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# MFG INVESTMENT FUND PLC

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(An open-ended umbrella investment company with segregated liability between sub-funds)

## Annual Report and Audited Financial Statements

For the financial year ended 31 March 2020

Company Registration No. 525177

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MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

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For the financial year ended 31 March 2020

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**GENERAL INFORMATION**

**Directors**

Bronwyn Wright\* (Irish)  
Jim Cleary\* (Irish)  
Craig Wright (Australian)

**Registered Office of the Company**

32 Molesworth Street  
Dublin 2  
Ireland

**Investment Manager and Distributor**

MFG Asset Management  
MLC Centre, Level 36  
19 Martin Place  
Sydney  
NSW 2000  
Australia

**Company Secretary**

MFD Secretaries Limited  
32 Molesworth Street  
Dublin 2  
Ireland

**Administrator & Registrar**

Northern Trust International Fund Administration  
Services (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
Ireland

**Depository**

Northern Trust Fiduciary  
Service (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
Ireland

**Independent Auditor**

Ernst & Young  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

**Legal Advisers**

Maples and Calder  
75 St. Stephen's Green  
Dublin 2  
Ireland

**UK Facilities Agent**

KB Associates  
42 Brook Street  
London  
W1K 5DB  
United Kingdom

**Swedish Paying Agent**

Skandinaviska Enskilda Banken AB (publ)  
A S12  
Råsta Strandväg 5  
SE-169 79 Solna  
Sweden

**Registered number:** 525177

**German Information Agent\*\***

CACEIS Bank Deutschland GmbH  
Lilienthalallee 34-36  
D-80939 Munich  
Germany

\*Independent director

\*\*In Germany, the prospectus, the key investor information document, the Constitution, the annual and semi-annual reports, a list of changes in the composition of the portfolios as well as the issue and redemption prices are available free of charge pursuant to Sec. 297(1) of the German Capital Investment Code at the office of the German information agent as specified above.

*For Investors in Germany, the following Sub-Fund is available:*

*MFG Select Infrastructure Fund*

*No notification pursuant to Section 310 of the German Capital Investment Code (Kapitalanlagegesetzbuch) has been filed for the following sub-fund and the shares in these sub-funds may not be marketed to investors in the Federal Republic of Germany: MFG Global Fund and MFG Global Sustainable Fund.*

## BACKGROUND TO THE COMPANY

MFG Investment Fund plc (the “Company”) is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds, incorporated in Ireland on 15 March 2013, under the Companies Act 2014 (as amended) with registration number 525177. The Company has been authorised by the Central Bank of Ireland (the “Central Bank”) as an Undertaking for Collective Investment in Transferable Securities (“UCITS”) pursuant to the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

The Company is structured as an umbrella investment company which may consist of different sub-funds, each comprising one or more classes of shares. As at the date of this annual report, the Company had three sub-funds in operation, MFG Global Fund, MFG Select Infrastructure Fund and MFG Global Sustainable Fund (each a “Fund” collectively the “Funds”). The Funds launched on 7 October 2013, on 30 December 2016, and on 6 July 2018; respectively. On 7 June 2018, the Central Bank approved and noted the change of name of “MFG Global Low Carbon Fund” to “MFG Global Sustainable Fund”.

The MFG Select Infrastructure Fund is registered for marketing in Germany. The MFG Global Fund and MFG Global Sustainable Fund are not registered for marketing in Germany. Shares of both the MFG Global Fund and MFG Global Sustainable Fund are not allowed to be marketed in Germany.

### Investment Objective and Policy

The investment objective and policy for each Fund is formulated by the Directors at the time of creation of each Fund. The investment objective for each existing Fund is set out below:

#### MFG Global Fund

The investment objective of the MFG Global Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Fund seeks to achieve its objective through an integrated investment approach which incorporates three key elements namely: (i) detailed industry and company research; (ii) macro-economic research and (iii) portfolio construction.

The Fund seeks to gain exposure primarily in equities and equity related securities of companies listed on regulated markets around the world and may also have exposure to cash deposits. The Fund may also have exposure to non-discretionary allocations of subscription rights to subscribe for additional securities in a portfolio stock as a result of a corporate action. The Fund may use spot and value tomorrow foreign exchange contracts to facilitate settlement of the purchase of equity securities.

#### MFG Select Infrastructure Fund

The investment objective of the MFG Select Infrastructure Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Fund seeks to achieve its objective through an integrated investment approach which incorporates three key elements namely: (i) determining the investment universe; (ii) assessing each potential investment’s quality and intrinsic value and (iii) allocating capital to the securities within the investment universe in an appropriate manner.

The Fund seeks to gain exposure primarily in equities and equity related securities of companies listed on regulated markets around the world and may also have exposure to cash deposits and may, from time to time, invest in investment funds where such investment is consistent with the investment policy of the Fund. The Fund may also have exposure to non-discretionary allocations of subscription rights to subscribe for additional securities in a portfolio stock as a result of a corporate action. The Fund may invest in equity related securities which include American Depositary Receipts (“ADRs”) and Global Depositary Receipts (“GDRs”) and may use spot and value tomorrow foreign exchange contracts to facilitate settlement of the purchase of equity securities.

#### MFG Global Sustainable Fund

The investment objectives of the MFG Global Sustainable Fund are to achieve attractive risk-adjusted returns over the medium to long-term within a low carbon framework, while reducing the risk of permanent capital loss. Risk adjusted returns reflect how much volatility and capital downside risk is involved in producing an investment's return.

**BACKGROUND TO THE COMPANY (Continued)**

**Investment Objective and Policy (continued)**

**MFG Global Sustainable Fund (continued)**

The Fund aims to preserve capital and reduce the risk of permanent capital loss within a low carbon framework through an integrated investment approach that incorporates four key elements: (i) detailed industry and company research; (ii) macro-economic research; (iii) portfolio construction and (iv) low carbon framework.

The Fund primarily invests in the equity securities of entities listed on Regulated Markets around the world, but will also have some exposure to cash deposits and may, from time to time, invest in collective investment schemes where such investment is consistent with the investment policy of the Fund. Subject to the prevailing requirements of the Central Bank, the domicile of such collective investment schemes could be worldwide.

## INVESTMENT MANAGER'S REPORT

### MFG Global Fund

#### Portfolio Review

The mandate returned 0.1% (before fees) over the 12 months to 31 March 2020, in USD dollar terms, outperforming its benchmark, the MSCI World Net Total Return Index, by 10.5%.

The biggest contributors were the investments in Microsoft, Apple and Alibaba. Microsoft surged to a record high over the period after its cloud business helped the software giant beat earnings and revenue forecasts and then held up relatively well when COVID-19 hit because it was judged a stock that would benefit from greater online activity. Apple gained after the Company boosted sales forecasts, citing the popularity of the latest iPhone 11, new services such as Apple TV+ and items such as AirPods, and the easing of trade tensions between Washington and Beijing meant iPhones avoided tariffs in China. Alibaba rose on better-than-expected earnings, a successful IPO in Hong Kong, another record Singles Day and the likely boost to earnings from China's switch to online during the pandemic.

The biggest detractors were the investments in Yum! Brands, Anheuser-Busch InBev and HCA Healthcare.

Yum! Brands fell after posting downbeat earnings and after its KFC, Pizza Hut and Taco Bell outlets were closed when countries ordered lockdowns or restrictions on restaurants to stop the transmission of the virus. AB InBev fell after the world's biggest brewer said that a decline in beer sales in Brazil, China and the US slowed profit growth and the Company said it expects only "moderate" full-year earnings growth, down from "strong" before. HCA Healthcare dropped on disappointing earnings and after elective surgeries were deferred as hospitals built capacity to respond to the pandemic and investors weighed the impact of the unprecedented jump in US unemployment on HCA's revenue.

#### Market Overview

Global stocks fell from record highs in the 12 months to March after the coronavirus that causes the illness called COVID-19 escaped from China battered global economic activity, corporate earnings and investor sentiment. The Morgan Stanley Capital International World Index fell 10% in US dollars.

#### Outlook

The COVID-19 outbreak has plunged the world into an economic downturn. The key impact on equity markets will depend on the path of the virus and policymaker responses. We see four different downturn scenarios.

The best scenario is a V-shaped recovery; a fleeting recession. While governments and central banks have been responding to the outbreak with greater force over time, the initial response was relatively small. Accordingly, this scenario appears unlikely.

The worst scenario is a depression, where there are massive job losses and output declines. In this case, the fiscal handout might need to be 20% to 30% of GDP. This would be the worst outcome for markets.

The two middle scenarios are a U-shaped recovery from a recession and a prolonged and deep recession. The downturn after global financial recession lies between these two scenarios. At this early stage, it is challenging to predict if the current downturn will be more or less severe than the recession of 2008-2009. The eventual outcome will be heavily influenced by epidemiology and policymaker responses.

Due to the risks confronting equities, we increased the cash position in the strategy from 6% to 17% over the March quarter.

Even amid the uncertainty hovering over stock markets, we are confident about the long-term outlook for the investments selected for our portfolio and the portfolio's risk profile. Many of the stocks in the portfolio benefit from having a stronghold on the enterprise software market, being leading digital platforms, the shift to a cashless society, consumption growth in China and other emerging markets, resilient demand given the essential nature of their services or the dynamics of ageing populations.

## **INVESTMENT MANAGER'S REPORT (Continued)**

### **MFG Select Infrastructure Fund**

#### **Portfolio Review**

The mandate returned -11.8% (before fees) over the 12 months to 31 March 2020, in USD dollar terms, outperforming its benchmark, the S&P Global Infrastructure Total Return Index, by 10.1%.

Stocks that detracted the most included the investments in the airport operators Aena of Spain and ADP of France and toll road operator Atlas Arteria from Australia. Aena, the world's largest airport operator, and ADP, which runs the airports of Paris, plunged after the outbreak of the virus that causes the illness called COVID-19 prompted governments to close borders and order their populations not to travel to control the pandemic. Atlas Arteria fell on a view that restrictions on movement and likely recessions would curb traffic on its toll roads in Europe and the US.

