Magellan Core Infrastructure (AUD Hedged)

AS AT 31 DECEMBER 2024

PORTFOLIO MANAGERS GERALD STACK, DAVID COSTELLO, CFA AND JOWELL AMORES

INVESTMENT PHILOSOPHY	OBJECTIVE	PORTFOLIO CONSTRUCTION
To prudently invest in outstanding infrastructure and utilities companies at attractive prices that exhibit highly predictable cashflows.	To achieve attractive risk-adjusted returns over the medium to long term; while reducing the risk of permanent capital loss.	Diversified rules-based portfolio applying our proprietary infrastructure classification. Valuation driven benchmark-unaware strategy. Highly defensive, inflation-linked exposure.

MAGELLAN CORE INFRASTRUCTURE (AUD HEDGED)

TOTAL STRATEGY ASSETS	TOTAL INFRASTRUCTURE ASSETS[1]	INCEPTION DATE
AUD $9,321.0 million	AUD $16,587.5 million	17 December 2009

AUD PERFORMANCE[2]

	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	10 Years (% p.a.)	Since Inception (% p.a.)	OUTPERFORMANCE CONSISTENCY[3]
Composite (Gross)	-2.7	9.4	1.8	3.2	7.3	11.0	82%
Composite (Net)	-2.8	8.9	1.3	2.7	6.7	10.3	81%
Global Infrastructure Benchmark[4]	1.0	17.6	7.2	4.3	5.9	7.9	-
Excess (Gross)	-3.7	-8.2	-5.4	-1.1	1.4	3.1	-
MSCI World NTR Index (A$ Hedged)[+]	1.9	20.5	6.4	10.5	10.2	11.6	-

CALENDAR YEAR RETURNS[2]	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Composite (Gross)	9.4	2.0	-5.4	17.2	-5.5	28.3	-1.7	15.4	10.6	7.9	28.0	16.7	16.3	15.6	15.9
Composite (Net)	8.9	1.5	-5.8	16.6	-6.0	27.5	-2.4	14.6	9.8	7.2	27.1	15.8	15.5	14.8	15.1
Global Infrastructure Benchmark[4]	17.6	3.4	1.3	13.7	-11.9	25.3	-6.7	14.4	14.1	-5.4	22.9	18.5	9.1	4.7	5.7
Excess (Gross)	-8.2	-1.4	-6.7	3.5	6.4	3.0	5.0	1.0	-3.5	13.3	5.1	-1.8	7.2	10.9	10.2
MSCI World NTR Index (A$ Hedged)[+]	20.5	21.5	-17.7	23.7	10.3	26.7	-7.4	19.8	10.4	3.8	12.3	31.8	18.8	-2.3	12.6

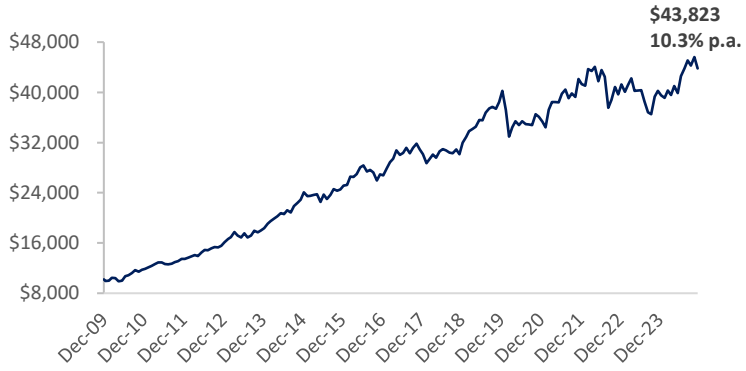
Past performance does not predict future returns.

STRATEGY FUNDAMENTALS[5]

Number of Holdings	92
Dividend Yield (%)	4.1
P/E Ratio (1 year forward)	18
EBITDA multiple (historic)	13.8
EPS Growth (%) (next 3 years)	3.3
Carbon Intensity (CO_2t/US$1m revenue)[#]	824

[#]The carbon intensity score is calculated using MSCI data. In a limited number of circumstances, where data is not available or Magellan deems it appropriate, manual adjustments are made to the MSCI carbon intensity.

