

FUND STRATEGY

The ATLAS Infrastructure Global Strategy aims to provide investors with exposure to a selection of high quality infrastructure equities. The portfolio will be invested in OECD countries only and is a high conviction strategy focussed on investing in infrastructure securities which provide the optimal balance of return and risk. The fund aims to monitor and manage carbon and climate change risk exposures within set tolerances.

COMMENTARY

The ATLAS portfolio returned 6.30% (net of fees) in January versus the benchmark return of 0.56%. The total contribution to local returns from our equity holdings was 6.35%. The main contributors in the period were our holdings in Elia System Operator, AENA and Getlink. Avangrid was the main detractor.

PORTFOLIO METRICS

| | |
|-------------------|--------|
| Number of stocks: | 18 |
| Cash holding: | 7.3 % |
| Gearing ratio: | 45.0 % |
| Dividend yield: | 3.8 % |

PERFORMANCE

| | Fund ¹ | | | Benchmark ² | | | Excess | | |
|----------------|-------------------|--|--|------------------------|--|--|--------|--|--|
| | | | | | | | | | |
| 1 month | 6.3 | | | 0.6 | | | 5.7 | | |
| 3 months | 6.8 | | | 1.6 | | | 5.2 | | |
| 12 months | 13.9 | | | 7.4 | | | 6.5 | | |
| Inception p.a. | 11.6 | | | 6.8 | | | 4.8 | | |

CONTRIBUTORS (LTM)

| | (%) |
|------------------------------|------|
| Elia System Operator SA | 1.93 |
| Getlink SE | 1.38 |
| Norfolk Southern Corporation | 1.32 |

SECTOR (Top 5)

| | (%) |
|----------|------|
| Electric | 42.2 |
| Airport | 12.3 |
| Railway | 12.0 |
| Gas | 4.8 |
| Water | 4.6 |

HOLDINGS (Top 10)

| | (%) |
|-------------------------------------|-----|
| Elia System Operator SA | 8.3 |
| Getlink SE | 8.2 |
| Aena S.M.E. SA | 7.8 |
| Spark Infrastructure Group Ltd. | 7.2 |
| Terna S.p.A. | 4.8 |
| Snam S.p.A. | 4.8 |
| Redes Energeticas Nacionais SGPS SA | 4.6 |
| Severn Trent Plc | 4.6 |
| Flughafen Wien AG | 4.5 |
| Edison International | 4.4 |

DETRACTORS (LTM)

| | (%) |
|--------------------------|-------|
| Williams Companies, Inc. | -0.55 |
| Aena SME SA | -0.26 |
| Edison International | -0.11 |

GEOGRAPHY (Top 5)

| | (%) |
|---------------|------|
| United States | 22.4 |
| Australia | 15.9 |
| Italy | 9.5 |
| Portugal | 8.6 |
| Belgium | 8.3 |

1. Fund¹ calculated by Northern Trust net of fees and taxes assuming income reinvested.

2. Benchmark² return is calculated by Northern Trust (G7 Inflation +5%).

3. Contributors and detractors (last twelve months) are reported in their local currency.

FUND DETAILS

| | |
|----------------------|--------------|
| Identifier: | IE00BF6X3197 |
| Inception: | 3-Oct-2017 |
| Share class: | GBP Hedged |
| Currency: | GBP |
| Hedging: | Yes |
| NAV: | 2.6m |
| Total assets: | 11.7m |
| Fees: | 1.2 % |
| Total expense ratio: | 1.2 % |

ADDITIONAL DETAILS

| | |
|-------------------------|-------------|
| Application price: | 113.8277 |
| Redemption price: | 113.8277 |
| Buy/sell spread: | 0 |
| Minimum investment: | 50,000 |
| Distribution frequency: | Semi-Annual |
| Latest distribution: | 0.3676 |
| Distribution date: | 31-Dec-2018 |

PORTFOLIO POSITIONING & MACRO OUTLOOK

At the end of the month the ATLAS portfolio was 93% invested. Compared with the investment universe the portfolio has a neutral exposure to GDP and a more hedged position to CPI and long bonds. The portfolio has a defensive positioning compared to the universe in the event of a stagflation scenario, and a small negative impact in a recession scenario. The portfolio has a small positive exposure to fast transition compared with an overall negative exposure in the universe.

MONTHLY STOCK HIGHLIGHT

Terna owns and operates the Italian electricity network, including responsibility for dispatching and security of supply as a System Operator. Terna is the largest electricity Transmission System Operator in Europe, and owns 99.7% of the national network (63,500k of power lines), having acquired an incremental 13% network share in 2015. Terna's transmission and dispatching activities are regulated by ARERA under a building-blocks, price-cap mechanism, resulting in stable cashflows for investors and adequate returns on each new investment in the grid. Terna also currently receives incentive payments for bringing 'strategic assets' into service, in line with its investment plan. Terna have announced a €5.3bn investment plan through 2022, which aims to accomplish EU-mandated energy objectives. The plan aims to increase Italian cross-border connection capacity to 5GW, in addition to integrating new renewables capacity and reducing energy losses and network bottlenecks.

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