

Background Information for Financial Advisers

ClearBridge RARE Infrastructure Income Fund - Unhedged

Infrastructure consists of the physical assets that provide an essential service to society. These include assets such as airports, rail, roads, electricity and gas pipelines that local and national economies require to function and prosper. Importantly for investors, infrastructure assets are mostly long-dated, monopolistic assets that have historically provided relatively stable and predictable inflation-protected returns.

Listed infrastructure is comprised of publicly traded securities of infrastructure assets that combine historically dependable cash flows offered by infrastructure investments with the liquidity of a traded security. Investing in listed markets provides the flexibility to take advantage of market movements whilst enjoying the benefits of lower fees.

ClearBridge Investments Limited (ClearBridge) is a fund manager with a specialist investment team focused on global listed infrastructure securities. We are dedicated to identifying and investing in the best infrastructure assets in the listed infrastructure equity market with the goal of delivering strong absolute returns over an investment cycle. Our infrastructure investment team is one of the largest in the peer group and is focused on creating long-term value for investors through a deep understanding and pricing of infrastructure-related risks.

The **ClearBridge RARE Infrastructure Income Fund – Unhedged** (Fund) aims to provide investors with regular and stable income of 5% p.a. through an investment cycle, comprised of dividends, distributions and interest, plus capital growth from a portfolio of global infrastructure securities.

The Fund invests in a portfolio of global listed infrastructure securities which typically exhibit the following characteristics:

- ❖ Long life assets. Infrastructure assets are tangible assets that generally have very long operational lives
- ❖ Monopoly or duopoly assets. Many infrastructure companies benefit from monopoly market positions which we believe reduces the potentially negative impact of competitive market forces on returns
- ❖ Resilient and stable cash flows. Infrastructure companies provide predictable income distributions due to stable earnings derived from the underlying asset. Regulation



and/or long-term contracts provide stable cash flow and greater capital stability. For investors, this provides excellent visibility for revenues and dividends

- ❖ Attractive income distributions. Dividend payments form a significant component of returns which are typically higher than broader share markets
- ❖ Inflation Protection. Most infrastructure assets have an explicit link to inflation through regulation, concession agreements or contracts which provide inflation protection to investors.

ClearBridge believes that exposure to infrastructure assets can assist in providing diversification and lower volatility, whilst rewarding investors with regular income and capital growth over the medium term.

Should you have any further queries, please contact:

Nathan Ahboo

Head of Australian Intermediary Sales

M 0427 628 659

E NAhboo@ClearBridge.com

Jenny Pang

Regional Manager - NSW & ACT

T +61 2 9397 7334 | M 0400 209 583

E JPang@ClearBridge.com

Nick O'Hare

Regional Manager - VIC, SA & TAS

T +61 3 9595 3876 | M 0423 773 837

E NOhare@ClearBridge.com

Disclaimer: This document provides background fund information to assist financial advisers in preparing a Statement of Advice. This document does not take into account legal or regulatory obligations applying to financial advisers and does not constitute legal advice. This document is not a Statement of Advice and does not contain personal financial investment advice. It does not take into account the investment objectives, financial situation or needs of any investor or any type of investor. If a recommendation is made in relation to the ClearBridge RARE Infrastructure Income Fund - Unhedged, please refer to the current Product Disclosure Statement (PDS) dated 1 October 2021, Additional Information Booklet and Application Form which can be obtained at www.clearbridgeinvestments.com.au. Potential investors should consider the PDS before deciding whether to invest or continue to invest in the ClearBridge RARE Infrastructure Income Fund - Unhedged. Franklin Templeton Australia Limited (Franklin Templeton) is part of Franklin Resources, Inc. and the Responsible Entity for the ClearBridge RARE Infrastructure Income Fund - Unhedged. Franklin Templeton and ClearBridge Investments Limited (ClearBridge) do not guarantee any rate of return or the return of capital invested. Investments are subject to risks, including, but not limited to, possible delays in payments and loss of income or capital invested. Any opinions or outlook contained in this document are subject to change without notice and do not constitute investment advice or recommendations. ClearBridge is wholly, indirectly owned by Franklin Resources, Inc., and part of ClearBridge Investments, LLC.