MFG ASSET MANAGEMENT

Strategy Update: 31 March 2022

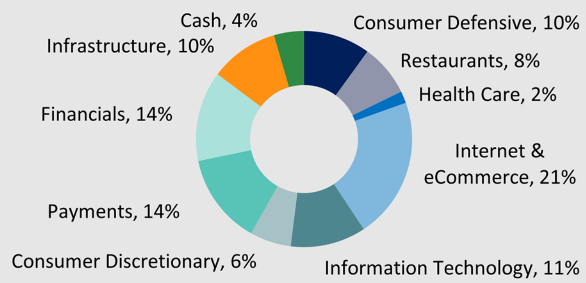
MFG US Sustainable (USD)

Portfolio Manager	Strategy Inception Date	Total Strategy Assets[1]	Total Global Sustainable Assets[2]
Alan Pullen	1 January 2017	USD $2.4 million	USD $346.3 million

Objective	Approach
Capital preservation in adverse markets	High conviction (20-50 securities), high quality focus, low turnover
Attractive absolute risk-adjusted returns through the economic cycle	Dual-sleeve portfolio construction with dynamic allocation to cash (max 10%) Combined Risk Ratio cap of 1.0^
Deliver carbon intensity less than 1/3 of S&P500	Integrated ESG with proprietary, multi-dimensional carbon emissions management

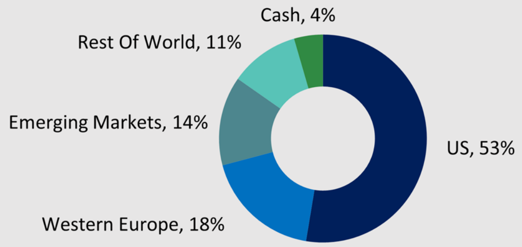
Top 10 Holdings[3]	Sector[3]	%
Microsoft Corporation	Information Technology	7.4
Visa Inc	Payments	7.4
Alphabet Inc	Internet & eCommerce	7.3
Netflix Inc	Internet & eCommerce	5.8
Amazon.com Inc	Internet & eCommerce	4.7
Intercontinental Exchange Inc	Financials	4.5
Booking Holdings Inc	Consumer Discretionary	4.4
Eversource Energy	Transmission and Distribution	4.2
MasterCard Inc	Payments	4.0
Procter & Gamble	Consumer Defensive	4.0
	TOTAL:	53.7

Sector Exposure[3]



Strategy Fundamentals[3]	Strategy
Number of Holdings	26
Carbon Intensity	21.2
Return on Equity	35
P/E Ratio (1 year forward)	28.7
Interest Cover	16
Debt/Equity Ratio	80
Weighted Average Market Cap (USD million)	563,914

Geographical Exposure[3]



3 Year rolling returns[4] (measured monthly)	1 Year	Since Inception
Against S&P 500 NTR Index		
No of observations	12	28
Average excess return (% p.a.) (Gross)	4.6	4.2
Average excess return (% p.a.) (Net)	3.6	3.2
Outperformance consistency (Gross)	100%	100%
Outperformance consistency (Net)	100%	100%

Performance[5]	3 Months (%)	1 Year (%)	3 Years (% p.a.)	5 Years (% p.a.)	Since Inception (% p.a.)
Composite (Gross)	-7.7	12.8	21.2	17.7	18.1
Composite (Net)	-7.9	11.9	20.3	16.7	17.2
S&P 500 NTR Index	-4.7	15.2	18.3	15.4	15.9
Excess (Gross)	-3.0	-2.4	2.9	2.3	2.2

Annual Performance[5]	CYTD (%)	2021	2020	2019	2018	2017
Composite (Gross)	-7.7	31.1	22.4	36.4	-2.6	21.7
Composite (Net)	-7.9	30.0	21.4	35.3	-3.4	20.7
S&P500 Net TR Index	-4.7	28.2	17.8	30.7	-4.9	21.1
Excess (Gross)	-3.0	2.9	4.6	5.7	2.3	0.6

[1] US Sustainable Strategy is currently based on a proprietary portfolio.
[2] Comprised of all Sustainable Strategies.
[3] The data is based on a representative portfolio for the strategy. Sectors are internally defined. Geographical exposure is calculated on a look through basis based on underlying revenue exposure of individual companies held within the portfolio. Exposures may not sum to 100% due to rounding. Refer to the Important Notice below for further information.
[4] Rolling 3-year returns are calculated in USD and rolled monthly for the duration of each period shown. The average excess return is then calculated for each period, with outperformance consistency indicating the percentage of positive excess returns. Strategy inception is 1 January 2017.
[5] Returns are for the US Sustainable Composite and denoted in USD. Performance would vary if returns were denominated in a currency other than USD. Strategy inception is 1 January 2017. Refer to the GIPS Disclosure section below for further information. 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.
^ Combined risk ratio is a measure of relative beta and relative drawdown to S&P500 NTR Index (USD). Please contact MFGAM should you wish for further details on the calculation.

The S&P 500 TR Index is a float adjusted market capitalization weighted index that is designed to measure the equity performance of the top 500 companies in the United States. 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.

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 US Sustainable composite is a concentrated global equity strategy investing in high quality companies (typically 20-50 stocks), domiciled in the United States, with an integrated low carbon overlay. High quality companies are those companies that have sustainable competitive advantages which translate into returns on capital materially in excess of their cost of capital for a sustained period of time. The investment objectives of the US Sustainable strategy are to earn superior risk adjusted returns through the business cycle whilst minimising the risk of a permanent capital loss with an integrated ESG strategy with meaningfully lower carbon intensity than broader equity markets. The composite was created in January 2017. Prior to May 29, 2018 the composite was named the US Low Carbon Composite.

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

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.

USD is the currency used to calculate performance.

Market Commentary

US stocks tumbled in the March quarter after bond yields surged, companies said higher inflation would curb margins and investors readied for up to another 11 US rate increases by the end of 2023 after the Federal Reserve embarked on the first of an expected series of rate increases to quell US inflation at its highest in 40 years. The S&P 500 Index lost 4.9%.

In March, a report showed inflation reached 7.9% in the 12 months to February, the fastest pace since 1982. Soon after, the Fed raised the US cash rate by 0.25% from close to zero. Projections released after the central bank's policy-setting board meeting showed the median board member expects to authorise another 11 rate increases of 25 basis points by the end of 2023 that would lift the key rate to 2.8%. Fed Chair Jerome Powell further boosted bond yields when he warned the central bank might increase the cash rate in steps of 50 basis points if inflation stayed high.

Strategy Commentary

The strategy recorded a negative return for the quarter. The biggest detractors were the investments in Netflix, Meta Platforms and Home Depot. Netflix fell after the streaming service said it expected subscriber growth to slow. Meta fell after the owner of Facebook offered only a weak revenue forecast due to Apple privacy restrictions inhibiting the reach and effectiveness of its advertising and its Facebook site suffered its first drop in regular users due to the popularity among the young of TikTok. Home Depot slid after gross profit margins declined in the fourth quarter and the company warned elevated costs due to supply problems would hurt profit margins.

The biggest contributors were the investments in PayPal Holdings, Visa and Aon. PayPal surged after recent declines made its valuation attractive. Visa jumped after its first-quarter 2022 results beat forecasts as payments volumes including across borders increased, which enabled the company to hold back on costly client incentives. Aon rose as new business helped the insurance company post a fourth-quarter earnings report that beat expectations.