PERFORMANCE CHART GROWTH OF AUD $10,000 (NET)[2]



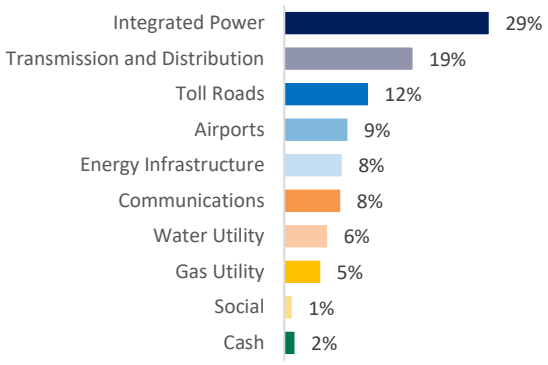
Past performance does not predict future returns.

[1] Comprised of all Infrastructure strategies.
[2] Returns are for the Global Core Infrastructure Hedged to AUD Composite and denoted in AUD. Performance would vary if returns were denominated in a currency other than AUD. Refer to the GIPS Disclosure section below for further information. Strategy inception is 17 December 2009. 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.
[3] Outperformance consistency indicates the percentage of positive excess returns for rolling 3 year returns since inception.
[4] S&P Global Infrastructure Index A$ Hedged Net Total Return spliced with UBS Developed Infrastructure and Utilities Index (A$ Hedged) Net Total Return prior to 1 January 2015. Note: as the UBS Developed Infrastructure and Utilities Index (A$ Hedged) Net Total Return ceased to be published from 31 May 2015, it was replaced by Magellan on 1 January 2015 with the S&P Global Infrastructure Index (A$ Hedged) Net Total Return.
[5] The data is based on a representative portfolio for the strategy. Refer to the Important Notice below for further information.
[+] All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in www.magellangroup.com.au/funds/benchmark-information/
[*]Part year return.

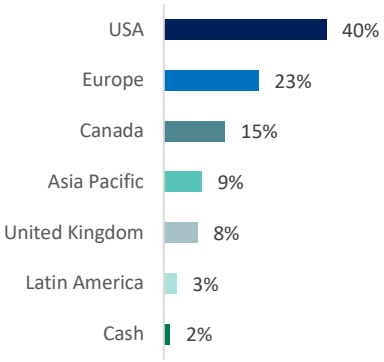
TOP 10 HOLDINGS[6]

STOCK	SECTOR	%
Vinci SA	Toll Roads	3.1
National Grid Plc	Transmission and Distribution	3.1
Ferrovial SE	Toll Roads	3.0
Cellnex Telecom SA	Communications	3.0
Enbridge Inc	Energy Infrastructure	3.0
Aena SME SA	Airports	2.9
TC Energy Corporation	Energy Infrastructure	2.9
Transurban Group	Toll Roads	2.9
Fortis Inc	Transmission and Distribution	2.8
Terna SpA	Transmission and Distribution	2.2
	TOTAL:	28.9

SECTOR EXPOSURE[6]



GEOGRAPHICAL EXPOSURE[6]



CONTRIBUTION HIGHLIGHTS[7]

1 YEAR	
TOP 5	**CONTRIBUTION (%)**
TC Energy	1.3
Enbridge	1.0
Public Service Enterprise	0.9
Ferrovial	0.8
Aena	0.7
BOTTOM 5	**CONTRIBUTION (%)**
Cellnex	-0.3
Elia	-0.2
SBA	-0.2
APA Group	-0.2
Crown Castle	-0.1

5 YEARS	
TOP 5	**CONTRIBUTION (%)**
Ferrovial	2.1
Enbridge	1.8
TC Energy	1.5
National Grid	1.4
Vinci	1.3
BOTTOM 5	**CONTRIBUTION (%)**
Algonquin Power & Utilities	-0.7
Groupe ADP	-0.4
Atlas Arteria	-0.3
Elia	-0.3
APA Group	-0.2

SUPPLEMENTARY STATISTICAL MEASURES[8]

	3 Years	5 Years	10 Years	Since Inception
Turnover	21.6%	18.8%	15.3%	12.5%
Beta	1.0	0.7	0.8	0.8
Tracking Error (% p.a.)	3.9%	7.7%	6.6%	5.9%
Standard Deviation - Strategy	13.8%	14.2%	12.1%	10.9%
Information Ratio	-1.5	-0.2	0.1	0.4