Stocks that contributed the most included the investments in US utilities Eversource Energy, WEC Energy and Xcel Energy. The US integrated power utilities held up better than the rest of the sector as investors sought defensive stocks.

#### **Outlook**

Notwithstanding our expectations for greater volatility in the short to medium term driven by the COVID-19 crisis, we are confident that the underlying businesses that we have included in our defined universe and in our investment strategy will prove resilient over the longer term. We regard the businesses that we invest in to be of high quality and, while short-term movements in share prices reflect issues of the day, we expect that share prices in the longer term will reflect the underlying cash flows leading to investment returns consistent with our expectations.

The strategy seeks to provide investors with attractive risk-adjusted returns from infrastructure securities. It does this by investing in a portfolio of listed infrastructure companies that meet our strict definition of infrastructure at discounts to their assessed intrinsic value. We expect the strategy to provide investors with real returns of about 5% over inflation over the longer term. We believe that infrastructure assets, with requisite earnings reliability and a linkage of earnings to inflation, offer attractive, long-term investment propositions. Furthermore, given the resilient nature of earnings and the structural linkage of those earnings to inflation, investment returns generated by infrastructure stocks are different from standard asset classes and offer investors diversification when included in an investment portfolio. In the current uncertain economic and investment climate, the reliable financial performance of infrastructure investments makes them attractive and an investment in listed infrastructure can be expected to reward patient investors with a long-term time frame.

MFG Asset Management  
MLC Centre, Level 36, 19 Martin Place,  
Sydney, NSW 2000, Australia

16 June 2020

## **INVESTMENT MANAGER'S REPORT (Continued)**

### **MFG Global Sustainable Fund**

#### **Portfolio Review**

The mandate returned -5.6% (before fees) over the 12 months to 31 March 2020, in USD dollar terms, outperforming its benchmark, the MSCI World Net Total Return Index, by 4.8%.

The biggest detractors were the investments in Yum! Brands, Anheuser-Busch InBev and Lowe's. Yum! Brands fell after posting downbeat earnings and after its KFC, Pizza Hut and Taco Bell outlets were closed when countries ordered lockdowns or restrictions on restaurants to stop the transmission of the virus. AB InBev fell after the world's biggest brewer said that a decline in beer sales in Brazil, China and the US slowed profit growth and the company said it expects only "moderate" full-year earnings growth, down from "strong" before. Lowe's fell as prospects of a US recession dented stocks such as home-improvement companies that are tied to the state of the economy.

The biggest contributors were the investments in Microsoft, Apple and Alibaba. Microsoft surged to a record high over the period after its cloud business helped the software giant beat earnings and revenue forecasts and then held up relatively well when COVID-19 hit because it was judged a stock that would benefit from greater online activity. Apple gained after the company boosted sales forecasts, citing the popularity of the latest iPhone 11, new services such as Apple TV+ and items such as AirPods, and the easing of trade tensions between Washington and Beijing meant iPhones avoided tariffs in China. Alibaba rose on better-than-expected earnings, a successful IPO in Hong Kong, another record Singles Day and the likely boost to earnings from China's switch to online during the pandemic.

#### **Market Overview**

Global stocks fell from record highs in the 12 months to March after the coronavirus that causes the illness called COVID-19 escaped from China battered global economic activity, corporate earnings and investor sentiment. The Morgan Stanley Capital International World Index fell 10% in US dollars.

MFG Asset Management  
MLC Centre, Level 36, 19 Martin Place,  
Sydney, NSW 2000, Australia

16 June 2020



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MFG INVESTMENT FUND PLC  
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## **DIRECTORS' REPORT**

The Directors of MFG Investment Fund plc (the “Company”) have pleasure in presenting the Annual Report and Audited Financial Statements of the Company for the financial year ended 31 March 2020.

### **Directors' Responsibility Statement**

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable Irish law and regulations.

Irish company law requires the Directors to prepare Financial Statements for each financial year. Under the law the Directors have elected to prepare the Company's Financial Statements in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014 (as amended).

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that its Financial Statements and Directors' Report comply with the Companies Act 2014 (as amended), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”) and enable the Financial Statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014 (as amended).

### **Principal activities, review of business and future developments**

The Company is structured as an umbrella investment company and has three sub-funds in operation, MFG Global Fund, MFG Select Infrastructure Fund and MFG Global Sustainable Fund (each a “Fund” collectively the “Funds”). The investment objective of each Fund is to achieve attractive risk-adjusted returns over the medium to long-term, while reducing the risk of permanent capital loss.

The Company is authorised by the Central Bank as an investment company pursuant to the UCITS Regulations.

A review of the investment performance and future outlook can be found in the Investment Manager's Report on pages 5 to 7. The Funds will continue to pursue their investment objectives as set out in the Supplements to the Prospectus.

### **Risk management objectives and policies**

The principal risks and uncertainties faced by the Company are the investment risks associated with the portfolio of investments held by the Funds and the risks associated with the management and administration of the Portfolios that have been disclosed in Note 2 of the Financial Statements.

## **DIRECTORS' REPORT (Continued)**

### **COVID-19**

The Directors note the developing situation regarding the COVID-19 pandemic and will continue to monitor the impact of the pandemic on the performance of the Company's Funds. The presentation of these Financial Statements has not been impacted by COVID-19 apart from an additional disclosure under the heading of 'Significant Events during the Financial Year' in both the Directors Report and Note 16 in Notes to the Financial Statements.

### **Directors' statement on adequate accounting records**

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records, are the use of appropriate systems and procedures and the appointment of an independent administrator. The accounting records of the Company are maintained by Northern Trust International Fund Administration Services (Ireland) Limited at Georges Court, 54-62 Townsend Street, Dublin 2, Ireland.

### **Directors' Compliance Statement**

The Directors acknowledge that they are responsible for securing the Company's compliance with the relevant obligations as set out in section 225 of the Companies Act 2014 (as amended). The Directors confirm that:

1. A compliance policy statement has been drawn up that sets out policies, that in our opinion are appropriate to the Company, respecting compliance by the Company with its relevant obligations;
2. Appropriate arrangements or structures are in place that are, in our opinion, designed to secure material compliance with the Company's relevant obligations; and
3. During the financial year, the arrangements or structures referred to in (2) have been reviewed.

### **Corporate Governance Code**

The Company has adopted the Corporate Governance Code for Collective Investment Schemes and Management Companies (the "Code") which was issued by the Irish Funds ("IF"). The aim of the Code is to provide a framework for the organisation and operation of Funds to ensure that each Fund operates efficiently and in the interests of Shareholders. The Company operates in accordance with the requirements of the Code.

### **Audit Committee**

The Directors believe that there is no requirement to form an audit committee as the Board is formed of non-executive Directors with two independent Directors and the Company complies with the provisions of the IF Code. The Directors have delegated the day to day investment management and administration of the Company to the Investment Manager and to the Administrator, respectively.

### **Transactions Involving Directors**

There were no contracts or agreements of any significance in relation to the business of the Company in which the Directors had any interest, as defined in the Companies Act 2014 (as amended), at any time during the financial year other than those set out in Note 7 to the Financial Statements.

### **Transactions with Connected Persons**

Any transaction carried out with a UCITS by a management company or depositary to the UCITS, the delegates or sub-delegates of the management company or depositary, and any associated or group Company of such a management company, depositary, delegate or sub-delegate ("connected persons") must be carried out as if conducted at arm's length. Transactions must be in the best interests of the Shareholders and the UCITS.

The Directors are satisfied that there are arrangements (evidenced by written procedures) in place, to ensure that the obligations set out above (as referred to in Regulation 43(1) of the Central Bank UCITS Regulations) are applied to all transactions with connected persons, and are satisfied that transactions with connected parties entered into during the financial year complied with the obligations set out in Regulation 43(1) of the Central Bank UCITS Regulations.

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MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

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## **DIRECTORS' REPORT (Continued)**

### **Results**

The financial position at 31 March 2020 is set out in the Statement of Financial Position. The results of operations for the financial year ended 31 March 2020 are set out in the Statement of Comprehensive Income.

### **Directors' and Secretary's Interests in Shares of the Company**

No Director, nor the Company Secretary, had any beneficial interest in the shares of the Company throughout the financial year.

### **Distributions**

No distributions were declared during the financial year ended 31 March 2020 or in the prior financial year.

### **Independent Auditor**

The independent auditor, Ernst & Young, Chartered Accountants, have indicated their willingness to continue in office in accordance with Section 383 of the Companies Act 2014 (as amended).

### **Directors**

All directors, who, at any time during the financial year, were directors of the Company, are disclosed on page 2.

### **Significant Events During the Financial Year**

The Directors note the developing situation regarding the COVID-19 pandemic and will continue to monitor the impact of the pandemic on the performance of the Company's Funds. The presentation of these Financial Statements has not been impacted by COVID-19 apart from an additional disclosure under the heading of 'Significant Events during the Financial Year' in both the Directors Report and Note 16 in Notes to the Financial Statements.

An addendum to the Prospectus was filed with the Central Bank of Ireland on 9 April 2019 to facilitate:

- a) a change in the registered office of the Company;
- b) the appointment of a new corporate secretary and legal adviser; and
- c) the possibility that with effect from 29 March 2019 the United Kingdom will no longer be categorised as a Member State of the European Union.

MFG Selected Infrastructure Class 2 Accumulating Unhedged GBP launched 3 May 2019.

MFG Global Sustainable Class 2 Accumulating Unhedged GBP launched 12 June 2019.

There were no other significant events during the financial year ended 31 March 2020.

### **Significant events after the financial year end**

There was a subscription of \$40,000,000 for 244,305 MFG Global Fund shares on 1 April 2020.

There were no other significant events that occurred in respect of the Company after the financial year end which were deemed material for disclosure in the Financial Statements.

