Magellan
Global Listed
Infrastructure

Distributed by Magellan Investment Partners

Magellan Core Infrastructure (AUD Hedged)

AS AT 31 DECEMBER 2025

PORTFOLIO MANAGERS DAVID COSTELLO, CFA, BEN MCVICAR, CFA AND OFER KARLINER, CFA

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.	An actively constructed portfolio of 70 - 100 securities that meet our proprietary definition of infrastructure, rebalanced in a systematic manner. Typical cash and cash equivalent exposure between 0 – 5%

MAGELLAN CORE INFRASTRUCTURE (AUD HEDGED)

TOTAL STRATEGY ASSETS	TOTAL INFRASTRUCTURE ASSETS[1]	INCEPTION DATE
AUD $10,299.9 million	AUD $16,876.3 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.)
Composite (Gross)	1.5	17.2	9.4	7.7	8.2	11.4
Composite (Net)	1.3	16.6	8.8	7.2	7.6	10.7
Global Infrastructure Benchmark[3]	2.2	17.2	12.5	10.4	8.2	8.5
Excess (Gross)	-0.7	0.0	-3.1	-2.7	0.0	2.9
MSCI World NTR Index (A$ Hedged)[+]	3.4	18.4	20.1	12.0	11.7	12.0

CALENDAR YEAR RETURNS[2]	2025 (%)	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)
Composite (Gross)	17.2	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
Composite (Net)	16.6	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
Global Infrastructure Benchmark[3]	17.2	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
Excess (Gross)	0.0	-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
MSCI World NTR Index (A$ Hedged)[+]	18.4	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

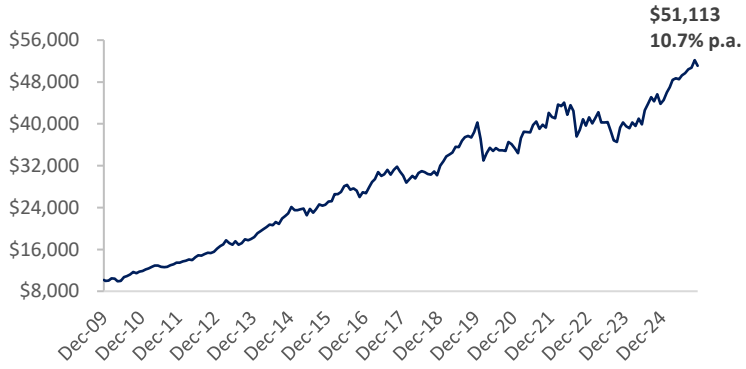
Past performance does not predict future returns.

STRATEGY FUNDAMENTALS[4]

Number of Holdings	90
Dividend Yield (%)	4
P/E Ratio (1 year forward)	19
EBITDA multiple (historic)	13.2
EPS Growth (%) (next 3 years)	4.2
Carbon Intensity (CO_2t/US$1m revenue)[#]	800

[#]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]



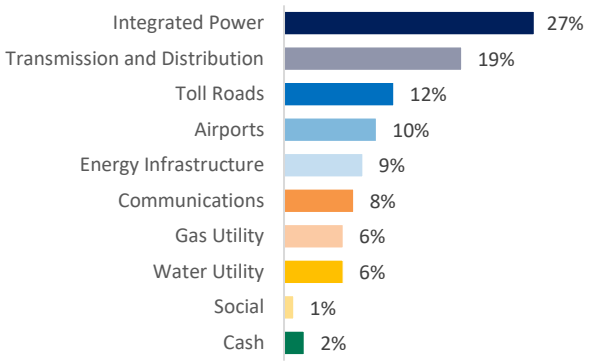
Past performance does not predict future returns.

[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] 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.
[4] 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.magellaninvestmentpartners.com/funds/benchmark-information/.

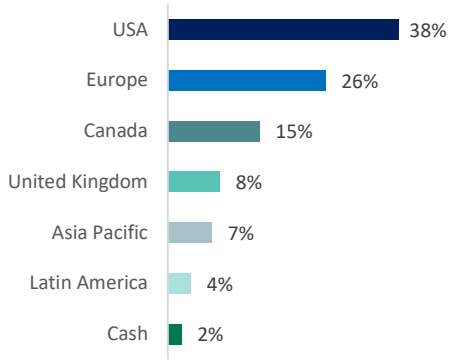
TOP 10 HOLDINGS[5]

STOCK	SECTOR	%
TC Energy	Energy Infrastructure	3.1
National Grid	Transmission and Distribution	3.1
Cellnex Telecom	Communications	3.1
Aena	Airports	3.0
Vinci	Toll Roads	3.0
Ferrovial	Toll Roads	3.0
Transurban	Toll Roads	2.9
Enbridge	Energy Infrastructure	2.9
Fortis	Transmission and Distribution	2.8
Terna	Transmission and Distribution	2.5
	TOTAL:	29.4

