

# Magellan Sustainable Fund (Managed Fund)



TICKER: MSUF | APIR: MGE4669AU | ARSN: 645 516 187

AS AT 30 JUNE 2024

## PORTFOLIO MANAGER

ALAN PULLEN

### INVESTMENT PHILOSOPHY

To invest in outstanding companies at attractive prices within a framework that considers environmental, social and governance risks, while exercising a deep understanding of the macroeconomic environment to manage investment risk.

### OBJECTIVES

To achieve attractive risk-adjusted returns over the medium to long-term while reducing the risk of permanent capital loss. This incorporates consideration of environmental, social and governance risks and the application of a proprietary low carbon framework.

### PORTFOLIO CONSTRUCTION

High conviction (20 - 50 securities), with high quality focus. Integration of ESG screens and risk assessment together with a proprietary low carbon framework overlay. Typical cash and cash equivalents exposure between 0 - 20%.

### INVESTMENT RISKS

All investments carry risk. While it is not possible to identify every risk relevant to an investment in the fund, we have provided details of risks in the Product Disclosure Statement. You can view the PDS for the fund on Magellan's website [www.magellangroup.com.au](http://www.magellangroup.com.au).

## ENVIRONMENTAL, SOCIAL, GOVERNANCE AND LOW CARBON

The fund excludes companies whose activities in our view may have wide-ranging detrimental impacts on society for example tobacco production, controversial weapons and mining of coal<sup>†</sup>

Companies are reviewed and scored for the materiality of their exposure to environmental, social and governance factors.

Exposures to industry exclusions is assessed by reference to the total (gross) revenue\* of the company provided by MSCI ESG Manager.

We overlay our proprietary low carbon framework to deliver a portfolio with meaningfully lower carbon intensity than broader equity markets<sup>\*\*</sup>.

## MAGELLAN SUSTAINABLE FUND (MANAGED FUND): KEY PORTFOLIO INFORMATION

TICKER	FUND SIZE	BUY/SELL SPREAD <sup>1</sup>	MANAGEMENT AND PERFORMANCE FEES <sup>2</sup>	INCEPTION DATE
MSUF	AUD \$8.4 million	0.07% / 0.07%	1.36% p.a. and performance fee of 10% of dual hurdle excess return <sup>†</sup>	11 December 2020

<sup>†</sup> 10.0% of the excess return of the units of the Fund above the higher of the Index Relative Hurdle (MSCI World NTR Index (AUD)) and the Absolute Return Hurdle (the yield of 10-year Australian Government Bonds). Additionally, the Performance Fees are subject to a high water mark.

### PERFORMANCE<sup>3</sup>

	1 MONTH (%)	3 MONTHS (%)	6 MONTHS (%)	1 YEAR (%)	3 YEARS (% p.a.)	Since Inception (% p.a.)
MSUF	1.8	1.0	12.9	20.4	9.8	11.3
MSCI World NTR Index (AUD)*	1.6	0.3	14.2	19.8	11.1	13.9
Excess	0.2	0.7	-1.3	0.6	-1.3	-2.6

CALENDAR YEAR RETURNS	CYTD (%)	2023 (%)	2022 (%)	2021 (%)	2020 (part year)
MSUF	12.9	29.5	-17.1	22.3	-1.2
MSCI World NTR Index (AUD)*	14.2	23.0	-12.2	29.3	-0.3
Excess	-1.3	6.5	-4.9	-7.0	-0.9

Past performance is not a reliable indicator of future performance.

### PERFORMANCE CHART GROWTH OF AUD \$10,000<sup>3</sup>



Past performance is not a reliable indicator of future performance.

30 June 2024 <sup>#</sup>	FUND	INDEX*
CARBON INTENSITY (CO <sub>2</sub> T/US\$1M REVENUE)	30	94

<sup>#</sup> Carbon intensity data available on a quarterly basis.

Source: MSCI. Reproduced by permission.

The Fund's carbon intensity score is calculated using MSCI data. In a limited number of circumstances, where data is not available or Magellan deems it appropriate, manual adjustments are made to the MSCI carbon intensity score for certain investments held by the fund.

<sup>^</sup> Please see the PDS for a full list of industry exclusions and revenue thresholds for exclusion.

<sup>\*</sup> Net revenue or an estimate of gross (or net) revenue will be used where gross revenue is not available.