### **Statement on Relevant Audit Information**

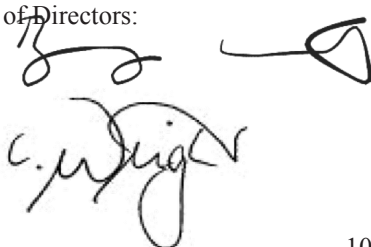
So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all the steps that should have been taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Signed on behalf of the board of Directors:

Director: Bronwyn Wright

Director: Craig Wright

16 June 2020



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MFG INVESTMENT FUND PLC  
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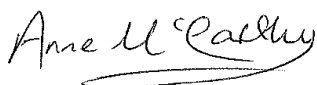
**ANNUAL DEPOSITARY REPORT TO SHAREHOLDERS**

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to MFG Investment Fund plc (“the Company”) provide this report solely in favour of the Shareholders of the Company for the financial year ended 31 March 2020 (“the Annual Accounting Period”). This report is provided in accordance with the UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011) (as amended), which implemented Directive 2009/65/EU into Irish Law (“the Regulations”). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

In accordance with our Depositary obligation as provided for under the Regulations, we have enquired into the conduct of the Company for the Annual Accounting Period and we hereby report thereon to the Shareholders of the Company as follows;

We are of the opinion that the Company has been managed during the Annual Accounting Period, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents and by the Regulations; and
- (ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.



**For and on behalf of:**  
**Northern Trust Fiduciary Services (Ireland) Limited**

16 June 2020

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC**

### **Opinion**

We have audited the financial statements of MFG Investment Fund plc ('the Company') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2014.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters, in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC  
(Continued)**

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company statement of financial position is in agreement with the accounting records.

**Matters on which we are required to report by exception**

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MFG INVESTMENT FUND PLC  
(Continued)**

**Respective responsibilities**

**Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

**The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Dean Phillips  
for and on behalf of  
Ernst & Young Chartered Accountants and Statutory Audit Firm

Dublin

Date: 23 June 2020

MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF COMPREHENSIVE INCOME**

**For the financial year ended 31 March 2020**

	Note	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	MFG Global Sustainable Fund USD '000	Company Total USD '000
<b>Income</b>					
Net (losses)/gains on financial assets at fair value through profit or loss	1,5	(16,463)	(39,578)	204	(55,837)
Dividend income	1	31,535	5,563	225	37,323
Bank interest income	1	3,082	98	44	3,224
<b>Net investment income/(expense)</b>		<b>18,154</b>	<b>(33,917)</b>	<b>473</b>	<b>(15,290)</b>
<b>Expenses</b>					
Investment manager and distributor fee	6,7	(18,437)	(1,477)	(157)	(20,071)
Transaction costs	1	(668)	(170)	(7)	(845)
<b>Total operating expenses</b>		<b>(19,105)</b>	<b>(1,647)</b>	<b>(164)</b>	<b>(20,916)</b>
<b>Operating (expense)/profit before finance costs</b>		<b>(951)</b>	<b>(35,564)</b>	<b>309</b>	<b>(36,206)</b>
<b>Finance Costs</b>					
Bank interest expense	1	(3)	(1)	–	(4)
<b>Operating (expense)/profit after finance costs and before taxation</b>		<b>(954)</b>	<b>(35,565)</b>	<b>309</b>	<b>(36,210)</b>
<b>Taxation</b>					
Withholding tax	1	(8,588)	(1,078)	(52)	(9,718)
<b>(Decrease)/increase in net assets attributable to holders of redeemable participating shares from operations</b>		<b>(9,542)</b>	<b>(36,643)</b>	<b>257</b>	<b>(45,928)</b>

There were no recognised gains or losses in the financial year other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these Financial Statements.



MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF COMPREHENSIVE INCOME (Continued)**

**For the financial year ended 31 March 2019**

	Note	MFG Global Fund USD '000	MFG Select Infrastructure Fund USD '000	MFG Global Sustainable Fund* USD '000	Company Total USD '000
<b>Income</b>					
Net gains on financial assets at fair value through profit or loss	1,5	232,403	3,285	402	236,090
Dividend income	1	30,791	1,441	83	32,315
Bank interest income	1	6,374	56	21	6,451
<b>Net investment income</b>		<b>269,568</b>	<b>4,782</b>	<b>506</b>	<b>274,856</b>
<b>Expenses</b>					
Investment manager and distributor fee	6,7	(17,598)	(346)	(52)	(17,996)
Transaction costs	1	(431)	(5)	(6)	(442)
<b>Total operating expenses</b>		<b>(18,029)</b>	<b>(351)</b>	<b>(58)</b>	<b>(18,438)</b>
<b>Operating profit before finance costs</b>		<b>251,539</b>	<b>4,431</b>	<b>448</b>	<b>256,418</b>
<b>Finance Costs</b>					
Bank interest expense	1	(1)	(1)	(1)	(3)
<b>Operating profit after finance costs and before taxation</b>		<b>251,538</b>	<b>4,430</b>	<b>447</b>	<b>256,415</b>
<b>Taxation</b>					
Withholding tax	1	(8,713)	(244)	(22)	(8,979)
<b>Increase in net assets attributable to holders of redeemable participating shares from operations</b>		<b>242,825</b>	<b>4,186</b>	<b>425</b>	<b>247,436</b>

\*The MFG Global Sustainable Fund launched 6 July 2018.

There were no recognised gains or losses in the financial year other than those dealt with in the Statement of Comprehensive Income.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF FINANCIAL POSITION**

As at 31 March 2020

		<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund USD '000</b>	<b>Company Total USD '000</b>
<b>Assets</b>	<b>Note</b>				
Financial assets at fair value through profit or loss:					
- Transferable securities	1,2	1,717,148	176,348	8,596	1,902,092
Cash and cash equivalents	8	335,755	28,687	1,584	366,026
Dividends receivable		381	114	2	497
Bank interest receivable		44	5	–	49
Receivables for investments sold	1	7,486	2,301	–	9,787
<b>Total assets</b>		<b>2,060,814</b>	<b>207,455</b>	<b>10,182</b>	<b>2,278,451</b>
<b>Liabilities</b>					
Payables for investments purchased	1	–	(2,324)	–	(2,324)
Bank interest payable		(1)	–	–	(1)
Subscriptions for shares not yet allocated		(1,000)	–	–	(1,000)
Accrued expenses:					
- Investment manager and distributor fee payable	6,7	(1,471)	(151)	(6)	(1,628)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(2,472)</b>	<b>(2,475)</b>	<b>(6)</b>	<b>(4,953)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>2,058,342</b>	<b>204,980</b>	<b>10,176</b>	<b>2,273,498</b>

Number of shares in issue

Class 1 Accumulating Unhedged USD	3	7,876,508	383,203	95,870
Class 2 Accumulating Unhedged GBP*	3	2,727,985	1,403,743	–
Class 3 Accumulating Unhedged USD	3	–	–	9,990

Net asset value per share

Class 1 Accumulating Unhedged USD	9	\$168.70	\$115.44	\$96.05
Class 2 Accumulating Unhedged GBP*	9	£215.68	£92.35	–
Class 3 Accumulating Unhedged USD	9	–	–	\$96.82

\*The MFG Select Infrastructure Fund launched Class 2 Accumulating Unhedged GBP on 3 May 2019. The MFG Global Sustainable Fund launched Class 2 Accumulating Unhedged GBP on 12 June 2019 and closed on 24 February 2020.

The Financial Statements were approved on 16 June 2020 by the Board of Directors and signed on its behalf by:

Director: Bronwyn Wright

Director: Craig Wright

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF FINANCIAL POSITION (Continued)**

As at 31 March 2019

		<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
<b>Assets</b>	<b>Note</b>				
Financial assets at fair value through profit or loss:					
- Transferable securities	1,2	1,986,838	43,330	8,932	2,039,100
- Derivative instruments		—	—	3	3
Cash and cash equivalents	8	331,630	3,468	1,499	336,597
Dividends receivable		—	49	—	49
Bank interest receivable		547	5	2	554
Receivables for investments sold	1	—	22	—	22
<b>Total assets</b>		<b>2,319,015</b>	<b>46,874</b>	<b>10,436</b>	<b>2,376,325</b>
<b>Liabilities</b>					
Financial liabilities at fair value through profit or loss:					
- Derivative instruments		—	—	(6)	(6)
Redemptions payable		(579)	—	—	(579)
Accrued expenses:					
- Investment manager and distributor fee payable	6,7	(1,452)	(29)	(6)	(1,487)
<b>Total liabilities (excluding net assets attributable to holders of redeemable participating shares)</b>		<b>(2,031)</b>	<b>(29)</b>	<b>(12)</b>	<b>(2,072)</b>
<b>Net assets attributable to holders of redeemable participating shares</b>		<b>2,316,984</b>	<b>46,845</b>	<b>10,424</b>	<b>2,374,253</b>
Number of shares in issue					
Class 1 Accumulating Unhedged USD*	3	9,139,660	355,815	90,000	
Class 2 Accumulating Unhedged GBP	3	2,825,790	—	—	
Class 3 Accumulating Unhedged USD*	3	—	—	9,990	
Net asset value per share					
Class 1 Accumulating Unhedged USD*	9	\$170.13	\$131.65	\$104.26	
Class 2 Accumulating Unhedged GBP	9	£269.88	—	—	
Class 3 Accumulating Unhedged USD*	9	—	—	\$104.24	

\*The MFG Global Sustainable Fund launched on 6 July 2018. The Fund launched Class 1 Accumulating Unhedged USD on 6 July 2018 and Class 3 Accumulating Unhedged USD launched on 8 February 2019.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
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For the financial year ended 31 March 2020

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES**

**For the financial year ended 31 March 2020**

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund USD '000</b>	<b>Company Total USD '000</b>
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year</b>	2,316,984	46,845	10,424	2,374,253
<b>Redeemable participating share transactions</b>				
Issue of redeemable participating shares during the financial year	141,125	194,778	16,187	352,090
Redemption of redeemable participating shares during the financial year	(390,225)	—	(16,692)	(406,917)
<b>Net (decrease)/increase in net assets from redeemable participating share transactions</b>	<b>(249,100)</b>	<b>194,778</b>	<b>(505)</b>	<b>(54,827)</b>
(Decrease)/Increase in net assets attributable to holders of redeemable participating shares from operations	(9,542)	(36,643)	257	(45,928)
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial year</b>	<b>2,058,342</b>	<b>204,980</b>	<b>10,176</b>	<b>2,273,498</b>