SECTOR EXPOSURE[5]



GEOGRAPHICAL EXPOSURE[5]



CONTRIBUTION HIGHLIGHTS[6]

1 YEAR	
TOP 5	**CONTRIBUTION (%)**
Ferrovial	1.2
Vinci	0.9
Aena	0.9
Snam	0.8
National Grid	0.7
BOTTOM 5	**CONTRIBUTION (%)**
Power Assets	-0.2
PSEG	-0.1
American Tower	-0.1
Cellnex Telecom	-0.1
Auckland International Airport	-0.1

5 YEARS	
TOP 5	**CONTRIBUTION (%)**
Ferrovial	3.7
TC Energy	3.3
Enbridge	3.2
National Grid	2.8
Vinci	2.7
BOTTOM 5	**CONTRIBUTION (%)**
Algonquin Power & Utilities	-1.0
Cellnex Telecom	-1.0
Crown Castle	-0.1
Macquarie Korea Infra Fund	-0.1
Atlas Arteria	-0.04

SUPPLEMENTARY STATISTICAL MEASURES[7]

	3 Years	5 Years	10 Years	Since Inception
Turnover	20.5%	16.6%	14.2%	11.7%
Beta	0.9	1.0	0.8	0.8
Tracking Error (% p.a.)	4.4%	4.9%	6.3%	5.8%
Standard Deviation - Strategy	10.3%	12.4%	11.7%	10.7%
Information Ratio	-0.8	-0.7	-0.1	0.4

[5] 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.
[6] 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.
[7] Supplementary Statistical Measures are calculated after fees in AUD against the benchmark[3]

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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 (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 Ltd, doing business as Magellan Investment Partners ('**Magellan**') 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 Magellan, excluding brands managed by subsidiaries operating as distinct business entities. Magellan is a wholly-owned subsidiary of the publicly listed company Magellan Financial Group Ltd. Magellan is based in Sydney, Australia. Total Firm assets is defined as all assets managed by Magellan, 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@magellanfinancialgroup.com

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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 strategy gained in the December quarter 2025. Signs of weakening momentum in major economies, market concerns about the durability of the AI thematic and ongoing geopolitical uncertainty supported demand for high-quality defensive assets, including listed infrastructure.

The top contributors for the quarter were Ferrovial, Hydro One and National Grid. Global infrastructure operator Ferrovial gained as it reported strong September YTD earnings, which reflected firm performance across all business divisions, including robust performance for US roads. Ferrovial also announced an exceptionally strong increase in tolling for one of its major assets, the 407 ETR toll road in Canada, which was supportive for the stock. Canadian transmission and distribution business Hydro One rose, bolstered by a solid September quarter earnings report that was ahead of market expectations. UK transmission and distribution business National Grid also rose, reflecting a solid 1H 2025 earnings release that was slightly ahead of market expectations. The report showed increased investment across its regulated businesses, consistent with the company's plan to divest from its non-core businesses. Pressure on the stock price from UK gilt yields abated with the release of the UK government's autumn budget in November, which pointed to fiscal consolidation.

The top detractors for the quarter were Cellnex, American Tower and Enbridge. Spanish telecommunications infrastructure company Cellnex declined, despite the company's announcement of a solid September YTD earnings result and the commencement of a dividend. Upward pressure on Euro area bond yields and rumours about European telecom consolidation were a headwind in the quarter. US telecommunications infrastructure company American Tower continued to decline, affected by news that DISH wrote a letter saying that it would excuse itself from paying its leases to American Tower. DISH represents ~2% of company revenues, which suggests a marginal impact on overall revenues. The company is progressing a legal challenge with DISH and believes the lease should be honoured through to the end of the contract, which expires in 2036. Canadian energy infrastructure operator Enbridge fell, with the release of its September quarter result missing market estimates. Rising Canadian bond yields in the quarter also dragged on the share price.

Stock contributors/detractors are based in local currency terms unless stated otherwise.

Key issues of focus

The final quarter of CY2025 was characterised by rising regulatory and policy uncertainty in some key markets, while at the same time we saw ongoing, strong performance in key companies in which we invest, bearing out the solid fundamentals of these businesses.

Escalating regulatory risk in the US, specifically to offshore wind projects, was a particular issue of note in the quarter. The Trump Administration tried further tactics to block the completion of some projects after courts had blocked earlier attempts to halt work. This drove some stock-specific impacts (including for Eversource and Dominion), but legal challenges have already been filed against the stop-work orders. While more broadly signalling that abrupt regulatory changes remain a risk to US utilities investment under the current Administration, this is largely contained to projects on federal land, which limits potential impacts.