<sup>\*\*</sup> Our low carbon framework aims to limit the carbon intensity of the portfolio to one-third of the weighted average carbon intensity of the MSCI World Index, as reported by MSCI. Please see the PDS for further detail.

<sup>1</sup> Only applicable to investors who apply for units directly with the Responsible Entity.

<sup>2</sup> Transaction costs may also apply – refer to the Product Disclosure Statement. All fees are inclusive of the net effect of GST.

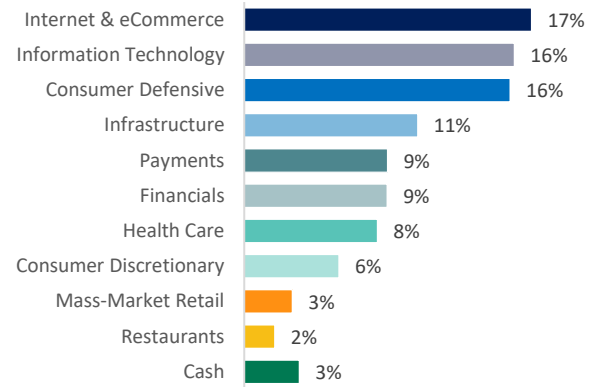
<sup>3</sup> Calculations are based on exit price with distributions reinvested, after ongoing fees and expenses but excluding individual tax, member fees and entry fees (if applicable). Returns denoted in AUD.

\* MSCI World Net Total Return Index (AUD). All MSCI data used is the property of MSCI. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI and its affiliates assume no liability for or in connection with the data. Please see complete disclaimer in [www.magellangroup.com.au/funds/benchmark-information/](http://www.magellangroup.com.au/funds/benchmark-information/)

## TOP 10 HOLDINGS

STOCK	SECTOR <sup>4</sup>	%
Microsoft Corporation	Information Technology	7.6
Nestlé SA	Consumer Defensive	6.7
Amazon.com Inc	Internet & eCommerce	6.3
Alphabet Inc	Internet & eCommerce	6.0
Taiwan Semiconductor - SP ADR	Information Technology	4.8
Booking Holdings Inc	Consumer Discretionary	4.8
Novartis AG	Health Care	4.2
SAP SE	Information Technology	4.0
Meta Platforms Inc	Internet & eCommerce	3.9
Intercontinental Exchange Inc	Financials	3.9
<b>TOTAL:</b>		<b>52.3</b>

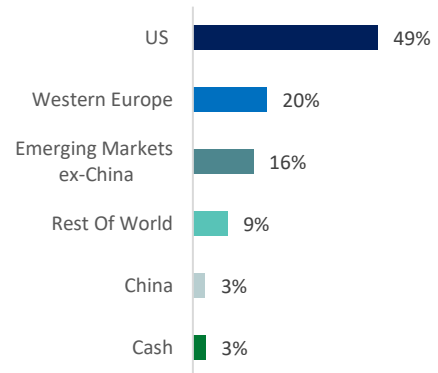
## SECTOR EXPOSURE BY SOURCE OF REVENUE<sup>4</sup>



## TOP CONTRIBUTORS/DETRACTORS 1 YEAR<sup>5</sup>

TOP 3 CONTRIBUTORS	CONTRIBUTION TO RETURN (%)
Alphabet	3.4
Meta Platforms Inc	3.1
Microsoft Corporation	2.3
TOP 3 DETRACTORS	CONTRIBUTION TO RETURN (%)
Nestlé SA	-0.9
Reckitt Benckiser Group	-0.9
Dollar General Corporation	-0.6

## GEOGRAPHICAL EXPOSURE BY SOURCE OF REVENUE<sup>4</sup>



<sup>4</sup> 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.

<sup>5</sup> Shows how much the stock has contributed to the fund's gross return for the period in AUD. Excludes non-disclosed positions established in the latest quarter.

## Market Commentary

### 3 months

During the June quarter the MSCI World Index gained 2.6% in USD and 0.3% in AUD. Markets globally diverged with returns being driven by two distinct themes: 1) central banks and governments balancing a slowing of inflation with economic data prints and gauging the right level for interest rates, and 2) continued optimism around the building of infrastructure (chips, data centres) for Generative Artificial Intelligence. Companies that are well positioned to benefit from these new growth opportunities performed well while companies more at risk if demand growth slows too much were weaker. Consequentially, Information Technology (+11.4%) and Communication Services (+8.1%) were by far the strongest sectors in the June quarter, while economic sensitives gave back some of the first quarter gains, with Materials (-3.5%), Consumer Discretionary (-2.3%), Industrials (-2.2%), Energy (-1.3%) and Financials (-0.4%) all lower.