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE PARTICIPATING SHARES (Continued)**  
For the financial year ended 31 March 2019

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
<b>Net assets attributable to holders of redeemable participating shares at the beginning of the financial year/period</b>	1,958,166	42,659	–	2,000,825
<b>Redeemable participating share transactions</b>				
Issue of redeemable participating shares during the financial year/period	237,203	–	9,999	247,202
Redemption of redeemable participating shares during the financial year/period	(121,210)	–	–	(121,210)
<b>Net increase in net assets from redeemable participating share transactions</b>	<b>115,993</b>	<b>–</b>	<b>9,999</b>	<b>125,992</b>
Increase in net assets attributable to holders of redeemable participating shares from operations	242,825	4,186	425	247,436
<b>Net assets attributable to holders of redeemable participating shares at the end of the financial year/period</b>	<b>2,316,984</b>	<b>46,845</b>	<b>10,424</b>	<b>2,374,253</b>

\*The MFG Global Sustainable Fund launched 6 July 2018.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
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**STATEMENT OF CASH FLOWS**

**For the financial year ended 31 March 2020**

	<b>MFG Global Fund* USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
<b>Operating profit after finance costs and before taxation</b>	(954)	(35,565)	310	(36,209)
<b>Adjustments to reconcile profit before tax to net cash flows from operating activities:</b>				
Bank interest income	(3,079)	(97)	(45)	(3,221)
Dividend income	(31,534)	(5,562)	(226)	(37,322)
	<b>(35,567)</b>	<b>(41,224)</b>	<b>39</b>	<b>(76,752)</b>
<b>Working capital adjustments:</b>				
(Decrease)/Increase in financial assets at fair value through profit or loss	260,412	(133,018)	9,617	137,011
Increase in financial liabilities at fair value through profit or loss	–	–	(6)	(6)
Increase in receivable for investments sold	(7,486)	(2,279)	–	(9,765)
Increase in payable for investments purchased	–	2,325	–	2,325
Increase in investment manager and distributor fee payable	20	121	–	141
Increase in subscriptions for shares not yet allocated	1,000	–	–	1,000
	<b>253,946</b>	<b>(132,851)</b>	<b>9,611</b>	<b>130,706</b>
Dividend received	31,153	5,497	224	36,874
Bank interest income received	3,583	97	47	3,727
Withholding tax paid	(8,588)	(1,078)	(53)	(9,719)
<b>Net cash provided by operating activities</b>	<b>26,148</b>	<b>4,516</b>	<b>218</b>	<b>30,882</b>
<b>Net cash provided by/(used in) financing activities</b>				
Subscriptions received*	141,125	194,778	6,909	342,812
Payment for redemptions*	(381,527)	–	(16,692)	(398,219)
<b>Net cash (used in)/provided by financing activities</b>	<b>(240,402)</b>	<b>194,778</b>	<b>(9,783)</b>	<b>(55,407)</b>
Net increase in cash and cash equivalents	4,125	25,219	85	29,429
Beginning cash and cash equivalents	331,630	3,468	1,499	336,597
<b>Ending cash and cash equivalents</b>	<b>335,755</b>	<b>28,687</b>	<b>1,584</b>	<b>366,026</b>
<b>Supplementary schedule of non-cash activity:</b>				
Inspecie (redemption)/subscription	<b>(9,278)</b>	–	<b>9,278</b>	–
<b>Supplementary cash flow information</b>				
<b>Cash flows from operating activities include:</b>				
Cash received during the year for dividend income	31,153	5,497	224	36,874
Cash received during the year for interest income	3,585	98	47	3,730
Cash paid during the year for interest expense	(2)	(1)	–	(3)
	<b>34,736</b>	<b>5,594</b>	<b>271</b>	<b>40,601</b>

\*Redemptions and Subscriptions differ from those on the Statement of Change in Net Assets Attributable to Holders of Redeemable Participating Shares for MFG Global Fund and MFG Global Sustainable Fund respectively due to an inspecie transfer of \$9,278,004 on 12 June 2019 from Class 2 GBP Accumulating Unhedged of MFG Global Fund to Class 2 GBP Accumulating Unhedged of MFG Global Sustainable Fund.

The accompanying notes form an integral part of these Financial Statements.

MFG INVESTMENT FUND PLC  
Annual Report and Audited Financial Statements  
For the financial year ended 31 March 2020

**STATEMENT OF CASH FLOWS (Continued)**

**For the financial year ended 31 March 2019**

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
<b>Operating profit after finance costs and before taxation</b>	251,538	4,430	447	256,415
<b>Adjustments to reconcile profit before tax to net cash flows from operating activities:</b>				
Bank interest income	(6,374)	(56)	(21)	(6,451)
Dividend income	(30,791)	(1,441)	(83)	(32,315)
	<b>214,373</b>	<b>2,933</b>	<b>343</b>	<b>217,649</b>
<b>Working capital adjustments:</b>				
Increase in financial assets at fair value through profit or loss	(361,368)	(4,284)	(8,935)	(374,587)
Decrease in financial liabilities at fair value through profit or loss	—	—	6	6
Decrease in receivable for investments sold	9,482	—	—	9,482
Decrease in payable for investments purchased	(16,504)	—	—	(16,504)
(Decrease)/Increase in investment manager and distributor fee payable	(753)	(24)	6	(771)
Decrease in other payable	(9)	—	—	(9)
	<b>(369,152)</b>	<b>(4,308)</b>	<b>(8,923)</b>	<b>(382,383)</b>
Dividend received	31,422	1,451	83	32,956
Bank interest income received	6,106	53	19	6,178
Withholding tax paid	(8,713)	(244)	(22)	(8,979)
<b>Net cash provided by operating activities</b>	<b>28,815</b>	<b>1,260</b>	<b>80</b>	<b>30,155</b>
<b>Net cash provided by/(used in) financing activities</b>				
Subscriptions received	237,203	—	9,999	247,202
Payment for redemptions	(121,911)	—	—	(121,911)
<b>Net cash provided by financing activities</b>	<b>115,292</b>	<b>—</b>	<b>9,999</b>	<b>125,291</b>
Net (decrease)/increase in cash and cash equivalents	(10,672)	(115)	1,499	(9,288)
Beginning cash and cash equivalents	342,302	3,583	—	345,885
<b>Ending cash and cash equivalents</b>	<b>331,630</b>	<b>3,468</b>	<b>1,499</b>	<b>336,597</b>
<b>Supplementary cash flow information</b>				
<b>Cash flows from operating activities include:</b>				
Cash received during the year/period for dividend income	30,791	1,450	83	32,324
Cash received during the year/period for interest income	6,107	54	19	6,180
Cash paid during the year/period for interest expense	1	(1)	1	1
	<b>36,899</b>	<b>1,503</b>	<b>103</b>	<b>38,505</b>

\*The MFG Global Sustainable Fund launched 6 July 2018.

The accompanying notes form an integral part of these Financial Statements.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020

### 1. Significant Accounting Policies

#### 1.1 Statement of compliance

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union, with Irish Statute comprising the Companies Act 2014 (as amended), with the European Communities (Undertaking for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and with the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the “Central Bank UCITS Regulations”).

#### 1.2 Basis of preparation

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

##### *New accounting standards that are effective*

IFRS 16 ‘Leases’ (“IFRS 16”) is effective for annual reporting periods beginning on or after 1 January 2019. The objective of IFRS 16 is to report information that (a) faithfully represents lease transactions and (b) provides a basis for users of financial statements to assess the amount, timing and uncertainty of cashflows arising from leases. To meet that objective, a lessee should recognise assets and liabilities arising from a lease. The adoption of IFRS 16 did not have a material impact on the financial statements.

IFRIC 23 Uncertainty over Income Tax Treatments is effective for annual periods beginning on or after 1 January 2019 and aims to clarify how to reflect uncertainty in the recognition and measurement of income taxes under IAS 12. The new standard does not have a significant impact on the Company’s financial position, performance or disclosures in its financial statements.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning 1 April 2019 that have a material effect on the Financial Statements of the Company.

##### *New accounting standards issued but not yet effective*

There are no standards, amendments to standards or interpretations that are issued but not yet effective for annual periods beginning 1 April 2019 that have a material effect on the Financial Statements of the Company.

#### 1.3 Critical accounting estimates and judgements

The preparation of Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### 1.4 Going concern

The Company’s management has made an assessment of the Company’s ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company’s ability to continue as a going concern. Therefore, the Financial Statements continue to be prepared on a going concern basis.



## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 1. Significant Accounting Policies (Continued)

##### 1.5 Financial instruments

###### *Classification*

In accordance with IFRS 9, the Company classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below. In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

The Company classifies its financial assets as subsequently measured at amortised cost or measured at Fair Value through Profit and Loss (FVTPL) on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

Financial assets measured at FVTPL

A financial asset is measured at FVTPL if:

- Its contractual terms do not give rise to cash flows on specified dates that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding; or
- It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Company classifies its financial assets as subsequently measured at amortised cost or measured at Fair Value through Profit and Loss (FVTPL) on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

The Company includes in this category instruments which are held for trading.

###### *Financial assets measured at amortised cost*

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding. The Company includes in this category short-term receivables.

###### *Financial liabilities measured at amortised cost*

This category includes all financial liabilities, other than those measured at FVTPL. The Company includes in this category other short-term payables.

###### *Recognition and Measurement*

The Company recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. Transactions are recognised using trade date accounting.

Financial assets and liabilities categorised as at FVTPL, are measured initially at fair value, with transaction costs for such instruments being recognised directly in the Statement of Comprehensive Income.

Subsequent changes in the fair value of financial instruments at FVTPL, are recognised in the Statement of Comprehensive Income.

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 1. Significant Accounting Policies (Continued)

##### 1.5 Financial instruments (Continued)

###### *Subsequent Measurement*

Subsequent to initial measurement, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net gain on financial assets and liabilities at fair value through profit or loss' in the period in which they arise.

Fair value is the price that would be received to sell the asset or transfer the liability in an orderly transaction between market participants. In determining fair value, securities which are quoted, listed or traded on a recognised exchange will be valued at the last traded price (or, if no last traded price is available, at the midmarket price). Where a security is listed or dealt in on more than one recognised exchange the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the Directors determine provides the fairest criteria in determining a value for the relevant investment.