[6] 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.
[7] The contribution data is actual performance data of a representative portfolio within the Global Core Infrastructure Composite that closely reflects the management style of the strategy. Contributions are denoted in AUD and are cumulative at each period. The characteristics of the representative portfolio may differ from those of the composite and of the other accounts in the composite. Performance is not a consideration in the selection of the representative portfolio. The performance figures above may differ from those of the composite and from other accounts in the composite.
[8] Supplementary Statistical Measures are calculated after fees in AUD against the benchmark[4]

IMPORTANT INFORMATION

This material has been produced by Magellan Asset Management Limited ABN 31 120 593 946 AFS Licence No. 304 301 ('**Magellan**'). It is being furnished to you to provide summary information regarding Magellan and an investment fund or investment strategy managed by Magellan ('**Strategy**'). This material is not intended to constitute advertising or advice of any kind and you should not construe the contents of this material as legal, tax, investment or other advice. In making an investment decision, you must rely on your own examination of any offering documents relating to the Strategy.

The investment program of the Strategy presented herein is speculative and may involve a high degree of risk. The Strategy is not intended as a complete investment program and is suitable only for sophisticated investors who can bear the risk of loss. The Strategy may lack diversification, which can increase the risk of loss to investors. The Strategy's performance may be volatile. Past performance is not necessarily indicative of future results and no person guarantees the future performance of the Strategy, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. Statements contained in this material that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Magellan or the third party responsible for making those statements (as relevant). Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. This material may contain 'forward-looking statements'. Actual events or results or the actual performance of a Magellan financial product or service may differ materially from those reflected or contemplated in such forward-looking statements. The Strategy will have limited liquidity, no secondary market for interests in the Strategy is expected to develop and there are restrictions on an investor's ability to withdraw and transfer interests in the Strategy. The management fees, incentive fees and allocation and other expenses of the Strategy will reduce trading profits, if any, or increase losses.

No representation or warranty is made with respect to the correctness, accuracy, reasonableness or completeness of any of the information contained in this material. This information is subject to change at any time and no person has any responsibility to update any of the information provided in this material. This material may include data, research and other information from third-party sources. Magellan makes no guarantee that such information is accurate, complete or timely and does not provide any warranties regarding results obtained from its use. Magellan 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 material including trading losses, loss of opportunity or incidental or punitive damages.

No distribution of this material will be made in any jurisdiction where such distribution is not authorised or is unlawful. This material 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 an offer or solicitation is unlawful or not authorized or in which the person making such offer or solicitation is not qualified to do so. This material and the information contained within it may not be reproduced, or disclosed, in whole or in part, without the prior written consent of Magellan. Further information regarding any benchmark referred to herein can be found at www.magellangroup.com.au/funds/benchmark-information. Any third-party trademarks contained herein are the property of their respective owners and Magellan 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.

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 (A$ Hedged) and from 1 January 2015 the benchmark is S&P Global Infrastructure Net Total Return Index (A$ Hedged). The benchmark changed because UBS discontinued their index series. The UBS Developed Infrastructure & Utilities Net Total Return Index (A$ Hedged) 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 index is hedged to Australian dollars.

The S&P Global Infrastructure Net Total Return Index (A$ Hedged) 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. The index is hedged to Australian dollars.

GLOBAL INVESTMENT PERFORMANCE STANDARDS (GIPS®) DISCLOSURE

Magellan Asset Management Limited, doing business as MFG Asset Management in jurisdictions outside Australia and New Zealand, (MFG Asset Management) claims compliance with the Global Investment Performance Standards (GIPS ®)

For the purpose of complying with GIPS, the Firm is defined as all discretionary portfolios managed by MFG Asset Management, excluding brands managed by subsidiaries operating as distinct business entities. MFG Asset Management is a wholly-owned subsidiary of the publicly listed company Magellan Financial Group Limited. MFG Asset Management is based in Sydney, Australia. Total Firm assets is defined as all assets managed by MFG Asset Management, excluding assets managed by subsidiaries operating as distinct business entities.

The Global Core Infrastructure Hedged in AUD 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 is hedged to Australian dollars with Forward contracts. The composite was created in December 2011.

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.

GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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.

AUD is the currency used to calculate performance.

Strategy Commentary

The portfolio recorded a negative return over the December quarter, due broadly to the rise in bond yields across several key markets – including in the US, France and the UK.

Some of the largest stock detractors over the December quarter were Cellnex, Crown Castle and American Tower. Shares of the three telecommunications companies were weighed down by rising bond yields and persisting inflation concerns. In addition to bond yields, Cellnex shares were pressured by investor concerns of relatively high leverage and suggestions of potential mergers amongst its mobile service customers. Crown Castle was also affected by rumours it may sell its fibre business for a price below market expectations, while American Tower was also affected by a rising US dollar that reduced the USD valuation of its offshore assets.

