# **Ecofin** Global Utilities and Infrastructure Trust plc **(EGL)**

**As of 30/05/2025**

## **Performance** (to 30 May 2025)

| (all total returns in £) | 1 M % | 3 M % | 6 M % | 1 Y % | 3 Y % | 5 Y % | Since Admission* % |
|---|---|---|---|---|---|---|---|
| **Net Asset Value** | 3.8 | 9.9 | 8.0 | 13.8 | 17.4 | 70.8 | 133.9 |
| **Share Price** | 8.5 | 14.3 | 12.3 | 21.0 | 8.3 | 63.8 | 174.5 |
| S&P Global Infrastructure Index | 3.3 | 2.9 | 1.5 | 13.8 | 17.2 | 57.6 | 72.9 |
| MSCI World Utilities Index | 1.9 | 2.0 | 0.1 | 11.0 | 14.5 | 40.4 | 84.4 |
| MSCI World Index | 4.9 | -4.7 | -3.7 | 7.4 | 35.5 | 77.9 | 150.8 |
| FTSE All-Share Index | 4.1 | 1.5 | 7.3 | 9.4 | 26.8 | 69.0 | 76.0 |
| FTSE ASX Utilities | 1.1 | 12.1 | 7.3 | 20.9 | 21.0 | 74.6 | 63.1 |

*26 September 2016.
Source: Morningstar. Performance is shown on a total return basis, i.e., assuming re investment of dividends.
**Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.**

## 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 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

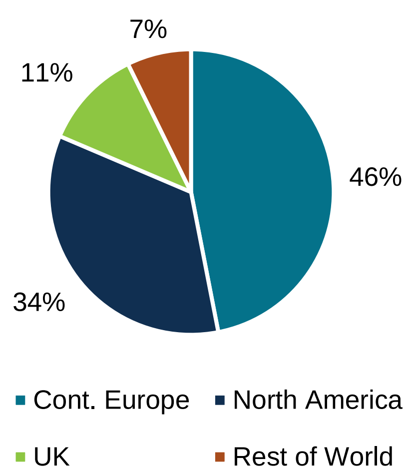
With effect from the interim dividend paid in February 2025, the quarterly dividend rate will increase to 2.125p per share (8.50p per annum) from 2.05p per share. Quarterly payment dates fall on the last business day in February, May, August and November.

## As of 30 May 2025

| | |
|---|---|
| Net assets | £245,177,656 |
| NAV per share | 231.36p |
| Share price | 212.00p |
| Premium/(Discount) | -8.4% |
| Gearing | 15.4% |
| Yield* | 3.9% |

*Yield is based on dividends paid (last 4 quarterly dividends) as a percent of the share price. Please also see 'Dividends' below.

## Geographical allocation (% of portfolio)



## Sector allocation

| | % of Portfolio |
|---|---|
| Integrated Utilities | 33 |
| Regulated Utilities | 30 |
| Transportation Infrastructure | 16 |
| Renewables & Nuclear | 14 |
| Environmental Services | 8 |
| | **100** |

## 10 Largest holdings

| | % of Portfolio | Country |
|---|---|---|
| E.ON | 5.3 | Germany |
| National Grid | 4.8 | UK |
| Vinci | 4.6 | France |
| Enel | 4.3 | Italy |
| Vistra | 4.2 | US |
| ENAV | 3.8 | Italy |
| Veolia Environnement | 3.6 | France |
| RWE | 3.6 | Germany |
| SSE | 3.5 | UK |
| Constellation Energy | 3.4 | US |
| **Total (41 holdings)** | **41.1** | |

## Manager's comments

- EGL continued to perform strongly in May with a NAV increase of 3.8%. This is ahead of the underlying sector indices, S&P Global Infrastructure (+3.3%) and MSCI World Utilities (+1.9%), all in GBP total returns. Markets extended their recovery in May as US consumer sentiment improved and trade tensions started easing. Progress in US trade negotiations with the EU and a temporary postponement of scheduled tariff hikes reduced fears of a global recession, fuelling gains across risk assets.

- North American holdings were the top contributors over the month (+4.6%), but all regions contributed positively: Continental Europe (+2.7%), the UK (+1.7%) and APAC ex-Japan (+1.2%). At sub-sector level, renewables & nuclear was the top performance contributor (+9.7%, with Constellation +35.9% and Vistra +22.7%) pursuing their fast recovery, followed by transportation infrastructure (+4.4%, notably with Flughafen Zurich +8.9%) and integrated utilities (+4.0%, with Iren +7.7%). Environmental services continued to lag behind other sub-sectors over the period (-1.6%), driven by Veolia and American Water Works (-3.7% and -3.2%, respectively).

- On May 22nd, the US House Rules Committee passed an amendment to the budget reconciliation bill related to the Inflation Reduction Act. Although a mixed bag, the overall bill outcome was better than worst case fears as most large-scale renewable developers ended up safe-harboured and should be able to place most projects in their medium-term pipeline in service by the 2028 deadline. We would not exclude some possible improvements at the Senate, which could provide visibility beyond 2028, either via a gradual phaseout or a longer runway. Renewables leader NextEra Energy performed relatively well in this volatile context (+4.6% over the month).

- US IPPs stood out as the clear winners in May (Constellation +35.9%, Vistra +22.7%, both among EGL's Top 10 holdings), boosted by a combination of sector consolidation and renewed data centre PPA hopes. On May 12th, Texas based IPP NRG Energy (not held) surged 26% after announcing the acquisition of a gas generation portfolio from LS Power, thereby doubling its installed capacity. The deal is expected to be immediately earnings accretive, and the company increased its EPS CAGR outlook to +14% from +10% previously. In addition, Constellation's earnings call on May 6th delivered an optimistic outlook for large load deals with hyperscalers. The company's management team highlighted extensive opportunities including co-located frameworks and favourable pricing, implying a major announcement likely on the horizon.

- The main change in the portfolio over the month was a new position initiated in fully-regulated UK water services provider Pennon. The stock is trading at a substantial valuation discount to its own history and is one of the cheapest regulated names in the sector, while offering an attractive dividend yield of c.6%. We believe the Pennon equity story has been de-risked following the completion of the rights issue and with the bulk of the regulatory pressure now behind us. The company is well-positioned to benefit from long-term asset growth underpinned by a multi-decade need for environmental investments in the country. Gearing was little changed at 15.4% at month-end.

| 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.

## Company details

| | |
|---|---|
| Portfolio manager: | Jean-Hugues de Lamaze |
| Date of admission: | 26 September 2016 |
| Traded: | London Stock Exchange |
| Dealing currency: | Sterling |
| Issued share capital: | 105,971,729 shares |
| Investment management fee: | 0.9% p.a. of NAV on first £200mn; 0.75% above £200mn up to £400mn; 0.6% thereafter |

## Financial calendar

| | |
|---|---|
| Year-end: | 30 September |
| Results announced: | May (half-year); December (final) |
| AGM: | March 2026 |
| 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: 13 June 2025

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