The value of any security which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Directors or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary.

###### *Derecognition*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

###### *Impairment*

IFRS 9 requires the Company to record an expected credit loss ("ECL") on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. Given the limited exposure of the Company to credit risk, this does not have a material impact on the financial statements.

###### *Hedge accounting*

The Company has not applied hedge accounting under IFRS 9.

##### 1.6 Functional currency and foreign currency translation

The functional and presentation currency of the Company and each Fund is US Dollar ("USD") as that is the currency in which the majority of the capital activities of the Funds are denominated. The primary statements are presented to the nearest thousand (USD '000).

Assets and liabilities expressed in foreign currencies will be converted into the functional currency of the Company using the exchange rates prevailing as at the Statement of Financial Position date. Transactions in foreign currencies are translated into USD at exchange rates ruling on the transaction dates.

##### 1.7 Use of estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### 1.8 Cash and cash equivalents

Cash and cash equivalents includes deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

##### 1.9 Redeemable participating shares

The Funds may issue three classes of redeemable participating shares, which are redeemable at the holder's option and do not have identical features. Such shares are classified as financial liabilities. Redeemable participating shares can be put back to the Funds at any dealing date for cash equal to a proportionate share of each Fund's net asset value attributable to the share class.

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 1. Significant Accounting Policies (Continued)

##### 1.9 Redeemable participating shares (Continued)

Redeemable participating shares are issued and redeemed at the holder's option at prices based on each Fund's net asset value per share at the time of issue or redemption.

The net asset value per share for each class in each Fund is calculated by dividing the net assets attributable to the holders of each class of redeemable participating shares with the total number of outstanding redeemable participating shares for each respective class.

##### 1.10 Receivables for investments sold

Receivables for investments sold but not settled at balance date are measured at fair value. Receivables for investments sold are usually settled between two and five days after trade date.

##### 1.11 Payables for investments purchased

Payables for investments purchased but not settled at balance date are measured at fair value. Payables for investments purchased are usually settled between two and five days after trade date.

##### 1.12 Income and expenses

Interest income and expense are accounted for on an accrual basis. Dividend income is recognised in the Statement of Comprehensive Income on the date on which the relevant securities are listed as "ex-dividend". Dividend income is shown gross of any non-recoverable withholding tax, which is disclosed separately in the Statement of Comprehensive Income. Operating expenses of the Company are expensed in the financial period to which they relate on an accrual basis.

##### 1.13 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the Statement of Comprehensive Income as an expense.

##### 1.14 Distributions

It is not the current intention to declare or distribute dividends in respect of the accumulating shares. The net income earned per accumulating share will be accumulated and reinvested on behalf of the Shareholders of accumulating shares.

##### 1.15 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when, and only when, there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

##### 1.16 Taxation

The Company may incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

##### 1.17 Forward foreign exchange contracts

The change in unrealised gain/loss on forward foreign exchange contracts ("FFECs") is included as a net change in unrealised gain or loss on financial assets and liabilities at fair value through profit or loss. Unrealised gains are reported as an asset and unrealised losses are reported as a liability on the Statement of Financial Position. Realised gain/loss on FFECs is included as net realised gain/loss on financial assets and liabilities at fair value through profit or loss in the Statement of Comprehensive Income.

#### 2. Risks

##### 2.1 Financial risks

The Company's activities expose it to a variety of financial risks: market risk (including price risk, currency risk and interest rate risk), liquidity risk and credit risk.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020 (Continued)

### 2. Risks (Continued)

#### 2.1 Financial risks (Continued)

The Company's overall risk management process seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Investment Manager selects the assets which each Fund will invest in, and does this in accordance with the respective investment objective and policy of each Fund. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, will be closely linked to the performance of such investments. Investments made by the Investment Manager will be speculative and an investment in an investment fund involves a degree of risk.

##### (a) Market Risk

###### *Price Risk*

The Company is exposed to equity securities price risk. This arises from investments held by the Company for which prices in the future are uncertain.

Where investments are denominated in currencies other than USD, the price initially expressed in foreign currency and then converted into USD will also fluctuate because of changes in foreign exchange rates. 'Foreign exchange risk' below, sets out how this component of price risk is managed and measured.

The Investment Manager seeks to ensure that each investment is consistent with the Company's requirements for prudent risk management. The Investment Manager believes that the primary risk management tool is the investment process. Each Fund aims to hold 20 to 40 stocks. The size and diversification of each portfolio is sufficient to ensure the Funds' returns are not overly correlated to a single company, industry specific or macroeconomic risk but the returns of each portfolio are not expected to be perfectly correlated to any market or sector index.

At 31 March 2020, the fair values of investments exposed to price risk are set out in the Schedule of Investments for each Fund. The largest exposure to any one individual equity position at the year end was 7.25% (2019: 6.83%) of the net asset value of the MFG Global Fund and 6.39% (2019: 8.41%) of the net asset value of the MFG Select Infrastructure Fund and 7.24% (2019: 6.08%) of the net asset value of the MFG Global Sustainable Fund.

During the year, the Investment Manager increased the price risk rate assumption to 10% (31 March 2019: 5%). This change is due to the material value of investments held by the Company, the effect that changes in equity prices have on the Company's profit or loss and the impact that COVID-19 has had within the economic environment in which it operates.

The following table demonstrates the impact on net assets attributable to holders of redeemable participating shares of a 10% increase in price of the financial assets at fair value through profit or loss to which the Funds had exposure, with all other variables held constant.

	As at 31 March 2020 USD '000	As at 31 March 2019 USD '000
MFG Global Fund	171,714	198,684
MFG Select Infrastructure Fund	17,635	4,332
MFG Global Sustainable Fund	860	894

Conversely, if the price of financial assets at fair value through profit or loss to which the Funds had exposure had decreased by 10%, with all other variables held constant, this would have an equal but opposite effect on the net assets attributable to holders of redeemable participating shares of each Fund. 10% represents the Investment Manager's best estimate of a reasonable possible shift in price of the investments. Actual trading results may differ from this sensitivity analysis and this difference may be material.

###### *Foreign Exchange Risk*

The Company operates internationally and holds monetary assets denominated in currencies other than USD, the functional currency. Foreign currency risk arises as the value of future transactions, recognised monetary assets and monetary liabilities denominated in other currencies fluctuate due to changes in foreign exchange rates.

The Company is managed on an unhedged basis and therefore the returns of each Fund are exposed to changes in exchange rates relative to the USD.

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**NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 March 2020 (Continued)**

**2. Risks (Continued)**

**2.1 Financial risks (Continued)**

**(a) Market Risk (Continued)**

*Foreign Exchange Risk (Continued)*

The table below provides each Fund's exposure to currency risk.

**31 March 2020**

<b>MFG Global Fund</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Australian Dollar (AUD)	6	—	6	5.00%	—
Euro (EUR)	167,601	—	167,601	5.00%	8,380
Hong Kong Dollar (HKD)	51,131	—	51,131	5.00%	2,557
Swiss Franc (CHF)	164,574	(1)	164,573	5.00%	8,229
UK Pound Sterling (GBP)	83,537	—	83,537	5.00%	4,177
	<u>466,849</u>	<u>(1)</u>	<u>466,848</u>		<u>23,343</u>

<b>MFG Select Infrastructure Fund</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Australian Dollar (AUD)	25,190	(294)	24,896	5.00%	1,245
Canadian Dollar (CAD)	12,052	—	12,052	5.00%	603
Chilean Peso (CLP)	1,765	—	1,765	5.00%	88
Euro (EUR)	53,175	(2,025)	51,150	5.00%	2,557
New Zealand Dollar (NZD)	750	—	750	5.00%	37
Swiss Franc (CHF)	1,785	—	1,785	5.00%	89
UK Pound Sterling (GBP)	1,931	—	1,931	5.00%	97
	<u>96,648</u>	<u>(2,319)</u>	<u>94,329</u>		<u>4,716</u>

<b>MFG Global Sustainable Fund</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Euro (EUR)	1,568	—	1,568	5.00%	78
Hong Kong Dollar (HKD)	345	—	345	5.00%	17
Swiss Franc (CHF)	616	—	616	5.00%	31
UK Pound Sterling (GBP)	906	—	906	5.00%	45
	<u>3,435</u>	<u>—</u>	<u>3,435</u>		<u>171</u>

**31 March 2019**

<b>MFG Global Fund</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Australian Dollar (AUD)	7	—	7	5.00%	—
Euro (EUR)	112,538	—	112,538	5.00%	5,627
Swiss Franc (CHF)	160,242	—	160,242	5.00%	8,012
UK Pound Sterling (GBP)	81,251	—	81,251	5.00%	4,063
	<u>354,038</u>	<u>—</u>	<u>354,038</u>		<u>17,702</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 March 2020 (Continued)**

**2. Risks (Continued)**

**2.1 Financial risks (Continued)**

**(a) Market Risk (Continued)**

*Foreign Exchange Risk (Continued)*

<b>MFG Select Infrastructure Fund</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Australian Dollar (AUD)	9,959	–	9,959	5.00%	498
Canadian Dollar (CAD)	3,320	–	3,320	5.00%	166
Chilean Peso (CLP)	705	–	705	5.00%	35
Euro (EUR)	10,734	–	10,734	5.00%	537
New Zealand Dollar (NZD)	1,117	–	1,117	5.00%	56
Swiss Franc (CHF)	731	–	731	5.00%	37
UK Pound Sterling (GBP)	668	–	668	5.00%	33
	<u>27,234</u>	<u>–</u>	<u>27,234</u>		<u>1,362</u>
<b>MFG Global Sustainable Fund*</b>	<b>Monetary assets exposure USD '000</b>	<b>Monetary liabilities exposure USD '000</b>	<b>Total exposure USD '000</b>	<b>FX rate sensitivity</b>	<b>FX rate sensitivity USD '000</b>
Euro (EUR)	1,408	–	1,408	5.00%	70
Swiss Franc (CHF)	244	–	244	5.00%	12
UK Pound Sterling (GBP)	839	–	839	5.00%	42
	<u>2,491</u>	<u>–</u>	<u>2,491</u>		<u>124</u>

\*The MFG Global Sustainable Fund launched 6 July 2018.