Rising debate on affordability was also another risk of note. The burden to US households, whether real or perceived, is becoming an increasingly important political issue as we head into 2026, when mid-term elections will take place. While rate redesign (with the implementation of tools such as large load tariffs for large industrial customers such as data centres) will help to alleviate some of this, we see a vector of potential risk to the allowed rates of return, and capex plans for regulated utilities investing to keep up with data centre-fuelled demand. While we continue to watch this closely, thus far we have not seen this escalate to a point where this has disrupted our expectations that surging power demand means more investment, and robust earnings, for regulated utilities.

Political risks extended to France, with the surprise no-confidence vote in former Prime Minister Bayrou's fiscal plan in late 3Q25 leading to multiple changes in the PM in the final quarter. The fractious French parliament was unable to pass a budget bill by year end. With the government currently operating under a stopgap budget, we see risks to businesses in which we invest persisting into the New Year. The absence of budget savings has meant the French debt burden is continuing to grow, with higher corporate taxation the most likely outcome of ongoing budgetary discussions – something we already factor into our valuations.

On the returns front, we were encouraged to see ongoing, robust traffic figures for airports and toll roads in our portfolio. Traffic volumes were ahead of our expectations in many cases, pointing to a structural uptrend in demand that has been pulling through since Covid as we have seen increased aircraft deliveries as production issues ease, and jets that have been grounded due to engine issues reenter the fleet. We have also seen better-than-expected pricing growth at some assets (such as Ferrovial's 407 ETR toll road in Canada implementing an mid-teen increase in pricing, and 17% toll price growth on Transurban's 95 Express lanes). These developments bode well for performance for these infrastructure sectors, at least in the near term.

Outlook

Notwithstanding our expectations for greater volatility in the short to medium term driven by rapidly shifting policy from the US administration and geopolitics with implications for economic growth, interest rates and inflation, 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 believe that share prices in the longer term may reflect the underlying cash flows, potentially 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 can offer investors diversification when included in an investment portfolio. In our opinion 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 – Cellnex

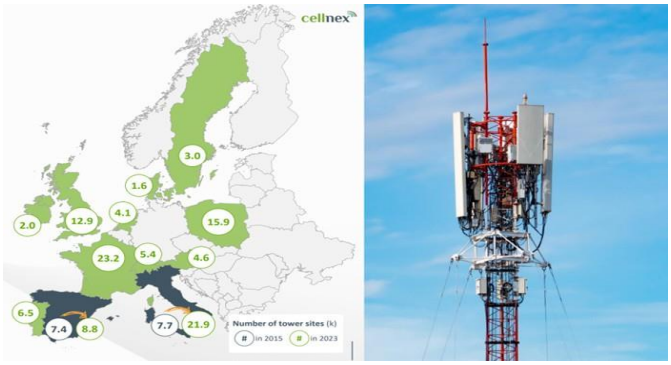
(Roy Harrison - Investment Analyst)

In mid-2021, following a debt-fuelled acquisition spree and with markets forecasting a lower-for-longer rate environment, the Cellnex share price hit an all-time high. Roll forward a year and the share price had halved as inflation and interest rates spiked.

It took another two years of the share price languishing before the board replaced the CEO, who came in with a mandate to refocus the business and rectify the balance sheet. We are now largely through that process with sustainable and growing shareholder remuneration backed by a substantial step up in free cash flow generation. We now believe the quality of Cellnex's business has greatly improved, representing an attractive investment opportunity at a compelling valuation.

Figure 1: Cellnex Telecom asset overview

Cellnex has ~111k towers and ~178k tenants across 10 countries in Europe.



Source: Cellnex company disclosures. Data in image is as at Dec 2023. Note: Cellnex no longer has assets in Austria and Ireland.

Cellnex is the largest tower company in Europe, owning or managing ~111k towers, largely across five core markets: Spain, Italy, France, the United Kingdom and Poland. Cellnex's business model involves leasing space on their towers to mobile network operators ("telcos") to support antenna equipment. Access to power, fibre and the structural integrity of the tower is mission-critical to our community's everyday mobile connectivity needs. This infrastructure enables someone to watch a YouTube video to help fix a flat tyre, FaceTime an overseas family member or call an ambulance during a medical emergency. Mobile data growth, which is the fundamental driver for these assets, is structural in nature – with Ericsson forecasting mobile data traffic in Western Europe to grow by a 13% CAGR through to 2031.[1]

[1] *Ericsson Mobility Report November 2025*

Cellnex's contracts with customers are reflective of quintessential infrastructure

Cellnex's existing revenues are mostly long-term, contracted and predictable in nature. Existing "anchor" tenants are generally locked into 15- to 20-year leases on a take-or-pay basis with rents escalating annually at CPI or a fixed rate of 1-2%. Cellnex has a lot of bargaining power with customers as it can be complex and capital-intensive to change tower providers without degrading network quality. Furthermore, Cellnex renegotiates anchor leases with customers on an "all-or-nothing" basis, meaning telcos must decide between renewing all antennas or moving every single antenna to another tower. Given Cellnex has a significant proportion of the towers in each of its markets, moving to another tower provider would be exceptionally difficult.

