

KBIGI Global Sustainable Infrastructure Strategy

Summary Details

| | | |
|------------------------------------|---------------------------------|--------------|
| Assets under Mgmt. | C\$2.7bn | |
| Inception Date | 01 Oct 2017 | |
| Benchmark | S&P Global Infrastructure Index | |
| Number of Stocks | 48 | |
| Revenue Alignment SDG Score | 81.0% | |
| Risk Characteristics | | |
| Beta (5 Yrs) | 0.80 | |
| Information Ratio (5 Yrs) | 0.58 | |
| Tracking Error (5 Yrs) | 8.21 | |
| Portfolio Statistics | | |
| | Strategy | Index |
| Current Dividend Yield | 3.7% | 4.0% |
| Price to Earnings (forward) | 16.2x | 15.7x |
| Price to Book | 1.8x | 2.0x |
| Weighted Avg Market Cap. | \$34.1bn | \$37.7bn |

Source: KBI Global Investors as of 03/31/24. The risk characteristics are calculated independently by KBI Global Investors using monthly gross returns of the composite over a 5 year period relative to the Index as at the 03/31/24. Portfolio and Benchmark Statistics are from a representative account managed to the same strategy and the benchmark respectively. KBI Global Investors independently estimate these statistics for both the portfolio and the benchmark. The AUM listed above is Global Sustainable Infrastructure Strategy AUM excluding Assets under Advisement from Q1 2022. Weighted Avg. Mkt. Cap figures are in US Dollars. The Revenue Alignment SDG Score measures the portfolio contribution to the achievement of United Nations Sustainable Development Goals. Calculations are based on KBIGI's own methodology and are not independently verified as at 12/31/2023 (quarterly).

Investment Thesis

There are compelling investment opportunities in infrastructure companies providing solutions to resource scarcity across water, food and energy driven by five long term trends.

- Inadequate supply of water, cleaner energy and arable land for farming
- Increasing demand for resources, driven by population growth, industrialisation and urbanisation
- Increasing regulation and government support
- Increasing investment in infrastructure to address urgent global requirements
- Increasing investment in technology to create solutions and facilitate the more efficient use of resources

Annualised Performance (C\$)

| | 3Mths | YTD | 1Yr | 2Yrs | 3Yrs | 5Yrs | Since Incep |
|---------------------|-------|------|------|------|------|------|-------------|
| Fund (Gross) | -1.5 | -1.5 | -3.9 | 0.2 | 4.3 | 9.2 | 8.9 |
| Benchmark | 3.8 | 3.8 | 3.1 | 3.4 | 7.2 | 4.2 | 4.9 |

Source: KBI Global Investors, Datastream, MSCI as of 03/31/24.

KBI calculate both composite returns and benchmark returns. Returns are gross of fees in CAD. Our firm claims GIPS compliance and is annually verified by an independent verification firm to be so. The verification report from our verifier and our GIPS composite presentation are available upon request. The performance record disclosed here is that of the firm's composite for this strategy. The Infrastructure strategy invests in sustainable publicly-traded infrastructure companies that deliver strong investment returns within a robust risk framework. The strategy delivers material and diverse exposure to water and clean energy infrastructure, food storage, transportation and farmland. Further, integrating ESG considerations is key to our investment process given our belief that companies with good governance and whose products and services enhance social or environmental goals are likely to have long, durable, sustainable business models. The material risks associated with the composite include market risk and stock-specific event risk. Share prices can decline and there is a risk that the composite may under-perform its benchmark. The benchmark is the S&P Global Infrastructure Index, net of taxes on dividend income. The index is comprised of listed infrastructure securities from across the world. To create diversified exposure, the index provider includes three distinct infrastructure clusters within the index structure; energy, transportation and utilities. See disclaimers for further information.

Please see link to the website for the five year composite returns:
<https://www.kbiglobalinvestors.com/wp-content/uploads/2024/04/NR-Composite-Annual-returns-USD.pdf>

Portfolio Positioning

Sector Breakdown

| Sector | % |
|----------------------|------|
| Utilities | 43.0 |
| Asset Owners | 41.3 |
| Infrastructure Capex | 15.7 |

Geographical Breakdown

| Region | % |
|------------------|------|
| North America | 55.1 |
| Europe | 40.6 |
| Emerging Markets | 2.8 |
| Japan | 1.5 |

Top 10 Holdings

| Stock | Country | % |
|-------------------------------------|---------|-----|
| Nextera Energy Inc | US | 6.3 |
| SBA Communications Corp | US | 5.7 |
| RWE AG | Germany | 5.6 |
| Northland Power Inc | Canada | 4.4 |
| The Renewables Infrastructure Group | UK | 3.8 |
| Equinix Inc | US | 3.7 |
| National Grid Plc | UK | 3.6 |
| Waste Management Inc | US | 3.2 |
| Essential Utilities Inc | US | 3.1 |
| American Tower Corp | US | 2.9 |