The preceding table also summarises the sensitivity of each Fund's monetary assets and liabilities to changes in foreign exchange movements at 31 March 2020 and 31 March 2019.

The analysis is based on the assumptions that the relevant foreign exchange rate increased by 5%, with all other variables held constant. This represents the Investment Manager's best estimate of a reasonable possible shift in the foreign exchange rates, having regard to historical volatility of those rates, and is not intended to be predictive. A decrease of 5%, with all other variables held constant, would have an equal but opposite effect.

*Interest Rate Risk*

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of financial assets and liabilities and future cash flow. As equity funds do not invest in interest-bearing securities, the Funds do not have a significant exposure to interest rate risk. Excess cash and cash equivalents are invested at short term market interest rates thus contributing very little to fair value interest rate risk, however, such balances are exposed to cash flow interest rate risks. Balances exposed to cash flow interest rate risks are the cash and cash equivalent amounts disclosed in the Statement of Financial Position.

During the year, the Investment Manager decreased the interest risk rate assumption to 0.25% (31 March 2019: 1%). This change is due to the impact that COVID-19 has had within the economic environment in which the Company operates.

If interest rates across all currencies had increased by 0.25%, with all other variables held constant, this would have increased net assets attributable to holders of redeemable shares of each Fund as follows:

	<b>As at 31 March 2020 USD '000</b>	<b>As at 31 March 2019 USD '000</b>
MFG Global Fund	839	829
MFG Select Infrastructure Fund	72	9
MFG Global Sustainable Fund	4	4

A decrease of 0.25%, with all other variables held constant, would have an equal but opposite effect.



## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 2. Risks (Continued)

##### 2.1 Financial risks (Continued)

###### (b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

Each Fund invests primarily in securities which are readily realisable. As a result, under ordinary circumstances each Fund is likely to be able to liquidate its investments quickly at an amount close to their fair value in order to meet its liquidity requirements. During late March 2020, global share markets experienced significantly increased price volatility as a result of COVID-19, during this time each Fund continued its strategy to monitor at a strategy and individual level daily for each Fund. No difficulties were encountered in generating cash to settle each Fund's obligations. The Investment Manager endeavours to manage each Fund's investments, including cash to meet its liabilities.

All of the liabilities of the Company as at 31 March 2020 and 31 March 2019, as shown in the Statement of Financial Position, fall due within one month of the financial year end.

###### (c) Credit Risk, Depositary and Title Risk

Credit risk, is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's exposure to credit risk is the value of cash and cash equivalents disclosed in the Statement of Financial Position.

Northern Trust Fiduciary Services (Ireland) Limited ("NTFSIL") is the appointed Depositary of the Funds, responsible for the safe-keeping of assets. NTFSIL has appointed The Northern Trust Company ("TNTC") as its global sub-custodian. Both NTFSIL and TNTC are wholly owned subsidiaries of Northern Trust Corporation ("NTC"). As at year-end date 31 March 2020, NTC had a long term credit rating from Standard & Poor's of A+ (31 March 2019: A+).

TNTC (as global sub-custodian of NTFSIL) does not appoint external sub-custodians within the U.S., the U.K., Ireland and Canada. However, in all other markets, TNTC appoints local external sub-custodians.

NTFSIL, in the discharge of its depositary duties, verifies the Fund's ownership of Other Assets, (as defined under Other Assets, UCITS Regulations – European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011)), by assessing whether the Funds hold the ownership based on information or documents provided by the Funds or where available, on external evidence.

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Funds, clearly identifiable as belonging to the Funds, and distinct and separately from the proprietary assets of TNTC, NTFSIL and NTC.

In addition TNTC, as banker, holds cash of the Funds on deposit. As at 31 March 2020, cash held amounted to USD 365,025,547 (2019: USD 336,597,326). Such cash is held on the Statement of Financial Position of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Funds will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of NTFSIL and or one of its agents or affiliates may cause the Funds' rights with respect to its assets to be delayed.

The Responsible Party ("the Board of Directors or its delegates") manages risk by monitoring the credit quality and financial position of the Depositary and such risk is further managed by the Depositary monitoring the credit quality and financial positions of sub-custodian appointment.

##### 2.2 Capital Risk Management

The capital of the Company is represented by the net assets attributable to holders of redeemable participating shares. The amount of net assets attributable to holders of redeemable participating shares can change significantly on a daily basis, as each Fund is subject to daily subscriptions and redemptions at the discretion of Shareholders. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for Shareholders and maintain a strong capital base to support the investment activities of the Company.

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

## 2. Risks (Continued)

### 2.2 Capital Risk Management (Continued)

The Directors may determine to redeem all the outstanding shares of each Fund in the event that the Fund's Net Asset Value falls below USD 100 million or such amount as may be determined by the Directors from time to time and notified in advance to Shareholders.

### 2.3 Fair Value Estimation

The Company's accounting policies in relation to measuring financial assets and financial liabilities at fair value through profit or loss are set out in Note 1.5 above.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, comprise equity securities which are quoted, listed or traded on a recognised exchange and on-market renounceable subscription rights. The Company does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These comprise off-market renounceable subscription rights. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. The Company does not hold any Level 3 financial assets.

The vast majority of the financial assets of the Company are classified as Level 1, being exchange traded equity securities with observable prices in active markets. There were no securities at the year end NAV classified as Level 2 (2019: 0.00012%). This is as a result of there being no open Forward Foreign Exchange Contracts held at year end (2019: EUR 2,864 Net Loss). The Company does not hold any Level 3 financial assets.

There were no significant transfers between levels during the current financial year or in the prior financial year.

## 3. Share Capital

The authorised share capital of the Company is 1,000,000,000,000 shares initially designated as unclassified shares (the "Shares"). The subscriber shares in issue is €2 represented by 2 shares, these were issued for the purposes of the incorporation of the Company. The subscriber shares do not form part of the Net Asset Value of the Company and are thus disclosed in the financial statements by way of this note only.

The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company.



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**NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 March 2020 (Continued)**

**3. Share Capital (Continued)**

The rights attached to any Class may be varied or abrogated with the consent in writing of the Shareholders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the Shareholders of the Shares of the Class. These may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any Shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them.

Holders to any class or classes of shares are entitled to one vote per share held at meetings of Shareholders or by proxy. Shareholders who hold a fraction of a Share do not carry voting rights.

The shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged, subscription or redemption procedures or the minimum subscription, minimum holding and minimum transaction size applicable.

During the financial year ended 31 March 2020, the number of shares issued, redeemed and outstanding was as follows:

	Shares in issue at start of financial year	Shares subscribed	Shares redeemed	Shares in issue at end of financial year
<b>MFG Global Fund</b>				
Class 1 Accumulating Unhedged USD	9,139,660	735,057	(1,998,209)	7,876,508
Class 2 Accumulating Unhedged GBP	2,828,701	20,664	(121,380)	2,727,985
<b>MFG Select Infrastructure Fund</b>				
Class 1 Accumulating Unhedged USD	355,815	27,388	–	383,203
Class 2 Accumulating Unhedged GBP*	–	1,403,743	–	1,403,743
<b>MFG Global Sustainable Fund</b>				
Class 1 Accumulating Unhedged USD	90,000	5,870	–	95,870
Class 2 Accumulating Unhedged GBP**	–	121,790	(121,790)	–
Class 3 Accumulating Unhedged USD	9,990	–	–	9,990

\* The Class 2 Accumulating Unhedged GBP launched 03 May 2019.

\*\* The Class 2 Accumulating Unhedged GBP launched 12 June 2019 and closed on 24 February 2020.

During the financial year ended 31 March 2019, the number of shares issued, redeemed and outstanding was as follows:

	Shares in issue at start of financial year/period	Shares subscribed	Shares redeemed	Shares in issue at end of financial year/period
<b>MFG Global Fund</b>				
Class 1 Accumulating Unhedged USD	9,099,516	716,690	(676,546)	9,139,660
Class 2 Accumulating Unhedged GBP	2,390,457	483,730	(45,486)	2,828,701
<b>MFG Select Infrastructure Fund</b>				
Class 1 Accumulating Unhedged USD	355,815	–	–	355,815
<b>MFG Global Sustainable Fund*</b>				
Class 1 Accumulating Unhedged USD*	–	90,000	–	90,000
Class 3 Accumulating Unhedged USD*	–	9,990	–	9,990

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**For the financial year ended 31 March 2020 (Continued)**

**3. Share Capital (Continued)**

\*The MFG Global Sustainable Fund launched 6 July 2018. The Fund launched Class 1 Accumulating Unhedged USD on 6 July 2018 and Class 3 Accumulating Unhedged USD launched on 8 February 2019.

**4. NAV reconciliation**

**31 March 2019**

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
Dealing NAV	2,317,564	46,845	10,424	2,374,833
Adjustments for financial statements:				
Late trade	(580)	–	–	(580)
Adjusted NAV	<u>2,316,984</u>	<u>46,845</u>	<u>10,424</u>	<u>2,374,253</u>

\* The MFG Global Sustainable Fund launched 6 July 2018.

**31 March 2019**

The published Net Asset Value per redeemable participating share at which Shareholders may subscribe to or redeem from the Funds, differs from the Net Asset Value per the financial statements. The difference relates to a redemption which traded on 29 March 2019 for settlement date 2 April 2019 on Class 1 Accumulating Unhedged USD. There were no such differences as at 31 March 2020.