Cellnex can also benefit from other telcos wanting to improve their network coverage or densify their network, as they may lease space on existing towers to new tenants. This is highly profitable for Cellnex as the cost to maintain these simple structures does not increase significantly, thus the majority of new revenue falls to the bottom line.

We believe the market is overestimating consolidation risk

While we believe the positive elements of the investment case are well understood, we think the market has become fixated on the risk of consolidation amongst telcos in Europe, pricing the stock at a substantial discount to our assessment of value because of it, and missing the bigger picture.



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There have been many rumours and at least one proposal for consolidation amongst European telcos, particularly in France and Italy. Simplistically, this makes some sense: if four telcos in a market become three, this represents a ~25% drop in available customers, or Cellnex could lose an anchor tenant.

We believe this risk is overstated and that Cellnex can mitigate consolidation impacts for three key reasons:

1. **Scale & ability to negotiate:** Tower contracts generally have change of control clauses; any acquirer will also be acquiring a long-term lease. Cellnex's scale means they can offer the merged entity flexibility to move equipment and improve their network in exchange for a longer lease term and less revenue lost. There is precedent for this in Spain.

2. **More rational market structure (and potentially government requirements) should support investment:** Europe's 5G networks are underinvested due to high competition among telcos, which keeps mobile plan prices too low for telcos to make an adequate return on investment. A more rational three-player market should drive long-term demand for Cellnex's tower assets following consolidation. Moreover, as we saw in the UK with the Vodafone/3 merger, where governments are concerned about Europe's technological competitiveness, antitrust bodies will likely attach investment commitments (download speeds, number of antennae, etc.) as a condition of any transaction approval.

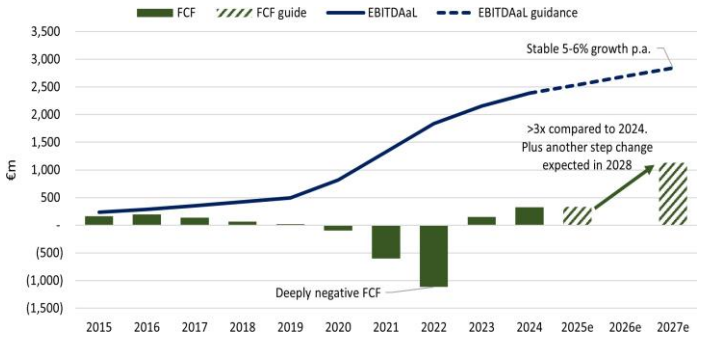
3. **Diversification:** Even if we were to ignore the contractual protections and likely medium-term investment benefits – if all contracts were somehow cancelled and no future investments were made, the diversified nature of Cellnex's client portfolio helps to mitigate this risk.

Keep calm and focus on cash flows: We believe the next three years are transformative for Cellnex

We are long-term oriented investors at Magellan. We look at the merits of an infrastructure investment based on an asset's ability to generate reliable cash flows. By 2028, Cellnex will have mostly (an artefact of legacy deal-making that required them to invest large amounts building or acquiring new towers) therefore freeing up substantial amounts of operating cash flows for shareholder remuneration.

Figure 2: Cellnex EBITDAaL (EBITDA after lease expenses) and free cash flow guidance

Management expect earnings to grow stably over the next three years due to the strength of its contracts. Free cash flow is expected to be >3x when compared to 2024, supporting shareholder remuneration.



Source: Cellnex company disclosures

We believe Cellnex has entered a new chapter; one characterised by free cash flow generation, management discipline and shareholder returns. Cellnex has already initiated a dividend policy for 2026 of €500m plus a share buyback plan of €500m. As Cellnex continues to de-lever and complete its inorganic capex obligations, we forecast these returns to grow sustainably over the medium term.

While we would expect some telco mergers to happen (and indeed it makes sense for some of them to occur), the market has appeared to price in a worse-than-worst-case scenario. As the reality plays out, and investors start to appreciate the quality of the business and the attractive and growing shareholder return profile, we would expect long-term investors to be well-rewarded.