

Ecofin Global Utilities and Infrastructure Trust plc (EGL)

As of 31/07/2020

Performance (to 31 July, 2020)

(all total returns in £)	1 M %	3 M %	6 M %	1 Y %	3 Y %	Since Admission* %
Net Asset Value	1.7	13.1	-3.2	5.9	33.4	41.8
Share Price	4.7	9.3	1.7	22.3	55.1	82.4
FTSE All-Share Index	-3.6	1.3	-17.7	-17.7	-9.1	0.7
FTSE ASX Utilities	-2.3	3.7	-9.3	15.2	4.5	-3.1
MSCI World Index	-0.9	8.5	0.4	0.5	27.2	44.8
MSCI World Utilities Index	1.0	5.7	-6.8	-0.5	23.3	30.4
S&P Global Infrastructure Index	-3.1	2.8	-18.2	-17.1	-5.2	4.3

*26 September, 2016.

Source: Bloomberg. Performance is shown on a total return basis, i.e., assuming reinvestment of dividends.

Yield, diversification, low volatility

Ecofin Global Utilities and Infrastructure Trust plc (EGL) is a closed-end investment company domiciled in the UK whose shares are listed and traded on the London Stock Exchange. The Company carries on its business so that it qualifies as an authorised UK investment trust. EGL invests primarily in the equity and equity-related securities of utility and infrastructure companies which are listed on recognised stock exchanges in European countries, the United States and other developed, OECD countries although it may invest up to 10% of its assets in companies whose equity securities are listed on stock exchanges in non-OECD countries. It may also invest up to 10% of its assets in debt securities, which are typically traded on over-the-counter markets.

Investment objective: The Company's investment objectives are to achieve a high, secure dividend yield on its investment portfolio and to realise long-term growth in the value of the portfolio for the benefit of shareholders while taking care to preserve capital.

Yield: The Company targets a dividend yield of at least 4% on net assets using gearing and, if necessary, reserves to augment the portfolio yield.

Gearing: EGL may borrow up to 25% of its net assets to earn a higher level of dividend income and to offer shareholders a geared return on their investment. The Company pursues a flexible gearing policy, borrowing in major currencies at floating rates of interest under a facility which allows the Company to repay its borrowings at any time without penalty.

Dividends

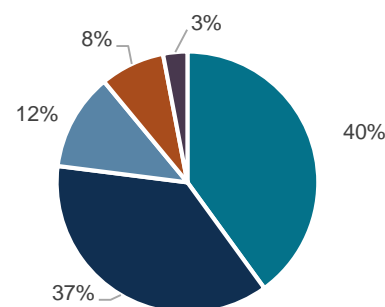
The Company announced in December 2019 an increase in the quarterly dividend rate to 1.65p per share (6.6p per annum), effective from the payment on 28 February, 2020. Quarterly dividend payments were previously 1.6p per share, or 6.4p per share per annum. Quarterly payment dates fall on the last business day in February, May, August and November.

As of 31 July, 2020

Net assets	£157,410,760
NAV per share	167.43p
Share price	170.00p
Premium/(Discount)	1.5%
Gearing	14.3%
Yield*	3.8%

*Yield is based on dividends paid (last 4 quarterly dividends) as a percent of the share price.

Geographical allocation (% of portfolio)



- North America
- UK
- Emerging markets
- Cont. Europe
- Other OECD

Sector allocation

	% of Portfolio
Regulated utilities	25
Transportation	16
Integrations	38
Renewables (incl. YieldCos)	<u>21</u>
	100

10 Largest holdings

	% of Portfolio	Country
NextEra Energy*	5.7	US
Enel	5.3	Italy
Iberdrola	4.6	Spain
RWE	4.6	Germany
Endesa	4.1	Spain
EDP	3.4	Portugal
National Grid	3.3	UK
Spark Infrastructure	3.2	Australia
Exelon	3.2	US
Engie	<u>3.1</u>	France
Total (43 holdings)	40.5	

*common shares; the portfolio also holds the issuer's convertible preferred stock