**5. Net (losses)/gains on financial assets at fair value through profit or loss**

**31 March 2020**

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund USD '000</b>	<b>Company Total USD '000</b>
Net realised gains/(losses) on sale of investments	184,034	(5,457)	975	179,552
Net currency losses	(155)	(387)	(80)	(622)
Net change in unrealised losses on investments	(200,342)	(33,734)	(691)	(234,767)
	<u>(16,463)</u>	<u>(39,578)</u>	<u>204</u>	<u>(55,837)</u>

**31 March 2019**

	<b>MFG Global Fund USD '000</b>	<b>MFG Select Infrastructure Fund USD '000</b>	<b>MFG Global Sustainable Fund* USD '000</b>	<b>Company Total USD '000</b>
Net realised gains on sale of investments	79,557	880	36	80,473
Net currency (losses)/gains	(424)	(16)	6	(434)
Net change in unrealised gains on investments	153,270	2,421	360	156,051
	<u>232,403</u>	<u>3,285</u>	<u>402</u>	<u>236,090</u>

\* The MFG Global Sustainable Fund launched 6 July 2018.

**6. Fees and Expenses**

**Investment Manager and Distributor Fee**

The Investment Manager and Distributor is entitled to receive out of the assets of each Fund an annual investment management and distribution fee equal to a percentage of the net asset value of the relevant class as outlined in the table below. Such fee shall be calculated and accrued at each dealing day and payable monthly in arrears.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2020 (Continued)

### 6. Fees and Expenses (Continued)

#### Investment Manager and Distributor Fee (continued)

Class of shares	Capped fee (up to and not exceeding)
Class 1 Accumulating Unhedged USD	0.80% p.a.
Class 2 Accumulating Unhedged GBP	0.80% p.a.
Class 3 Accumulating Unhedged USD	Nil.

The annual rate of fee paid by each Fund in respect of each share class to the Investment Manager may be increased up to a maximum of 1% of the net asset value of the relevant class, i.e. 'the maximum capped fee' by agreement between the Company and the Investment Manager, but will not be increased without at least 30 days written notice being sent to Shareholders.

The Investment Manager will pay the fees of the Administrator, Facility Agent, Paying Agent, Depositary and the preliminary expenses incurred with respect of the establishment and initial issue of Shares in each Fund.

#### Establishment Expenses

Fees and expenses relating to the establishment and organisation of the Company, including the fees of the Company's professional advisers and registering the Shares for sale in various markets are borne by the Investment Manager.

#### Operating Costs and Expenses

The preliminary expenses incurred in connection with the establishment and initial issue of shares in each Fund were borne by the Investment Manager. Operating costs and expenses incurred in operation of each Fund, other than those expressly borne by the Investment Manager, as described below, have been met out of the assets of each Fund. The Funds have borne expenses incurred in connection with the acquisition, disposal or maintenance of investments including brokerage costs, clearing house fees, taxes and other transaction charges.

The Investment Manager has borne the following operating expenses of each Fund: auditors fees, legal and other professional advisers expenses; insurance premiums, registration fees and other expenses payable by the Company to government, regulatory, supervisory or fiscal agencies; fees required to be paid to the Central Bank of Ireland; expenses in respect Shareholders' and Directors' meetings; Company secretarial expenses; expenses related to transfer agents, dividend dispersing agents, Shareholder servicing agents and registrars; printing and mailing expenses, and expenses related to the preparation, printing and distribution of the Company's Prospectus, Supplement, KIIDs, proxy statements, reports to Shareholders and other Fund materials and/or sales literature; Directors' fees and expenses; and such other expenses as have been agreed between the Company and the Investment Manager.

The establishment and operating expenses borne by the Investment Manager for the financial year ended 31 March 2020 amounted to USD 2,245,653 (2019: USD 1,935,013).

#### Administration and Depositary Fees

The Investment Manager bears the Administration and Depositary fees of the Company.

### 7. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Investment Manager of the Company is MFG Asset Management. Under the terms of the investment management agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Funds in accordance with the investment objective and policies of each Fund. The Investment Manager is entitled to receive investment management and distributor fees as set out in Note 6. Total investment management fees for the financial year amounted to USD 20,070,704 (2019: USD 17,996,048), of which USD 1,627,703 (2019: USD 1,487,578) remained payable at the financial year end. MFG Asset Management, as Investment Manager of the Fund, may waive or reduce all of its investment management fee by paying a rebate to relevant Shareholders in the form of additional shares in the respective Fund.

Magellan Financial Group Limited holds 9,990 shares of MFG Global Sustainable Fund, Class 3 Accumulating Unhedged USD Shares.

Craig Wright is a Director of the Company and an employee of MFG Asset Management.

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**NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 March 2020 (Continued)**

**7. Related Party Transactions (Continued)**

The Directors who are not associated with the Investment Manager shall receive a fee for their services, however the aggregate emoluments of such Directors shall not exceed EUR 65,000 per annum or such other amount that maybe approved by a resolution of the Directors or the Shareholders at a general meeting. None of the Directors had any interest in the redeemable participating shares of the Company during the financial year.

Directors' fees for the financial year amounted to EUR 65,000 (2019: EUR 65,000) and have been borne by the investment manager.

**8. Cash and Cash Equivalents**

Cash balances are held by The Northern Trust Company, a wholly owned subsidiary of Northern Trust Corporation. The total cash and cash equivalents balance as at 31 March 2020 amounted to USD 365,025,547 (2019: USD 336,597,326).

**9. Net Asset Value**

Net asset value	31 March 2020 USD	31 March 2019 USD	31 March 2018 USD
<b>MFG Global Fund</b>			
Class 1 Accumulating Unhedged USD	1,328,792,522	1,554,941,598	1,382,940,699
Class 2 Accumulating Unhedged GBP	729,549,457	762,622,408	575,224,817
<b>MFG Select Infrastructure Fund</b>			
Class 1 Accumulating Unhedged USD	44,238,082	46,844,501	42,659,071
Class 2 Accumulating Unhedged GBP*	160,742,017	—	—
<b>MFG Global Sustainable Fund</b>			
Class 1 Accumulating Unhedged USD	9,208,692	9,383,075	—
Class 2 Accumulating Unhedged GBP**	—	—	—
Class 3 Accumulating Unhedged USD	967,225	1,041,400	—

\*The MFG Select Infrastructure fund launched Class 2 Accumulating Unhedged GBP on 3 May 2019

\*\*The MFG Global Sustainable fund launched Class 2 Accumulating Unhedged GBP on 12 June 2019

Net asset value per share	31 March 2020	31 March 2019	31 March 2018
<b>MFG Global Fund</b>			
Class 1 Accumulating Unhedged USD	\$168.70	\$170.13	\$151.98
Class 2 Accumulating Unhedged GBP	£215.68	£269.88	£171.75
<b>MFG Select Infrastructure Fund</b>			
Class 1 Accumulating Unhedged USD	\$115.44	\$131.65	\$119.89
Class 2 Accumulating Unhedged GBP*	£92.35	—	—
<b>MFG Global Sustainable Fund</b>			
Class 1 Accumulating Unhedged USD	\$96.05	\$104.26	—
Class 2 Accumulating Unhedged GBP**	—	—	—
Class 3 Accumulating Unhedged USD	\$96.82	\$104.24	—

\*The MFG Select Infrastructure fund launched Class 2 Accumulating Unhedged GBP on 3 May 2019

\*\*The MFG Global Sustainable fund launched Class 2 Accumulating Unhedged GBP on 12 June 2019

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## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 10. Taxation

Under current law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On this basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a “chargeable event”. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of shares.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

- a) A Shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended are held by the Company; and
- b) Certain exempted Irish tax resident Shareholders who have provided the Company with the necessary signed statutory declarations.

Where the Company has a concession from the Revenue Commissioners it may be possible to obtain an exemption from the requirement to have a valid non-resident declaration in place.

Interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its Shareholders.

#### 11. Exchange Rates

The exchange rates used to translate foreign currency balances and foreign currency-denominated assets and liabilities to USD at the financial year end were as follows:

	As at 31 March 2020	As at 31 March 2019
Australian Dollar (AUD)	1.6339	1.4078
Canadian Dollar (CAD)	1.4234	1.3360
Chilean Peso (CLP)	852.3200	680.4750
Euro (EUR)	0.9114	0.8906
New Zealand Dollar (NZD)	1.6868	1.4663
Swiss Franc (CHF)	0.9676	0.9959
UK Pound Sterling (GBP)	0.8065	0.7674

#### 12. Efficient Portfolio Management and Use of Financial Derivative Instruments

The only financial derivative instruments the Funds may hold are:

- a) subscription rights received as a result of a corporate action by an entity in which the Fund holds equity securities and;
- b) foreign exchange forwards in MFG Global Sustainable Fund.

The Investment Manager employs a risk management process which enables it to accurately measure, monitor and manage the risks attached to these financial derivative instruments. The Investment Manager uses the commitment approach to calculate the Funds’ daily global exposure to financial derivative instruments, being the incremental exposure and leverage generated through the use of financial derivative instruments, in accordance with its risk management process and the requirements of the Central Bank. It is expected that the Funds will not be leveraged in excess of 5% of their total Net Asset Value through the use of financial derivative instruments.

As at 31 March 2020, the Company did not hold open foreign exchange forward contracts. (2019: Fair value: EUR 2,864 Net Loss).

#### 13. Soft Commissions and Directed Brokerage Services

The Investment Manager pays for investment research from its own resources; however, it may from time to time, receive proprietary and third party research from any of the brokers with which it executes client transactions on behalf of MFG Investment Fund plc.

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2020 (Continued)

#### 14. Segregated Liability

The Company was incorporated with limited liability as an open-ended umbrella investment company with variable capital and segregated liability between Funds. Any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

#### 15. Auditor's Remuneration

Fees and expenses paid to the statutory auditors, Ernst & Young, in respect of the financial year, relate to the audit of the Financial Statements of the Company and tax advisory services in relation to the annual reporting requirements for UK reporting. The Auditor's fees were borne by the Investment Manager. The Financial Statements audit fee (inclusive of VAT) charged for the financial year ended 31 March 2020 was EUR 41,000 (2019: EUR 38,130). The tax advisory service fee charged for the financial year ended 31 March 2020 was EUR 34,897 (2019: EUR 16,194).

#### 16. Significant Events During the Financial Year

The Directors note the developing situation regarding the COVID-19 pandemic and will continue to monitor the impact of the pandemic on the performance of the Company's Funds. The presentation of these Financial Statements has not been impacted by COVID-19 apart from an additional disclosure under the heading of 'Significant Events during the Financial Year' in both the Directors Report and Note 16 in Notes to the Financial Statements.