Key stock contributors during the quarter were TC Energy, Enbridge and Ferrovial. Both Canadian energy infrastructure companies, TC Energy and Enbridge, saw their shares benefit from the Trump presidential campaign that ran on a fossil-fuel-friendly platform. That said, the impact of higher energy prices for both stocks would arguably be modest. Separately, TC Energy shares saw an additional lift from the successful spin-off of its liquids business (South Bow) and the potential for its Southeast Gateway pipeline project to be completed ahead of schedule. Meanwhile, shares of Spanish toll road and airport operator Ferrovial rose on the announcement of larger-than-expected toll increases for its largest toll road asset (ETR 407) in 2025 and the sale of its stake in Heathrow Airport.

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. 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.

Stock Story – Getlink

(Ben McVicar – Portfolio Manager and Sector Head Infrastructure and Industrials)

The Channel Tunnel connecting France and the United Kingdom is widely recognised as one of the world's ultimate engineering marvels. The 50 km tunnel, which includes a 38 km stretch that runs beneath the seabed, is recognised by most travelling on the Eurostar high-speed rail or using the car-shuttle service between Folkestone and Coquelles (near Calais). For investors, many recognise the Channel Tunnel as Getlink's core asset – offering highly attractive and resilient returns, diversified revenue streams, a long concession extending to 2086, and entrenched competitive advantages over alternative sea and air transport options. Getlink's revenue is derived from several complementary services, which include:

- LeShuttle: A roll-on service for passenger vehicles, enabling seamless connections between terminals and the national highway networks.
- LeShuttle Freight: A specialised service offering swift and reliable transport for freight vehicles.
- Rail Services: Operating under a long-term contract, Eurostar is the key user, operating high-speed rail services.
- ElecLink: A significant addition since 2022, this 1 GW high-voltage electric cable connects the UK and French power markets, allowing for trading between the two nations.
- Euroports: Provides rail freight services across France and neighbouring countries.

The Channel Tunnel enjoys material competitive advantages over other transport modes. In the passenger vehicle segment, LeShuttle offers faster, more reliable travel compared to car ferry services across the Straits of Dover, allowing it to command a price premium and market share of around 60%. In the freight transport segment, high-value or perishable goods benefit from the tunnel's reliability and time savings, making it the preferred choice for trucking. For rail services, there is no alternative to the tunnel, but its users (Eurostar) compete indirectly with air travel. However, we find rail dominates over shorter-haul trips. The advantages of city-centre-to-city-centre convenience, ease of use, and growing environmental awareness make rail increasingly attractive to travellers. This has led to a market share of 63% in the rail markets of London-Paris (77% share), and London-Brussels/Amsterdam (47% share).

While the Channel Tunnel is a dominant infrastructure asset today, its early history underscores the risks of greenfield projects. Conceived in the 1980s, the project suffered significant delays and cost overruns, opening with a strained balance sheet. Early traffic levels also fell short of forecasts, which led to the company entering bankruptcy protection in 2006 as it sought a debt restructure – highlighting the dual risks of construction and demand uncertainty. However, once

the asset stabilised, its long-term earnings potential and strategic importance became clear – a textbook example of the advantages established infrastructure assets offer over new developments.

Despite challenges from COVID-19 and Brexit, Getlink has demonstrated resilience and adaptability. Post-pandemic traffic patterns have shifted but the company's strategic pricing adjustments have driven aggregate revenue and earnings beyond previous peaks. Key drivers of future growth include: (1) yield optimisation through ongoing pricing strategies that aim to enhance revenue per user, rather than focusing solely on traffic volume recovery; and (2) high-speed rail market expansion from increased competition in the rail market, which will bring down prices, and stimulating demand and adding capacity. In addition, additional services linking European cities with the UK will further bolster demand; and (3) following the success of ElecLink, the company is exploring ElecLink 2, which would expand energy capacity between the UK and France. Although a long-term project, it underscores Getlink's ability to leverage its core infrastructure for diversified growth.

Getlink's Channel Tunnel is an irreplaceable asset, offering stable and diversified revenue streams, a strong competitive moat and long-term growth potential. With strategic investments and operational enhancements, the company is well-positioned to adapt to evolving transport and energy demands, ensuring sustained value creation for investors.