only. 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. Further information regarding any benchmark referred to herein can be found at www.mfgam.com.au/funds/benchmark-information/. Any third-party trademarks contained herein are the property of their respective owners and MFG Asset Management claims no ownership in, nor any affiliation with, such trademarks. Any third-party trademarks that appear in this material are used for information purposes and only to identify the company names or brands of their respective owners. No affiliation, sponsorship or endorsement should be inferred from the use of these trademarks.