

LetkoBrosseau

INFRASTRUCTURE EQUITY STRATEGY

As at June 30, 2022

Strategy

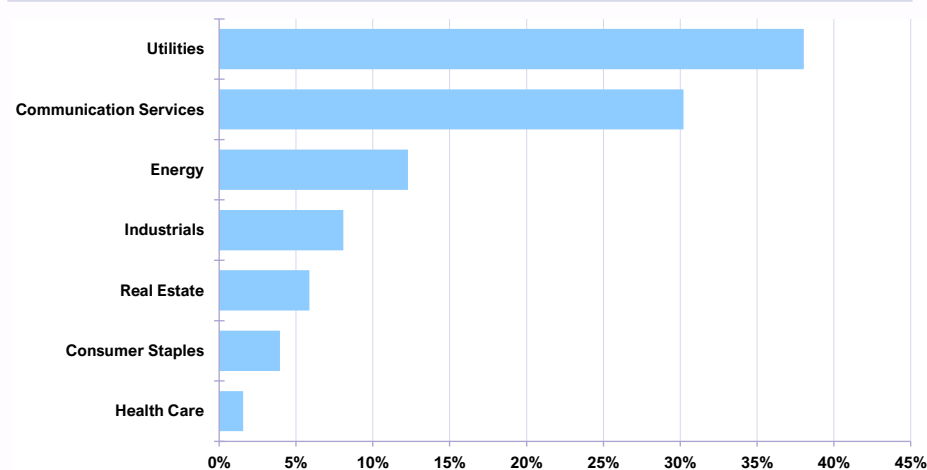
The strategy is designed for investors with a long-term investment horizon seeking a diversified global infrastructure equity portfolio offering growth potential, stable cash flow and an attractive dividend yield. We offer a compelling value proposition based on our knowledge-based investing approach, collaborative team structure, price discipline, and low fees.

Firm Profile

Founded in 1987, Letko, Brosseau & Associates Inc. (LBA) is one of Canada's largest independent investment managers with approximately \$19 billion managed. We offer a select number of broad investment strategies including Global Balanced, Fixed Income, Global Equity, Canadian Equity Income, Fossil Fuel Free Equity, Emerging Markets Equity, Canadian Equity, EAFE Equity and Infrastructure Equity where we feel we can add value through our disciplined knowledge-based investment approach.

Inception Date	August 1 st , 2021
Category	Equity
Investment Options	Segregated Account (\$5 million) Pooled Fund Account (\$1 million)

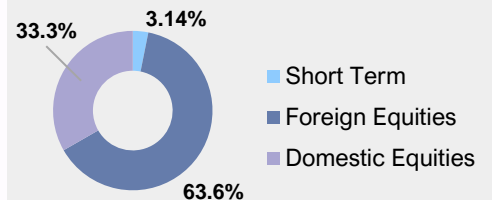
Sector Weightings⁽¹⁾



Compounded Annualized Returns⁽²⁾ (in Canadian dollars)

	1 year	3 years	5 years	10 years	Since Inception
LBA Infrastructure Equity Composite	-	-	-	-	0.1%

Asset Allocation⁽¹⁾



Characteristics⁽¹⁾

Average Dividend Yield	5.35%
Forward P/E Ratio	10.4
Average Market Cap	CA\$60.6 bil
Active Share	98.5%
# of Holdings*	35
Turnover Rate**	0%

Country Weightings⁽¹⁾ (%)

Country	Weight (%)
Canada	21.61
United States	18.47
China	8.75
Brazil	8.50
Mexico	7.85
Philippines	7.11
France	5.48
Spain	5.45
India	3.81
Italy	3.29
Sum of Remaining Countries	9.69

(1) Information shown is based on the Letko Brosseau Infrastructure Equity Composite.

*For the # of Holdings and Turnover Ratio the information shown is of a representative account, in this case the Letko Brosseau Infrastructure Equity Fund.

(2) Data is preliminary. This Composite comprises all discretionary infrastructure equity mandates with no bias towards any countries and asset mix targets for fixed income securities of less than 20%. The portfolios may or may not include Canadian Equities. The Composite assets as of June 30, 2022 were \$12 million or 0.1% of assets under management.

Performance results reflect the reinvestment of dividends, income and other earnings and are presented net of all foreign withholding taxes. Reclaimable withholding tax refunds are recognized when received. Performance results are presented before management and custodial fees but after trading commissions. Custody/administration costs may vary depending on client's custody arrangement and account.

**Fund is less than a year old, turnover information will be available after one year of data is available.



Portfolio Strategy Commentary⁽³⁾

The Letko Brosseau Infrastructure Equity Fund ("The Fund") was launched in July 2021 with the objective of investing in a diversified portfolio of high-quality, publicly traded companies from around the world who own assets in and operate airports, hospitals, oil and gas storage and transportation, ports, toll roads, railways, real estate, and telecommunications and utilities. The same principles of a long-term horizon and sensitivity to valuations that helped Letko Brosseau for over 30 years also apply here, in addition to our sector knowledge and our successful track record in the emerging markets. Public markets provide an excellent opportunity to participate in the financing and growth of global infrastructure assets with many opportunities in both developed and emerging markets.

