

# First Sentier Global Listed Infrastructure Fund (Irish VCC)\*

Quarterly Investment Report

30 June 2022

## Contents

Portfolio Overview	1
Performance	2
Commentary	3
Portfolio Allocation and Stock Holdings	4
Stock Contribution	5

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# Portfolio Overview

30 June 2022

- The Fund invests primarily in global listed infrastructure and infrastructure-related equity or equity related securities worldwide. Investments in infrastructure projects may involve risks including projects not being completed on time and within budget, changes in environment laws and regulations.
- The Fund's investments may be concentrated in a single and limited/specialist sector or in fast growing economies which may have higher volatility or greater loss of capital than more diversified portfolios. Small/ mid-capitalisation securities may have lower liquidity and their prices are more volatile to adverse economic developments. The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.
- For certain share classes, the Fund may at its discretion pay dividend out of capital or pay fees and expenses out of capital to increase distributable income and effectively a distribution out of capital. This amounts to a return or withdrawal of your original investment or from any capital gains attributable to that, and may result in an immediate decrease of NAV per share.
- It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

## Investment objective & strategy

The Fund aims to achieve a total investment return consistent with income and long term capital growth. It invests primarily in a diversified portfolio of listed Infrastructure and Infrastructure-related equity securities and equity related securities of issuers listed, traded or dealt in on regulated markets worldwide.

## Fund Information

Fund Size (US\$m)	1745.6
Benchmark	FTSE Global Core Infrastructure 50/50 Net Index <sup>▲</sup>
Number Of Holdings	42

## Available Share Classes

Share class <sup>†</sup>	Inception date	Nav/per share	Distribution frequency <sup>†</sup>	ISIN code
Class I (USD - H Dist)	27 Jun 2008	US\$13.31	Semi-annually	IE00B29SXL02

<sup>†</sup>Dividends are not guaranteed and may be paid out of capital.

<sup>▲</sup>The benchmark displayed is UBS Global Infrastructure & Utilities 50-50 Index until 31 March 2015 and FTSE Global Core Infrastructure 50/50 Index from 1 April 2015 onwards. Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date.

# Performance

30 June 2022

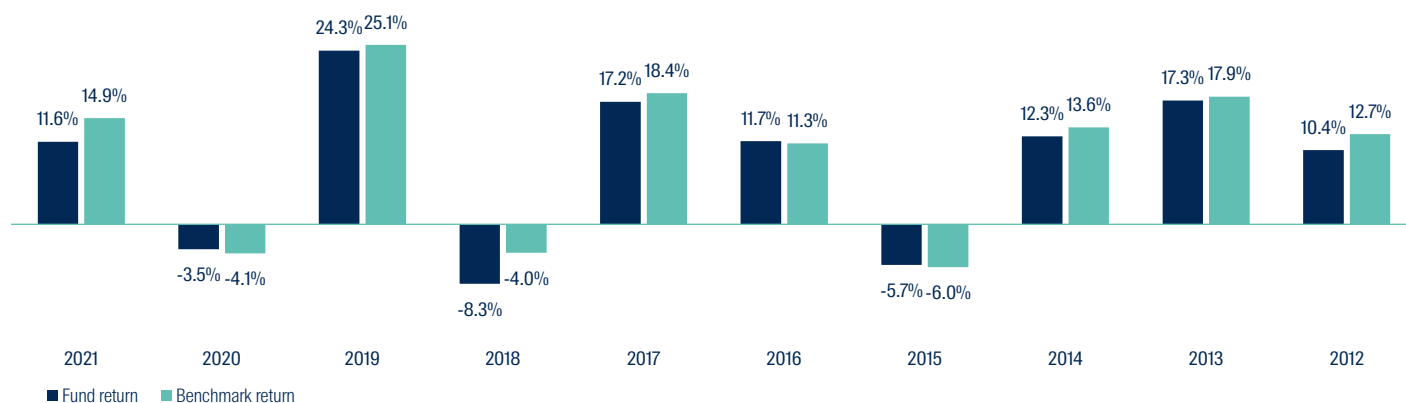
## Cumulative performance in USD (%)