The huge investments, an arms race, to build capacity and capability in Artificial Intelligence (AI) rolled on this quarter and share prices followed. US markets were strongest regionally, given it is the home to most major technology companies, with the Nasdaq Composite up 8.3%, followed by the S&P 500 index up 3.9%. Decoupling trends further accelerated as the US imposed tariffs on China's electric vehicles and further limited China's access to semiconductor-related equipment. The US election in November 2024 is filling much column space, but we do not see many areas of truly material policy differences. Most, including us, see Trump's more likely policies as broadly more positive for US corporates and thus equity investors.

After a 20% gain in the March quarter, Japan's Nikkei 225 index dipped 2% in the June quarter. In March the Bank of Japan raised rates from -0.1% to a range of 0.0%-0.1%, the first rise in 17 years and its first move out of negative rates in eight years. The bank hopes to protect the Yen from further devaluation and cool its above-target 2.8% inflation. Unions have successfully been bargaining for higher wages.

Europe's Euro Stoxx 600 index was broadly flat in the quarter, down by 0.2%. President Macron called a snap election in France, causing a sharp sell-off in French bonds and stocks on concerns of a right-wing government gaining control. Europe's recovery is in its early stages with the euro area and UK growth turning positive and disinflation bringing inflation to 2.5% in the EU and 2% in the UK – good news for policy makers. Indeed, the ECB cut its policy rate by 25bp in June. The EU and UK unemployment rates were 6% and 4.4% respectively in May 2024. The German 10-year Bunds rose to 2.5% from lows of just under 2% in December 2023.

Australia's ASX 200 was down 1.1%.

In China the CSI 300 index fell 3.3% as policy support remained modest. Economic activity was led by improving exports while the consumer remains cautious, preferring to save rather than spend. May data showed retail sales rose 3.7% year on year, exports rose 7.6% year on year and the USD-CNY remains above 7.2. The Third Plenum begins on July 15 where China's government lays out its long-term growth target.

### 12 months

The MSCI World Index rose strongly this past year, by 20.2% in USD and 19.8% in AUD, fuelled by the significant investments being made to unlock the productivity and growth opportunities that will be enabled by AI and Generative Artificial Intelligence. At the same time, economic growth has held up well, particularly in the US, despite tight monetary policy around the world to bring inflation back down to acceptable levels of closer to 2%. This reflected an improving outlook in many cyclical sectors as both fiscal policy and strong corporate spending have driven growth.

All sectors rose in local currency terms, with Information Technology (+38.8%) and Communication Services (+38.2%) clear beneficiaries of the strengthening growth anticipated from AI, followed by Financials (+25.0%), Industrials (+17.7%) and Energy (+16.4%) revealing the expectations of cyclical recovery. The weakest sectors were Consumer Staples (+2.8%) and Utilities (+5.7%).

The S&P 500 index (USD) added 22.7% and the Nasdaq gained 28.9% in the year to end June 2024. The top five S&P 500 stocks are Microsoft, Apple, Nvidia, Alphabet and Amazon and the impressive performance has rested largely on these stocks. All are important players in driving technological innovation. The Federal Reserve has kept rates at 5.5% in seven consecutive meetings, with the last 25 basis points hike in July 2023. The consumer price index measured inflation at 3.3% in the 12 months to May – down from 4.1% a year earlier – while the Core PCE (which the Fed focuses on) resumed slowing in May (after three stable months at 2.8%) hitting 2.6%. The 10-year US Treasury yield finished the year at 4.4%.

Europe's Euro Stoxx 600 index (EUR) rose 10.7% for the year. After weakening up to October 2023, markets turned as it became clearer that disinflation was taking hold and the growth slowdown would not become a significant economic downturn. Food and energy prices, which had been particularly painful for Europeans, fell back quickly while household wealth is improving modestly. Household disposable incomes are rising at ~5.8% with employee compensation rising at a similar rate. European Union and China trade relations became increasingly difficult over the past year, and this could have profound impacts on multinationals operating across both jurisdictions. Tariffs on Chinese EVs and other measures seem likely as the EU tries to derisk its economy and supply chains.