Source of all data: KBI Global Investors. Data as of 03/31/24

Strategy Overview

The KBI Global Sustainable Infrastructure Strategy is a global portfolio of 30-60 sustainable publicly traded infrastructure companies. The composition of our portfolio is demonstrative of where we believe we have a core competency, but more importantly where we believe a significant proportion of future infrastructure will occur, and where we believe investors lack exposure. Many commentators continue to highlight the vast amounts of money required to be spent on water infrastructure, clean energy infrastructure and the infrastructure necessary for the storage and transportation of food as a direct result of:

- Ageing and depleted assets in dire need of rehabilitation/replacement
- Population growth
- Rapidly expanding cities
- Societal and economic demand

The strategy provides exposure to companies that demonstrate strong infrastructure investment characteristics:

- High regulatory support
- Predictable and stable cash flow
- Long-term contractual businesses
- Low volatility of earnings
- Quality of assets and management

The strategy offers new sources of alpha to investors in the infrastructure asset class, and seeks to provide protection from long-term inflation. It is demonstrative of future investment and displays strong ESG credentials as well as providing investors with differentiation and diversification in what is an efficient asset class.

Investment Team

| Infrastructure Portfolio Management Team | Role | Industry Experience |
|--|-------------------------------|-----------------------|
| Colm O'Connor | Lead Portfolio Manager | 21yrs |
| Noel O'Halloran | Co Portfolio Manger | 36yrs |
| Martin Conroy | Co Portfolio Manager | 20yrs |
| Investment Team | Title | Investment Experience |
| Treasa Ni Chonghaile | Senior Portfolio Manager | 25yrs |
| Catherine Cahill | Senior Portfolio Manager | 24yrs |
| Matt Sheldon | Senior Portfolio Manager | 22yrs |
| Andros Florides | Senior Portfolio Manager | 29yrs |
| Eoin Fahy | Head of Responsible Investing | 36yrs |
| Ben Cooke | Portfolio Manager | 8yrs |
| Jeanne Chow Collins | ESG & Engagement Analyst | 23yrs |
| Robert Fullam | Investment Analyst | 10yrs |

Contact Details

Address: KBI Global Investors Ltd.
3rd Floor, 2 Harbourmaster Place
IFSC
Dublin 1
Ireland

Phone: +353 1 438 4400 Email: info@kbigi.com

Web: www.kbiglobalinvestors.com

Investment Process

Our investment process is designed to use our specialist skills to precisely define each theme, construct a proprietary investment universe and then build a concentrated, high conviction portfolio designed to outperform the benchmark.

Identification of sustainable companies as either:

- **Pure plays** (>50% of sales from either Water, Agri or Clean Energy) or
- **Market leaders** (>10% sales and also be a global leader)

Identification of infrastructure companies as either:

- Owners or operators of sustainable infrastructure assets or
- Beneficiaries of sustainable infrastructure investment

Weighting Sector

- Focus on bottom up fundamentals and valuation with an overlay of top down influences

Stock Selection

- Focus on asset-intensive (often monopolistic) businesses with long-duration contracts (often with strong regulatory or government backing) producing stable cash flow generation with inflation protection.
- Emphasis on companies with predictive and stable dividend yields, strong fundamentals, stable management and attractive valuations.

Overview

The strategy invests in companies which own and operate long duration assets within Water, Clean Energy, Agri business and social and digital end markets. The strategy looks to invest in long term infrastructure assets which are producing predictable cash flows (often inflation linked). When building the portfolio, we aim to provide exposure to stable regulatory environments.

There is an urgent need to upgrade our ageing infrastructure in developed markets; much of the water supply and wastewater systems for instance was designed when cities were less congested and are now in major need of overhaul. Government pledges to achieve net zero emissions by 2050 will result in a transformation of our energy infrastructure assets. Decarbonisation and digitisation of the electric grid will drive huge investment spend in clean energy infrastructure over the coming years. Investment in agri infrastructure will be more focused on emerging markets where increased use of storage equipment and grain handling assets, will be needed to reduce the large wastage that occurs between production and consumption. Following several years of under investment, governments are increasingly recognising the need to invest in ageing infrastructure both as a way of stimulating the global economy and as a way of providing a social benefit to taxpayers.

There are 3 key drivers supporting increased growth in sustainable infrastructure. Significant demographic changes (such as population growth, emerging market middle class growth and urbanization etc) are set to raise demand for infrastructure sharply over coming decades. Secondly, concern over rising emissions has prompted governments to prioritize climate change objectives when enacting fiscal incentives schemes that support infrastructure end markets. Finally, advances in technology across renewable energy end markets has accelerated the trend of decarbonization. Increased growth in intermittent wind and solar energy requires additional spend in electric grid infrastructure.