	3mths	YTD	1yr	3yrs	5yrs	Since inception
Class I (USD - H Dist)*	-8.3	-4.8	-0.9	8.3	20.7	98.8
Benchmark▲	-7.5	-4.1	2.9	12.2	33.1	111.1

## Calendar year performance in USD (%)

	2021	2020	2019	2018	2017
Class I (USD - H Dist)*	11.6	-3.5	24.3	-8.3	17.2
Benchmark▲	14.9	-4.1	25.1	-4.0	18.4

## Calendar Year Performance (% in USD) to 30 June 2022



Source: Lipper and First Sentier Investors, Nav-Nav (USD total return) data as at 30 June 2022. This Fund is a sub fund of Ireland domiciled First Sentier Investors Global Umbrella Fund Plc. Class I (USD - H Dist) is the semi-annually dividend distribution class of the fund, the performance quoted are based on USD total return (with dividend reinvested). H Dist represents share class with distribution of dividends every February & August. Unless otherwise specified, all information contained in this document is as at 30 June 2022. Investment involves risks, past performance is not a guide to future performance. On 22 September 2020, First State Global Listed Infrastructure Fund was rebranded as First Sentier Global Listed Infrastructure Fund. ▲The benchmark displayed is UBS Global Infrastructure & Utilities 50-50 Index until 31 March 2015 and FTSE Global Core Infrastructure 50/50 Index from 1 April 2015 onwards. Gross of tax benchmark performance is shown before 1 July 2016 and net of tax benchmark performance is shown after the aforementioned date. Dividends are not guaranteed and may be paid out of capital.

# Commentary

30 June 2022

## Market Review

Global listed infrastructure proved relatively resilient during a volatile June quarter. The Fund returned -8.3% after fees, compared with a fall of -7.5% for its benchmark index. Global equities ended the quarter -16.2% lower.

This performance relative to global equities is consistent with listed infrastructure's track record of providing investors with defence from falling markets. Coming during a period when US inflation reached levels not seen since the early 1980s, it also reflects listed infrastructure's ability to outperform global equities when inflation is higher.

## Performance Review

Toll roads were the best performing infrastructure sector for the quarter, gaining on the appeal of inflation-linked tolls and the prospect of takeover activity. Ongoing growth in demand for wireless data, reflecting an ever-increasing reliance on digital connectivity, was supportive of Towers / Data Centres. Utilities / Renewables held up well, aided by their predictable earnings and essential service provision. Several US utilities increased earnings guidance during the quarter as a result of additional investment in decarbonisation and electrification – a welcome contrast to the turmoil seen elsewhere in financial markets.

US freight Railroads were affected by concerns that haulage volumes may prove sensitive to a slowing economic growth rate. Water / waste stocks fell as interest rates rose, and on the prospect of a potentially negative catalyst for UK water names when draft rules for the next regulatory period are published in July.

## Fund Activity

The Fund initiated a position in Targa Resources, one of North America's largest independent energy midstream companies. Targa's strategically located energy infrastructure footprint is focused around the Permian basin in Texas. The company processes and transports Natural Gas Liquids (such as propane and butane) for use in US and international markets. Having simplified its corporate structure and strengthened its balance sheet over the past two years, Targa now appears well positioned to generate strong free cash flow and carry out additional capital management initiatives, including increasing capital returns to shareholders.

A position in US gas utility Atmos Energy was sold following a sustained period of outperformance as its share price recovered from the aftermath of the February 2021 winter storm. At current valuation multiples, mispricing has become less evident.

