Lazard Global Listed Infrastructure Active ETF

LAZARD ASSET MANAGEMENT

June 2025

The **Lazard Global Listed Infrastructure Fund** (the "Fund") is an actively managed, high conviction benchmark unaware portfolio with the objective to achieve total returns (before the deduction of fees and taxes) that outperform inflation, as measured by the Australian Consumer Price Index, by 5% per annum over rolling five-year periods. Managed since 2005 by an experienced listed infrastructure team, they apply a disciplined approach that focuses on identifying and investing in infrastructure companies that have 'Preferred' characteristics such as revenue certainty, profitability and longevity, derived from monopoly or monopoly-like underlying assets, that are trading at a discount relative to our assessment of their intrinsic value. Global listed infrastructure is an attractive asset class with a low correlation to global equities and fixed income over the long term, offers superior yield and a defensive outcome compared to other growth asset classes due to the predictable nature of the underlying businesses.

Fund Facts

Inception Date	5 October 2005
Total Fund Size	A$2,465.5m
Total Management Costs	0.98% p.a.
Minimum Investment	A$20,000
Buy/Sell Spread	+0.25%/-0.25%
Distributions	Quarterly[1]
APIR Code	LAZ0014AU
Cboe Ticker	GIFL
Benchmark	Benchmark unaware – MSCI World Core Infrastructure Index for short-term performance comparison

Strategy Highlights

Diversification

Historically offered attractive yield, strong performance and lower risk than global equities

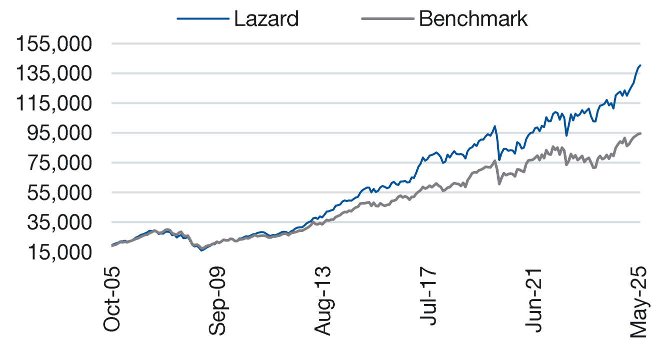
Inflation-linked

Companies' revenue streams are implicitly or explicitly linked to inflation

Risk Adjusted Returns

Historically defended well in downturns in comparison to global equity markets

Growth of $20,000



Performance[2]

(%; net of fees. As of 30 June 2025)

				Annualised			
	1M	3M	1Y	3Y	5Y	10Y	Since Inception
Fund	1.2	9.2	26.1	10.5	10.7	9.8	10.4
Benchmark[2]	0.6	2.9	18.9	5.6	7.3	7.5	8.2
Excess Return	0.6	6.3	7.2	4.9	3.4	2.3	2.2

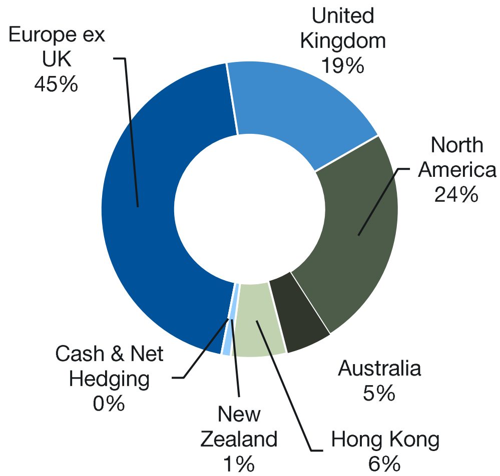
[1] Distributions are made quarterly if of an economic size.

[2] The Global Listed Infrastructure Index (AUD Hedged) from inception to 31 March 2015, is the UBS Global 50/50 Infrastructure and Utilities Net Index (AUD Hedged); from 1 April 2015 to 30 June 2018, the FTSE Developed Core Infrastructure 50/50 100% Hedged to AUD Net Tax Index; and thereafter, the MSCI World Core Infrastructure 100% Hedged to AUD Index.