Japanese shares had another strong year, as the Nikkei 225 index advanced 19.3% in Yen (7% in USD). The Japanese share market has benefited from improved corporate governance, a weak Yen benefiting exporters (such as its car industry) and changes in regulations on investment accounts that have also boosted share purchases. In March 2023, the Tokyo Stock Exchange (TSE) requested companies to take "action to implement management that is conscious of the cost of capital and stock price". The evidence of changes is increasingly widespread and has been a material factor in boosting shareholder returns in Japan.

China's CSI 300 index fell 9.9% over the year, though has been closer to flat in the past six months. China's growth outlook has stabilised as exports are picking up to fill the gap being left by weak domestic consumption. This is tied to poor consumer confidence, as much household wealth remains tied to real estate where prices continue to fall as the market digests oversupply.

Australia's ASX 200 index (AUD) ended the year up 12.1% after a strong first half with a relatively stable currency at around 66c. Australia's economic growth has remained positive but weak, while population growth is strong (up 2.5% as last measured in December 2023 due principally to net migration) and inflation is easing, slowly. Unemployment is low and labour markets tight, so wage inflation is holding at around 4%.

## Fund Commentary

---

### 3 Months

The portfolio delivered a positive return for the quarter. Key contributors included Alphabet, TSMC and AIA Group. Alphabet rallied over 20% in the quarter as the market gained greater clarity on its prospects to capture strong future growth, especially as it related to the implementation of Generative Artificial Intelligence. Alphabet is continuing to innovate and experiment in Search while also reducing costs and improving profits in Cloud. TSMC (Taiwan Semiconductor Manufacturing Company) was also a Gen AI beneficiary; as the world's leading chip manufacturer it has benefited from increasing demand for AI-related semiconductors. AIA Group, a leading pan-Asian life insurer, reported strong quarterly earnings and highlighted a plan to return more money to shareholders.

Key detractors included Dollar General, Mastercard and US Bancorp. Dollar General reported a solid Q1 with increasing traffic albeit with work still to do on restoring margins. While actions to improve store efficiency and reduce theft (a major headwind over the past year or so) appear promising, it will take time to flow through into improving financials. Mastercard was negatively affected by noise surrounding the resolution of litigation dating back to 2005, and risk of slowing personal consumption expenditure. US Bancorp underperformed during the quarter as it trimmed its full-year net interest income guidance due to higher deposit costs.

### 12 Months

The portfolio delivered strong returns over the past year. Key contributors included Alphabet, Meta and TSMC. Alphabet delivered strong returns over the year reflecting earnings growth as improving ad spend resulted in an acceleration in Search revenue and the company carefully managed expenses. Following some early missteps, the company also reassured on its Generative AI roadmap, with leading models and increasing integration of AI features into their services such as Search, Google Cloud Platform, YouTube and Maps. Meta's performance was driven by strong top-line results throughout the year, owing to growing monetisation of its recommendation feeds and Reels format, heightened demand from Chinese advertisers and improvements in its ad performance (resulting in better advertiser returns). This top-line strength was supported by disciplined cost control. TSMC had a strong year as demand for semiconductors grew, partly reflecting contributions from AI-related chips where the company enjoys a virtual monopoly on leading-edge AI chip manufacturing.

Key detractors included Reckitt Benckiser, Nestlé and Dollar General. Reckitt's share price experienced a significant impact due to an unexpected jury award in connection with an ongoing lawsuit. Reckitt intends to appeal the jury decision and will continue to contest a series of multidistrict litigation (MDL) cases scheduled for late 2024 and early 2025. The current valuation has factored in a reasonable estimate for any potential awards. Nestlé's share price has underperformed due to an outage in its vitamins business caused by SAP integration issues that caused the company to lower its 2024 growth outlook. Volume growth has also remained subdued owing to consumer downtrading from inflation. Nestlé has implemented a number of strategic initiatives to ensure volume growth from 3Q24. Dollar General was negatively affected by both external and internal factors in the past year. Externally, the absence of government stimulus/support hit its core low-income consumer, and the business faced increasing competition from Walmart, Dollar Tree and Temu. Internally, management made executional missteps that negatively affected store operations and necessitated increased investment. Management has made progress on turnaround strategies and traffic trends have inflected positively.