## Outlook

The Fund invests in a range of global listed infrastructure assets including toll roads, airports, railroads, utilities and renewables, energy midstream, wireless towers and data centres. These sectors share common characteristics, like barriers to entry and pricing power, which can provide investors with inflation-protected income and strong capital growth over the medium-term.

Recent performance has seen global listed infrastructure exhibit two of the key benefits that it can offer investors. First, the asset class has held up relatively well as global equities sold off, consistent with its history of providing most of the upside in rising equity markets but offering protection in falling markets. This pattern of performance is underpinned by global listed infrastructure's consistently strong pricing power, predictable cash flows, and relative immunity to economic cycles.

Secondly, global listed infrastructure has outperformed global equities against a backdrop of high inflation. This is a reflection of listed infrastructure being a price maker, not a price taker. Infrastructure's tangible assets provide essential services, using contracted or regulated business models. These assets consistently demonstrate the ability to

pass through the effects higher input costs and inflation to the end user. Further, the value of infrastructure assets can generally be expected to rise during inflationary environments. Existing infrastructure assets become more attractive as the replacement costs increase. This factor gives infrastructure assets enhanced appeal during periods of high inflation.

While global markets remain unpredictable, we are confident in global listed infrastructure's ability to consistently deliver these positive outcomes to investors over time.

All stock and sector performance data expressed in local currency terms. Source: Bloomberg.

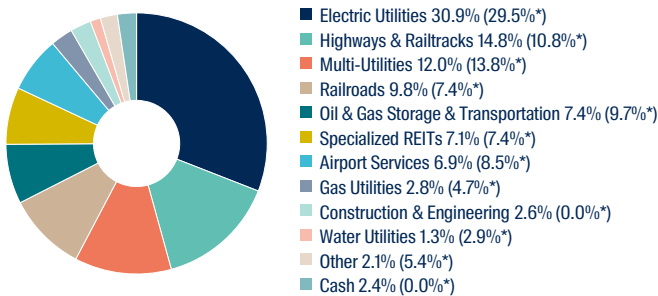
# Portfolio Allocation and Stock Holdings

30 June 2022

## Ten Largest Holdings as at 30 June 2022

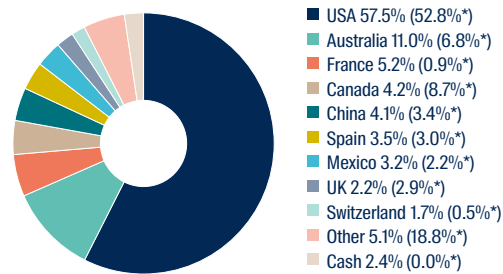
Stock Name	Country	Sector	Portfolio Weight (%)	Index Weight (%)
Transurban	Australia	Highways & Railtracks	7.3	5.5
Nextera Energy Inc	USA	Electric Utilities	6.0	5.0
Dominion Energy Inc COM	USA	Multi-Utilities	4.9	2.5
American Tower Corporation	USA	Specialized REITs	4.8	3.8
Entergy Corporation	USA	Electric Utilities	3.9	0.9
CSX Corporation	USA	Railroads	3.7	0.9
Aena SA	Spain	Airport Services	3.5	1.6
Xcel Energy Inc.	USA	Electric Utilities	3.5	1.5
Sempra Energy	USA	Multi-Utilities	3.5	1.9
Norfolk Southern Corporation	USA	Railroads	3.1	0.8