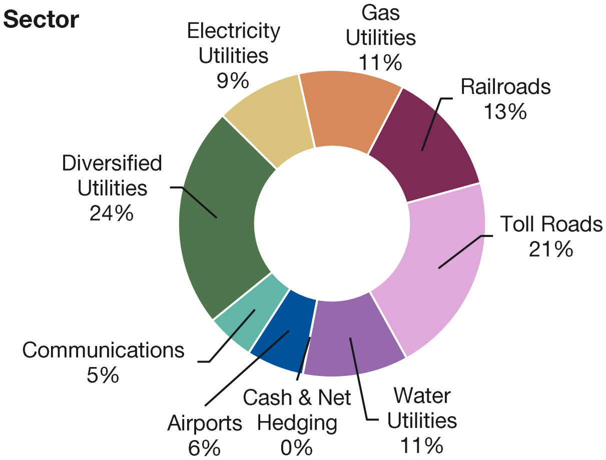
Investments can go up and down. Past performance is not necessarily indicative of future performance. Fund returns are adjusted and are quoted after the deduction of Management Costs. Performance assumes reinvestment of all distributions.

Allocations

Region

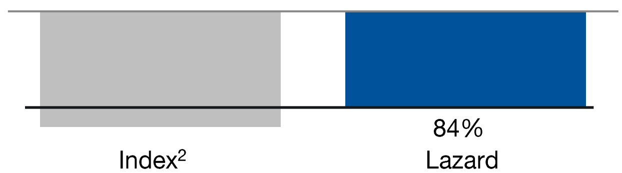


Sector



	Lazard	Benchmark	Premium/ Discount (%)
Number of Holdings	28	95	
EV:EBITDA Multiple (X)	13.0	13.3	-1.9
EBITDA Margin (%)	32.9	33.2	-1.1
Forward Price/Earnings	17.6	20.2	-13.1
Dividend Yield (%)	4.1	3.5	15.8
Turnover (% p.a., 3 Year)	32.6	-	-

Down Market Capture Ratio[3]



Top 10 Holdings

	Lazard (%)	Sector
National Grid	8.1	Diversified Utilities
Ferrovial	8.1	Toll Roads
Vinci	8.0	Toll Roads
CSX	8.0	Rail Roads
Snam	6.7	Gas Utilities
Terna	6.2	Electricity Utilities
United Utilities	4.8	Water Utilities
Norfolk Southern	4.7	Rail Roads
Severn Trent	4.7	Water Utilities
Italgas	4.3	Gas Utilities

[3] Down Market Capture Ratio is calculated since inception and based on performance net of all fees. Down Market capture is a statistical measure of an investment manager's overall performance in down markets, being calendar months where the Index experiences negative performance. A Down Market Capture ratio (or percentage) of less than 100 (or 100%) reflects that the manager, on average, has outperformed the Index during such down markets.

Commentary

Global equity markets rose in the second quarter, in a volatile period marked by a steep sell-off after the rollout of US tariffs in early April, which was then followed by a recovery through May and June. US trade policy remained a focal point for investors, as negotiations between the US and its major trading partners continued amid hopes that the US will adopt a more accommodating stance on import taxes. The US stock market ended the quarter at a new record high despite uncertainty about tariffs and the Federal Reserve's decision to hold interest rates steady because of it. The strong rally staged by European equity markets in the first two months of the quarter fizzled in June, with most major markets posting minor losses in local terms. Inflation numbers picked up in June, fuelling speculation that the European Central Bank might pause its rate-cutting campaign.

Pleasingly, the Lazard Global Listed Infrastructure Active ETF returned 9.19% (net of fees) during the quarter ending 30 June 2025, outperforming the MSCI World Core Infrastructure 100% Hedged to AUD Index, which returned 2.93%, but slightly underperforming the MSCI World Local Currency Index, which returned 9.51% for the same period.