Disclaimer

KBI Global Investors (North America) Ltd. is a registered investment adviser with the SEC and regulated by the Central Bank of Ireland. KBI Global Investors (North America) Ltd. is a wholly-owned subsidiary of KBI Global Investors Ltd. Form ADV Part 1 and Part 2 are available on request. KBI Global Investors claims compliance with the Global Investment Performance Standards (GIPS®). Gross results shown do not show the deduction of investment management fees. A client's actual return will be reduced by the management fees and any other expenses which may be incurred in the management of an investment account. For example, a CAD\$1,000,000 investment with an assumed annual return of 5% with a management fee of 0.85% would accumulate CAD\$8,925 in fees during the first year, CAD\$48,444 in fees over five years and CAD\$107,690 in fees over ten years. Under MiFID II this is deemed marketing material and should not be regarded as investment research. The firm is defined as the institutional business of KBI Global Investors Ltd., and its subsidiary, KBI Global Investors (North America). The term 'institutional business' shall have the meaning of all pensions, charity and corporate asset management strategies of the firm as they pertain to client funds. Unitholders are specifically excluded from composite assignment given that their underlying unit holdings are already assigned to composites and such strategies are therefore accounted for in composite values and returns. The firm definition has been re-defined on two occasions over recent years; on 30 September 2010 to reflect the firm's sale to RHJI by our previous parent firm KBC Asset Management NV, and on 1 October 2016 to reflect the firm's sale to Amundi Asset Management. No change in investment process arose as a result of these sales. To receive a copy of the compliant presentation and/or a list of composite descriptions, please contact sales@kbigi.com. Gross results shown do not show the deduction of Adviser's fees. A client's actual return will be reduced by the advisory fees and any other expenses which may be incurred in the management of an investment advisory account. See Part 2 of Adviser's Form ADV for a complete description of the investment advisory fees customarily charged by Adviser. The performance results are that of a representative strategy which has been managed on a discretionary basis since its inception. Performance returns for individual investors may differ due to the timing of investments, subsequent subscriptions/redemptions, share classes, fees and expenses. Performance for periods of more than 1 year is annualized. Information about indices is provided to allow for comparison of the performance of the Adviser to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index, which also does not take into account trading commissions and costs. Investments denominated in foreign currencies are subject to changes in exchange rates that may have an adverse effect on the value, price and income of the product. Income generated from an investment may fluctuate in accordance with market conditions and taxation arrangement. PAST PERFORMANCE IS NOT A RELIABLE GUIDE TO FUTURE PERFORMANCE AND THE VALUE OF INVESTMENTS MAY GO DOWN AS WELL AS UP. Net total return indices reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. IMPORTANT RISK DISCLOSURE STATEMENT : This material is provided for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to purchase any security, product or service including any group trust or fund managed by KBI Global Investors (North America) Ltd. or any of its affiliates (collectively, "KBI Global Investors"). The information contained herein does not set forth all of the risks associated with this strategy, and is qualified in its entirety by, and subject to, the information contained in other applicable disclosure documents relating to such a strategy. KBI Global Investors (North America) Ltd's investment products, like all investments, involve the risk of loss and may not be suitable for all investors, especially those who are unable to sustain a loss of their investment. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. This introductory material may not be reproduced or distributed, in whole or in part, without the express prior written consent of KBI Global Investors (North America) Ltd. The information contained in this introductory material has not been filed with, reviewed by or approved by any United States regulatory authority or self-regulatory authority and recipients are advised to consult with their own independent advisors, including tax advisors, regarding the products and services described therein. The views expressed are those of KBI Global Investors (North America) Ltd. and should not be construed as investment advice. We do not represent that this information is accurate or complete and it should not be relied upon as such. Opinions expressed herein are subject to change without notice. The products mentioned in this Document may not be eligible for sale in some states or countries, nor suitable for all types of investors; their value and the income they produce may fluctuate and/or be adversely affected by exchange rates, interest rates, or other factors. In some tables and charts, due to rounding, the sum of the individual components may not appear to be equal to the stated total(s). Additional information will be provided upon request. Stocks mentioned in this document may or may not be held in this strategy at this time. Any projections, market outlooks or estimates in this document are forward-looking statements and are based upon certain assumptions. Other events which were not taken into account may occur and may significantly affect the returns or performance of the strategy. Any projections, outlooks or assumptions should not be construed to be indicative of the actual events which will occur. Discussions of market conditions, market high/lows, objectives, strategies, styles, positions, and similar information set forth herein is specifically subject to change if market conditions change, or if KBI Global Investors (North America) Ltd believes, in its discretion, that investors returns can better be achieved by such changes and/or modification. Style descriptions, market movements over time and similar items are meant to be illustrative, and may not represent all market information over the period discussed. All MSCI data is provided "as is". In no event shall MSCI, its affiliates, or any MSCI data provider have any liability of any kind in connection with the MSCI data. No further distribution or dissemination of the MSCI data is permitted without MSCI's prior express written consent.