## Sector Breakdown



\*Index Weight

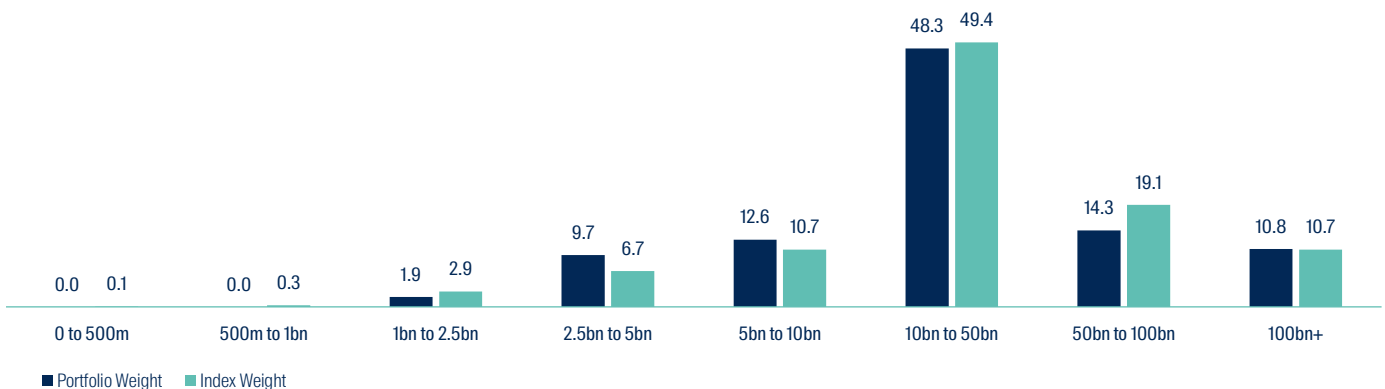
## Country Breakdown



\*Index Weight

Sector and Country classifications provided by Factset and First Sentier Investors. The Fund may hold multiple equity securities in the same company, which have been combined to provide the Fund's total position in that company. Index weights, if any, typically include only the main domestic-listed security. The above Fund weightings may or may not include reference to multiple securities.

## Market Capitalisation Breakdown (USD)



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# Stock Contribution

30 June 2022

## Top 5 contributors to absolute performance

3 months to 30 June 2022

Stock Name	Country	Sector	Value added (bps*)
Atlas Arteria	Australia	Highways & Railtracks	18
China Gas Holdings Limited	China	Gas Utilities	17
American Tower Corporation	USA	Specialized REITs	12
Iberdrola SA	Spain	Electric Utilities	8
Enterprise Products Partners L.P.	USA	Oil & Gas Storage & Transportation	3

12 months to 30 June 2022

Stock Name	Country	Sector	Value added (bps*)
Cheniere Energy, Inc.	USA	Oil & Gas Storage & Transportation	108
Sempra Energy	USA	Multi-Utilities	88
Nextera Energy Inc	USA	Electric Utilities	61
Dominion Energy Inc COM	USA	Multi-Utilities	58
Atmos Energy Corporation	USA	Gas Utilities	48

## Bottom 5 contributors to absolute performance

3 months to 30 June 2022

Stock Name	Country	Sector	Value added (bps*)
Aena SA	Spain	Airport Services	-94
CSX Corporation	USA	Railroads	-89
Norfolk Southern Corporation	USA	Railroads	-68
FirstEnergy Corp.	USA	Electric Utilities	-51
Sempra Energy	USA	Multi-Utilities	-36

12 months to 30 June 2022

Stock Name	Country	Sector	Value added (bps*)
Rubis SCA	France	Gas Utilities	-136
China Gas Holdings Limited	China	Gas Utilities	-96
Aena SA	Spain	Airport Services	-81
CSX Corporation	USA	Railroads	-39
Norfolk Southern Corporation	USA	Railroads	-35

Stock Contributions show the impact of the individual stock's performance to the total fund performance. These stock contributions show the top 5 and bottom 5 contributors to the fund and are not representative of the performance of the fund as a whole.

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This stock information does not constitute any offer or inducement to enter into investment activity.

Contributions are calculated at the investee company level before the deduction of any fees incurred at fund level (e.g. the management fee and other fund expenses) but after the deduction of transactional costs.

Stocks held/listed in non-index countries have economic activity > 50% from developing economies.

\* A basis point is a unit of measure used in finance to describe the percentage change in value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

Data source: This information is calculated by First Sentier Investors.