*Index movements and stock contributors/detractors are based in local currency terms unless stated otherwise.*

## Developments in Sustainability

---

### 3 months

- **2024 Proxy season** saw a continued focus on environmental issues such as climate risk and animal welfare. Important social issues such as human rights, labour standards and nutrition were raised, encouraging improvement from companies. Within these shareholder proposals, we are seeing an increase in AI-related topics such as improved oversight of misinformation and human rights impacts.
- **Energy intensity of AI:** Google reported a 13% year on year increase in greenhouse gas emissions which contributed to a 48% increase compared to 2019. It highlights the energy-intensive nature of data centres powering AI technology. This remains a key focus for investors to ensure companies have credible climate strategies and targets to support the expansion of data centres. Google's climate targets include its 2030 goal to reduce emissions by 50% and invest in nature and technology-based carbon removal solutions. Importantly, they have formally committed to Science Based Targets initiative (SBTi).
- **First Agricultural carbon tax:** Denmark announced an intention to introduce a levy on farm emissions in what is set to be one of the world's first carbon taxes on agriculture, helping the Nordic nation reach its 2030 climate target with backing from key industry and environmental groups. This is an important consideration for companies dependent on an agricultural supply chain, particularly if it extends to other jurisdictions.
- **US Heatwave** - nearly 100m Americans have experienced extreme temperatures in June with some major cities declaring heat emergencies. Climate scientists working with the World Weather Attribution group said heatwaves that hit south-western US, Mexico and Central America

across June were made 35-times more likely by climate change. Companies need to consider adaptation and resilience planning in light of these physical risks from climate change.

## 12 months

During the year, we saw extreme weather events and elevated average temperatures during the Northern Hemisphere summer. These events have brought climate change to the forefront of global discussions such as COP28. The annual United Nations conference on climate change, COP28, reignited pivotal discussions on global climate strategy. While nearly every country agreed to a 'transition away from fossil fuels', there was no agreement on timing or approach. The lack of global unity, however, has not deterred some nations from driving climate action at the national level. Denmark announced its intention to introduce a levy on farm emissions in what is set to be one of the world's first carbon taxes on agriculture. This is an important consideration for companies dependent on an agricultural supply chain, particularly if it extends to other jurisdictions.

We continue to monitor the risks and opportunities related to climate through engagement and industry body participation. We attended the Investor Group on Climate Change (IGCC) annual summit during the year, where discussions focused on the risks and opportunities related to climate, including regenerative agriculture and renewables, and the importance of active engagement from investors. As part of the Net Zero Asset Manager's commitment, we have focused our efforts in the last year on assessing the 'alignment' of our investee companies to net zero utilising the Net Zero Investment Framework (NZIF). This analysis undertaken by our investment team informs climate risk assessment and progress against our targets.

Another key development in the year was increased AI regulation with the EU AI Act approved by the European Parliament. This is a significant piece of regulation to mitigate the social and human rights risks of AI. During the year, Magellan signed the 2024 Investor statement on Ethical AI with the World Benchmarking Alliance and contributed to the RIAA Human rights working group through the development of the RIAA AI and Human rights toolkit.

While the opportunities enabled by AI are exciting, we must also consider the impact on energy consumption and emissions. Google reported a 13% year-on-year increase in greenhouse gas emissions, which contributed to a 48% increase compared to 2019. This highlights the energy-intensive nature of data centres powering AI technology. It is important for companies to have credible climate strategies and targets to support the expansion of data centres.

The 2024 Proxy season saw a continued focus on these environmental issues, including climate risk. Important social issues such as human rights, labour standards and health & wellness were also raised, encouraging improvement from companies. Within these shareholder proposals, we are seeing an increase in AI-related topics such as improved oversight of misinformation and human rights impacts.

Sustainability-related financial reporting regulation continues to increase across the globe, led by the International Financial Reporting Standards (IFRS) Foundation released two new standards, IFRS S1 and IFRS S2, which include the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. The UK, Europe, Australia and New Zealand all provided information on country specific reporting standards which will require mandatory reporting for many companies. These developments should provide investors with more comparable information to integrate into risk assessment.

Finally, we are pleased to report that Magellan saw an uplift in the 2023 Principles for Responsible Investment (PRI) assessment. This is a reflection of our continued focus on enhancing ESG risk management and investment opportunities. A full copy of the assessment report is available on our [website](#).