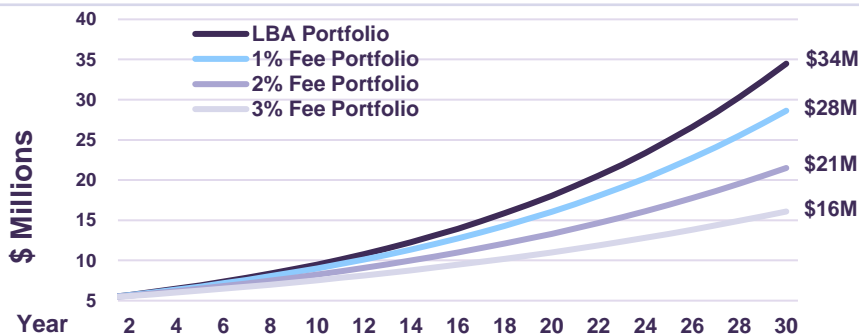
The companies in the Fund focus on:

- Upgrading and maintaining existing infrastructure, particularly in the developed markets
- Financing the shift of global energy infrastructure to clean energy
- Building new transportation, telecommunication, water and energy infrastructure to accommodate population growth and urbanization, especially in the emerging markets

This is a well-diversified fund with 62% of holdings in developed markets and 34% in emerging markets. Some of our holdings include, Verizon, AT&T, Rogers Communications, TC Energy, Copel, Sabesp, First Pacific, Manila Water, Beijing Enterprises, Veolia, Enel, EDP, OMAB, Macerich and Danhos. We emphasize businesses with stable cash flows, attractive dividend yields and strong growth potential. The Fund offers a 5.3% dividend yield, expected annual earnings growth of 8% over the next 3 years and an attractive valuation of 11x forward P/E.

During the second quarter, the Fund continued to evaluate opportunities in several key sectors and adjusted current positions to strengthen the Fund's positioning. A position in Tenet Healthcare was initiated as the company trades at 7x forward earnings and offer 9% annual earnings growth by capitalizing on a secular trend of outpatient care. The Fund also added to its exposure in AT&T, Veolia, Macerich, Fraport and Reliance as these stocks became cheaper. AT&T spun off Warner Bros. which we sold and continues to offer an attractive dividend yield and an inexpensive valuation. Veolia is a water infrastructure company whose stock has come under pressure due to higher interest rates and European energy challenges, albeit the impact on Veolia will be muted and its 13x forward P/E and 5.2% dividend yield provide some degree of protection. Reliance Industries is benefiting from record-high refining margins. Macerich sold on higher interest rates, but its core retail real estate business has been bolstered by the post-covid recovery and the stock is well supported by its 6.5% dividend yield. Fraport stock has been pressured lately due to concerns about a European energy-induced recession, but its long-term prospects of higher utilization and materially stronger earnings remain intact. On the sell side of the ledge, the Fund sold some stock in Sabesp crystallizing profits and reducing its weight to control our exposure to Brazil.

Value of \$5 million invested with LBA over 30 years compared to 1%, 2%, and 3% fee portfolios ^{(1) (2)}



⁽¹⁾ Assuming a 7% annual compound return.

⁽²⁾ LBA Portfolio is net of management fees, based on our sliding scale fee schedule.

⁽³⁾ The transactions mentioned in the Portfolio Strategy Commentary section are of a representative account, in this case the Letko Brosseau Infrastructure Equity Fund and do not represent all the securities bought or sold in the fund during the quarter. A list of all purchases and sales made during the past year can be provided on request. It should not be assumed that an investment in these securities was or will be profitable.

⁽⁴⁾ Information shown is based on the Letko Brosseau Infrastructure Equity Composite.

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This presentation may contain certain forward-looking statements which reflect our current expectations or forecasts of future events concerning the economy, market changes and trends. Forward-looking statements are inherently subject to, among other things, risks, uncertainties and assumptions regarding currencies, economic growth, current and expected conditions, and other factors that are believed to be appropriate in the circumstances which could cause actual events, results, performance or prospects to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Top 10 Holdings⁽⁴⁾ (%)

	Weight(%)
AT&T	5.54
Verizon Communications	4.65
Copel - Cia Paranaense De Energia	4.65
Comcast Corp	4.40
Rogers Communication	4.37
Grupo Aeroportuario Del Centro	4.31
Tc Energy	4.05
First Pacific	3.96
Cia Saneamento Basico	3.85
Reliance Industries	3.81

Fee Schedule	Amount	Fee
First	\$300,000	1.00%
Next	\$700,000	0.75%
Next	\$2,000,000	0.50%
Remaining Account balance		0.25%