Calendar year to date, global listed infrastructure has outperformed global equities due to its defensive characteristics and resilience apparent amid market uncertainty.

The Lazard Global Listed Infrastructure Active ETF has also maintained a strong income profile, with a distribution yield of approximately 6.64% for the 2025 financial year.

Whilst the strategy continues to deliver strong performance for clients, and we have observed high valuations in specific pockets of the global listed infrastructure universe, we do continue to see valuation upside across the portfolio. The chart below illustrates that the current portfolio of stocks as at 30 June 2025 is trading at a 19% discount compared to the strategy's average trading levels over the past 15 years.

Key contributors:

Through the June quarter, US freight railroad CSX performed strongly against the backdrop of a rising market. This was driven by a number of factors including the partial de-escalation of the US-China trade tariff negotiations, as well as some industry rumours being stoked about the prospect for railroad mergers. On this latter news, despite the high barriers in place, including requirements that mergers pass a public interest test and that any merger would enhance competition, we believe a successful merger could substantially reduce friction at interchange points between railroads, and unlock greater efficiency across the network. In our view, the likelihood of such

Lazard Global Listed Infrastructure vs MSCI World Index

Relative P/E

Data as of 30 June 2025.
Investment characteristics are based upon a representative account. P/E is using a forward-looking P/E (NTM). This information is for illustrative purposes only.
Please refer to "GIPS® Composite Information" for additional information, including net-of-fee results. The performance quoted represents past performance. **Past performance does not guarantee future results.** The index is unmanaged and has no fees. One cannot invest directly in an index. For definitions, please refer to appendix.
Lazard estimates based on historical financial accounts of companies held in the Portfolio. All estimates are based on current information and are subject to change.
Source: FactSet, Lazard Asset Management Pacific.

mergers remains speculative. We maintain our position in CSX based on its intrinsic valuation, which we believe offers reasonable long-term value.

Strong results saw French toll road operator Vinci and global infrastructure owner/operator Ferrovial add to performance. Vinci continued its strong start to the year as the Q1 2025 revenue release confirmed not only the positive revenue expectations for motorways and airports but also suggested continued strong cash flow generation, one of Vinci's key strengths. Meanwhile, Ferrovial reported a 19.1% increase in adjusted EBITDA in Q1 2025, reflecting solid operational momentum. We believe the company's focus on high-return, inflation-protected infrastructure assets, including the recent acquisition of the 407 ETR motorway in Canada at what we saw as a fair price, underpins our confidence in our valuation.

Key detractors:

The market rotation however saw US utility's Exelon and American Electric Power underperform despite solid results.

Satellite operator Eutelsat's share price also exhibited notable volatility during the quarter, retreating from the sharp gains seen in Q1. Late in the quarter, the company announced plans for a €1.35 billion capital increase to be completed by year-end. This initiative is aimed at bolstering Eutelsat's financial flexibility, accelerating debt reduction, and supporting strategic investments in its Low Earth Orbit (LEO) satellite capabilities, including the development of the IRIS² constellation.

Outlook

The combination of volatile equity markets and our conservative approach leads us to view current market conditions cautiously. We see pockets of attractive value opportunities, particularly in Europe. We have long cautioned investors about the valuation of the US utility sector and we have been underweight this sector for some time. While we remain cautious, we are beginning to see specific stock opportunities within the sector, which we may pursue in the months ahead.

While certain regions and sectors remain expensive, we believe Lazard's experience and skill in evaluating mispriced opportunities and applying appropriate valuations is critical. In our opinion, the only way to generate returns that properly compensate for the risk taken is through highly selective stock-picking. Value is emerging now and on a 5-year view and valuations look more attractive on a risk/return basis. We believe returns available in the strategy look relatively attractive at this time when compared to a passive investment in infrastructure indices, bonds or in broader equity markets. We believe the preferred infrastructure characteristics we seek for all our investments will continue to serve our investors well over the longer term.

For more information, call us on 1800 825 287
or visit www.lazardassetmanagement.com