## **Portfolio Positioning**

---

It was a relatively busy quarter, with three new positions entered and two positions exited. The new positions were AIA Group, Netflix and Ulta Beauty. AIA Group is a best-in-class pan-Asian life insurer with a long-term growth tailwind from rising incomes and insurance penetration in the region. Netflix, the world's leading streaming business, is a unique asset and is attractively valued considering its long-term growth opportunity and much improved profitability as the company reduced password sharing and rolled out an advertising supported tier. Ulta is a specialty chain of beauty stores in the US, selling skin, hair, make-up and body care products. The company manages approximately 1,400 stores and added a further 500 stores inside Target over the past year, bringing its Ulta x Target locations to 800. The company has built an engaged loyalty program which has attracted 43 million members. The program is also leveraged by suppliers for advertising services. Ulta is attractively valued following the expansion of competitor Sephora which has temporarily slowed sales growth in premium products.

The positions exited were Salesforce and McDonald's. Salesforce was exited on valuation following a period of strong performance. McDonald's was sold due to concerns regarding their value proposition following significant menu price rises.

When looking over the past 12 months, other additions were TSMC, Coca-Cola and American Express, which we have discussed in more detail in quarterly updates. Exits were Walmart, Proctor & Gamble and CME Group. Overall, our view is that the portfolio remains defensively positioned.

## **Outlook**

---

Markets continued to advance over the first half of 2024, notwithstanding relatively full valuations and softer economic data. Much of the market gains over the past two years have been driven by low starting valuations – in mid-2022 quality companies were available at substantial discounts to our estimate of their intrinsic value due to concerns at the time regarding rising interest rates and a potential recession – as well as strong fundamentals, with the economy performing better than anticipated and many portfolio companies delivering substantial revenue and earnings growth over the period underpinned by structural tailwinds such as the shift to

the cloud and the emergence of Generative Artificial Intelligence. While we believe AI will be an important technology that will drive significant opportunities in the future, the current hype around some stocks has advanced from being based on fundamentals to more speculative foundations. The re-emergence of 'meme' stocks such as GameStop is further evidence that speculative activity has increased. Such conditions can unwind quickly and warrant cautious portfolio positioning, albeit the exact timing of such an unwind is unpredictable.

## IMPORTANT INFORMATION

Units in the fund referred to herein are issued by Magellan Asset Management Limited ABN 31 120 593 946, AFS Licence No. 304 301 ('Magellan'). This material is issued by Magellan and has been prepared for general information purposes only and must not be construed as investment advice or as an investment recommendation. This material does not take into account your investment objectives, financial situation or particular needs. This material does not constitute an offer or inducement to engage in an investment activity nor does it form part of any offer documentation, offer or invitation to purchase, sell or subscribe for interests in any type of investment product or service. You should obtain and consider the relevant Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') and consider obtaining professional investment advice tailored to your specific circumstances before making a decision about whether to acquire, or continue to hold, the relevant financial product. A copy of the relevant PDS and TMD relating to the relevant Magellan financial product may be obtained by calling +61 2 9235 4888 or by visiting [www.magellangroup.com.au](http://www.magellangroup.com.au).

Past performance is not necessarily indicative of future results and no person guarantees the future performance of the fund, the amount or timing of any return from it, that asset allocations will be met, that it will be able to implement its investment strategy or that its investment objectives will be achieved. Statements contained in this material that are not historical facts are based on current expectations, estimates, projections, opinions and beliefs of Magellan or the third party responsible for making those statements (as relevant). Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. This material may contain 'forward-looking statements'. Actual events or results or the actual performance of a Magellan financial product or service may differ materially from those reflected or contemplated in such forward-looking statements. This material may include data, research and other information from third-party sources. Magellan makes no guarantee that such information is accurate, complete or timely and does not provide any warranties regarding results obtained from its use. No representation or warranty is made with respect to the accuracy or completeness of any of the information contained in this material. Magellan will not be responsible or liable for any losses arising from your use or reliance on any part of the information contained in this material.

Certain information contained herein (the "Information") is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates ("MSCI"), or information providers (together the "MSCI Parties") and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Further information regarding any benchmark referred to herein can be found at [www.magellangroup.com.au/funds/benchmark-information](http://www.magellangroup.com.au/funds/benchmark-information). Any third-party trademarks contained herein are used for information purposes only and are the property of their respective owners. Magellan claims no ownership in, nor any affiliation with, such trademarks. This material and the information contained within it may not be reproduced, or disclosed, in whole or in part, without the prior written consent of Magellan.