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Global Listed Infrastructure

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A word on risk

Investing involves risk; principal loss is possible. There is no guarantee that the strategy's investment objectives will be achieved. Concentration in infrastructure-related securities involves sector risk and concentration risk, particularly greater exposure to adverse economic, regulatory, political, legal, liquidity, and tax risks associated with MLPs and REITs. Foreign investments involve additional risks including currency fluctuations and economic and political instability. These risks are magnified in emerging markets. Common stocks are subject to market risk or the risk of decline. Small- and mid-cap stocks are subject to greater price volatility. The use of derivatives involves substantial financial risks and transaction costs. The strategy's potential investment in other investment companies means shareholders bear their proportionate share of strategy expenses and indirectly, the expenses of other investment companies. strategy investments in ETFs may involve tracking error. Preferred securities may involve greater credit risk than other debt instruments. These and other risks should be considered.
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Why infrastructure?

Infrastructure may provide lower volatility.

Causes of volatility	Infrastructure's volatility defense
Supply Unexpected changes in supply, supply disruptions, or unforeseen additional supply brought online	**Monopolistic or quasi-monopolistic** Infrastructure assets offer relatively stable supply availability
Demand Unexpected changes in product demand	**Regulated** Infrastructure companies must be regulated to ensure fair pricing due to relatively consistent demand
Access to capital Absence of capital availability strains companies' liquidity positions and can cause price swings	**"Mission critical"** Infrastructure projects are better able to access capital because they are needs-based investments that facilitate more efficient functioning of economies

Infrastructure assets available through listed markets

Due to global privatization initiatives, many mission-critical infrastructure assets throughout the world are:

- Operated by companies rather than governments
- Available for investment only through the listed, publicly traded markets

Specific examples are:

Airports	Seaports	Public transportation
Sydney	Shenzhen	London bus system
Zurich	Hong Kong	Singapore light rail system
Vienna	Sydney	Hong Kong light rail system
Frankfurt	Hamburg	
Beijing	Shanghai	
Paris	Dalian	
Cancun	Port of Santos (Sao Paulo)	
London (Heathrow)		

Redefining infrastructure — our approach

Our universe extends to tangible asset-based companies not included in the S&P Global Infrastructure Index,[1] creating lower exposure to traditional utilities.

Transportation

- Airports
- Ports
- Toll roads
- Construction/concessions
- Parking lots
- Rail/public transportation

Utilities/energy

- Pipelines
- Alternative energy
- Waste
- Electric transmission
- Gas utilities
- Water infrastructure
- Electric utilities

Social infrastructure/ government outsourcing

- Government outsourcing facilities management
- Hospital/healthcare

Communications infrastructure

- Cell phone towers
- Data centers
- Satellite systems

1 The benchmark for the Global Infrastructure strategy.

Redefining infrastructure — our approach

Similar assets may vary considerably in suitability for an infrastructure portfolio depending on the structure of their contracts/concessions and their sensitivity to economic growth.

Sector betas are from representative companies in the applicable sector. The beta is relative to the MSCI World Index over a 5 year period.

Disclosures

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