Manager's comments

- Weak economic data, corporate earnings reports and flare-ups of COVID-19 infections did weigh on equity markets and the US dollar in July. Benchmark government bond yields continued to fall while certain commodity prices (copper, natural gas) and gold ticked higher.
- Except in the UK, EGL's sectors continued to make progress in July, especially in the US where we had anticipated a catch-up for utilities which had lagged their global peers for a few months. The Company's NAV increased by 1.7%, rather better than the representative indices, the MSCI World Utilities Index (+1.0%) and the S&P Global Infrastructure Index (-3.1%) (all total returns in sterling). Currency played a significant role as sterling strengthened by approximately 5.5% against the US dollar and 0.6% versus the Euro, denting the NAV by circa 350bps.
- Although US utilities outpaced the rest by a considerable margin in July, with the S&P500 Utilities Index rising by 7.8%, US dollar weakness led to almost equal contributions to NAV performance from EGL's three regional buckets (North America, pan-Europe and rest-of-world). There was plenty of news-flow with Dominion's sale of its midstream business to Berkshire, Public Service Enterprise Group's plan to 'reduce overall business risk' by divesting of fossil-fuel assets (both ESG-friendly strategic moves), and unhelpful political scandals; there is also the favourable dynamic that clean energy is deemed to be a beneficiary of a Biden win in November.
- The portfolio had some notable movers during the month. Good news first: NextEra Energy (+17%) reported strong Q2 earnings and also interestingly announced a \$65mm pilot investment in hydrogen which it sees as a promising emerging renewable energy technology (to sit alongside wind, solar and battery storage). NEE will test the use of hydrogen at one of its newest, cleanest, most fuel-efficient generating plants in Florida in hopes of replacing a portion of the natural gas consumed with emissions-free hydrogen. Shares in China Longyuan Power, Asia's largest wind power producer, added to the portfolio early in June, rose about 27%. Endesa (+10%) reported earnings which showed a limited impact from the coronavirus crisis in H1 overall and its confident message confirmed full year guidance and the dividend policy. On the other hand, Ohio-based First Energy was knocked hard following allegations of its link to a bribery investigation involving two previously owned nuclear power plants; the CEO has denied wrongdoing. We accumulated additional stock when they dipped some 30% at one stage. Ferrovial was also weak during July (-12%) as there remains uncertainty around the pace of traffic recovery, notably for North American toll roads and Heathrow airport.
- Two of EGL's holdings, Terraform Power (or TERP, one of the best performing yieldcos year-to-date) and its parent Brookfield Renewable Partners (which owned 62% of TERP), merged at the end of July to form Brookfield Renewable Corporation (BRC), creating a giant pure-play renewable energy company with 19,000 MW of installed capacity in North America and Europe and an almost equally large pipeline of development opportunities.
- Gearing was held steady at c. 14%.



You'll notice the new colours and logo on this portfolio update which accompany an internal reorganisation at Tortoise to promote Ecofin as the firm's sustainability and impact-oriented brand and to expand the range of strategies associated with the Ecofin name (the Ecofin platform is a joint enterprise for Tortoise's UK and US strategies which have a sustainability focus). Tortoise Advisors UK Limited has been re-named Ecofin Advisors Limited ('Ecofin UK'); Ecofin Advisors LLC has been established as the advisor for U.S.-based or U.S.-managed Ecofin strategies; and our ultimate parent company, Tortoise Investments LLC, will soon change its name to TortoiseEcofin Investments LLC. The new website address is www.ecofininvest.com.

TICKER: EGL

SEDOL: BD3V464

ISIN: GB00BD3V4641

Key risk factors

All financial investments involve an element of risk. The value of your investment and the income derived from it will vary and there can be no assurance that the investment manager will be able to invest the Company's assets on attractive terms, generate investment returns for investors or avoid investment losses.

The Company focusses on investments in two sectors, the utilities and infrastructure sectors, and accordingly an investment in the Company's shares may be regarded as representing a more concentrated risk than the investment in the shares of a broadly diversified, generalist investment trust or fund.

The Company may employ gearing. Whilst the use of gearing should enhance the NAV per share when the value of the Company's underlying assets is rising, it will have the opposite effect when the underlying asset values are falling.

The Company invests to a considerable extent in securities which are not denominated or quoted in Sterling, the Company's base currency. Movements in exchange rates will, therefore, have an effect, favourable or unfavourable, on the return on an investment in the Company's shares.

Gearing

The Company may make use of gearing to enable the Company to earn a high level of dividend income and to offer Shareholders a geared return on their investment. The Directors believe that the use of gearing is justified given the nature of most of the companies in which the Company invests; that is, companies which provide essential services, operate in regulated markets and within stable regulatory frameworks, and pay dividends. Whilst the use of gearing should enhance the net asset value (NAV) per share when the value of EGL's underlying assets is rising, it will have the opposite effect when the value of its assets is falling. As a result, the volatility of the Company's NAV will increase when gearing is being used which may also increase the volatility of the Company's share price. The nature and term of any borrowings are the responsibility of the Directors, while the amount of any borrowings is at the discretion of the Investment manager.

EGL may borrow amounts equal to 25% of its net assets. Any borrowings will be flexible, short-term borrowings in major currencies at floating rates of interest under a Prime Brokerage facility with Citigroup which allows the Company to repay its borrowings at any time without penalty.

For more information, please see www.ecofininvest.com

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Company details

Portfolio manager:	Jean-Hugues de Lamaze
Date of admission:	26 September, 2016
Traded:	London Stock Exchange
Dealing currency:	Sterling
Issued share capital:	94,013,423 shares
Investment management fee:	1% p.a. of net assets

Financial calendar

Year-end:	30 September
Results announced:	May (half-year); December (final)
AGM:	March
Dividends paid:	Last day of February, May, August & November

NMPI status

The Company conducts its affairs so that its securities can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream pooled investment products and intends to continue to do so. The Company's securities are excluded from the FCA's restrictions which apply to non-mainstream pooled investment products because they are shares in an investment trust.

Individual Savings Account ("ISA")

The Company's shares are eligible to be held in an ISA account subject to HM Revenue & Customs limits.

Released: 6 August, 2020