An addendum to the Prospectus was filed with the Central Bank of Ireland on 9 April 2019 to facilitate:

- a) a change in the registered office of the Company;
- b) the appointment of a new corporate secretary and legal adviser; and
- c) the possibility that with effect from 29 March 2019 the United Kingdom will no longer be categorised as a Member State of the European Union.

MFG Selected Infrastructure Class 2 Accumulating Unhedged GBP launched 3 May 2019.

MFG Global Sustainable Class 2 Accumulating Unhedged GBP launched 12 June 2019.

There were no other significant events during the financial year ended 31 March 2020.

#### 17. Significant Events After the Financial Year End

There was a subscription of \$40,000,000 for 244,305 MFG Global Fund shares on 1 April 2020.

There were no other significant events that occurred in respect of the Company after the financial year end which were deemed material for disclosure in the Financial Statements.

#### 18. Approval of the Financial Statements

These Financial Statements were approved by the Directors on 16 June 2020.

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**SCHEDULE OF INVESTMENTS**

**MFG GLOBAL FUND**

**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 83.42% (31 Mar 2019: 85.73%)</b>		
	<b>Belgium 1.10% (31 Mar 2019: 0.00%)</b>		
	<b>Beverages 1.10% (31 Mar 2019: 0.00%)</b>		
510,085	Anheuser-Busch InBev	22,651	1.10
	<b>Total Belgium</b>	<b>22,651</b>	<b>1.10</b>
	<b>France 2.90% (31 Mar 2019: 0.00%)</b>		
	<b>Apparel 2.90% (31 Mar 2019: 0.00%)</b>		
160,937	LVMH Moët Hennessy Louis Vuitton	59,766	2.90
	<b>Total France</b>	<b>59,766</b>	<b>2.90</b>
	<b>Germany 3.09% (31 Mar 2019: 4.09%)</b>		
	<b>Software 3.09% (31 Mar 2019: 4.09%)</b>		
563,925	SAP	63,609	3.09
	<b>Total Germany</b>	<b>63,609</b>	<b>3.09</b>
	<b>Netherlands 1.02% (31 Mar 2019: 0.77%)</b>		
	<b>Beverages 1.02% (31 Mar 2019: 0.77%)</b>		
251,237	Heineken	20,995	1.02
	<b>Total Netherlands</b>	<b>20,995</b>	<b>1.02</b>
	<b>People's Republic of China 8.57% (31 Mar 2019: 0.00%)</b>		
	<b>Internet 8.57% (31 Mar 2019: 0.00%)</b>		
644,045	Alibaba Group ADR	125,254	6.09
1,042,247	Tencent	51,125	2.48
	<b>Total People's Republic of China</b>	<b>176,379</b>	<b>8.57</b>
	<b>Switzerland 7.99% (31 Mar 2019: 6.92%)</b>		
	<b>Food 3.73% (31 Mar 2019: 3.50%)</b>		
748,262	Nestlé SA	76,910	3.73
	<b>Pharmaceuticals 4.26% (31 Mar 2019: 3.42%)</b>		
1,062,093	Novartis AG	87,653	4.26
	<b>Total Switzerland</b>	<b>164,563</b>	<b>7.99</b>



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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG GLOBAL FUND (Continued)**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 83.42% (31 Mar 2019: 85.73%) (Continued)</b>		
	<b>United Kingdom 4.03% (31 Mar 2019: 3.50%)</b>		
	<b>Household Products/Wares 4.03% (31 Mar 2019: 3.50%)</b>		
1,086,790	Reckitt Benckiser	82,875	4.03
	<b>Total United Kingdom</b>	<b>82,875</b>	<b>4.03</b>
	<b>United States 54.72% (31 Mar 2019: 70.45%)</b>		
	<b>Banks 0.00% (31 Mar 2019: 2.71%)</b>		
	<b>Beverages 2.52% (31 Mar 2019: 2.57%)</b>		
432,487	PepsiCo Inc	51,942	2.52
	<b>Computers 0.00% (31 Mar 2019: 5.52%)</b>		
	<b>Cosmetics/Personal Care 2.60% (31 Mar 2019: 0.00%)</b>		
336,128	Estee Lauder Cos	53,558	2.60
	<b>Diversified Financial Services 7.03% (31 Mar 2019: 9.82%)</b>		
247,680	MasterCard Inc	59,829	2.91
526,488	Visa Inc	84,828	4.12
	<b>Electric 8.51% (31 Mar 2019: 0.00%)</b>		
598,631	Eversource Energy	46,819	2.27
590,449	WEC Energy Group Inc	52,036	2.53
1,264,935	Xcel Energy Inc	76,276	3.71
	<b>Food 0.00% (31 Mar 2019: 2.97%)</b>		
	<b>Healthcare-Services 2.13% (31 Mar 2019: 3.96%)</b>		
487,159	HCA Holdings Inc	43,771	2.13
	<b>Insurance 0.00% (31 Mar 2019: 2.31%)</b>		
	<b>Internet 11.05% (31 Mar 2019: 12.81%)</b>		
11,957	Alphabet Class A	13,893	0.68
88,677	Alphabet Class C	103,115	5.01
661,469	Facebook Inc	110,333	5.36
	<b>REITS 3.71% (31 Mar 2019: 3.32%)</b>		
529,154	Crown Castle International Corp	76,410	3.71
	<b>Retail 9.92% (31 Mar 2019: 13.61%)</b>		
272,001	McDonald's Corp	44,975	2.18
1,518,316	Starbucks Corp	99,814	4.85
866,592	Yum! Brands Inc	59,388	2.89



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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG GLOBAL FUND (Continued)**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 83.42% (31 Mar 2019: 85.73%) (Continued)</b>		
	<b>United States 54.72% (31 Mar 2019: 70.45%) (Continued)</b>		
	<b>Software 7.25% (31 Mar 2019: 10.85%)</b>		
946,819	Microsoft Corp	149,323	7.25
	<b>Total United States</b>	<b>1,126,310</b>	<b>54.72</b>
	<b>Total Equities</b>	<b>1,717,148</b>	<b>83.42</b>
	<b>Total Value of Investments</b>	<b>1,717,148</b>	<b>83.42</b>
	<b>Cash and Cash Equivalents*</b>	<b>334,755</b>	<b>16.26</b>
	<b>Other Net Assets</b>	<b>6,439</b>	<b>0.32</b>
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>2,058,342</b>	<b>100.00</b>

\*All cash holdings are held with The Northern Trust Company.

<b><u>Analysis of Total Assets</u></b>	<b>% of Total Assets</b>
Transferable Securities admitted to official stock exchange listing	83.36%
Other Assets	16.64%
	<b>100.00%</b>

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG SELECT INFRASTRUCTURE FUND**

**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 86.03% (31 Mar 2019: 92.50%)</b>		
	<b>Australia 12.12% (31 Mar 2019: 21.11%)</b>		
	<b>Commercial Services 7.35% (31 Mar 2019: 12.86%)</b>		
1,659,008	Atlas Arteria Group	5,595	2.73
1,284,793	Transurban Group	9,467	4.62
	<b>Electric 2.18% (31 Mar 2019: 2.81%)</b>		
3,747,028	Spark Infrastructure Group	4,472	2.18
	<b>Engineering &amp; Construction 0.99% (31 Mar 2019: 3.27%)</b>		
596,799	Sydney Airport	2,042	0.99
	<b>Pipelines 1.60% (31 Mar 2019: 2.17%)</b>		
521,023	APA Group	3,272	1.60
	<b>Total Australia</b>	<b>24,848</b>	<b>12.12</b>
	<b>Canada 5.87% (31 Mar 2019: 7.05%)</b>		
	<b>Pipelines 4.80% (31 Mar 2019: 4.82%)</b>		
341,642	Enbridge Inc	9,836	4.80
	<b>Transportation 1.07% (31 Mar 2019: 2.23%)</b>		
10,070	Canadian Pacific Railway Ltd	2,197	1.07
	<b>Total Canada</b>	<b>12,033</b>	<b>5.87</b>
	<b>Chile 0.86% (31 Mar 2019: 1.50%)</b>		
	<b>Water 0.86% (31 Mar 2019: 1.50%)</b>		
5,969,655	Aguas Andinas SA	1,765	0.86
	<b>Total Chile</b>	<b>1,765</b>	<b>0.86</b>
	<b>France 5.77% (31 Mar 2019: 4.52%)</b>		
	<b>Engineering &amp; Construction 4.91% (31 Mar 2019: 3.55%)</b>		
32,119	Aéroports de Paris	3,082	1.50
84,333	Vinci	6,977	3.41
	<b>Transportation 0.86% (31 Mar 2019: 0.97%)</b>		
146,234	Getlink SE	1,763	0.86
	<b>Total France</b>	<b>11,822</b>	<b>5.77</b>
	<b>Germany 0.81% (31 Mar 2019: 2.29%)</b>		
	<b>Engineering &amp; Construction 0.81% (31 Mar 2019: 2.29%)</b>		
40,929	Fraport AG	1,657	0.81
	<b>Total Germany</b>	<b>1,657</b>	<b>0.81</b>

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG SELECT INFRASTRUCTURE FUND (Continued)**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 86.03% (31 Mar 2019: 92.50%) (Continued)</b>		
	<b>Italy 7.10% (31 Mar 2019: 8.52%)</b>		
	<b>Commercial Services 1.72% (31 Mar 2019: 2.84%)</b>		
201,181	ASTM	3,527	1.72
	<b>Electric 2.18% (31 Mar 2019: 2.03%)</b>		
705,976	Terna Rete Elettrica Nazionale SpA	4,470	2.18
	<b>Gas 3.20% (31 Mar 2019: 3.65%)</b>		
1,421,200	Snam SpA	6,556	3.20
	<b>Total Italy</b>	<b>14,553</b>	<b>7.10</b>
	<b>Netherlands 4.56% (31 Mar 2019: 2.77%)</b>		
	<b>Pipelines 4.56% (31 Mar 2019: 2.77%)</b>		
179,751	Koninklijke Vopak NV	9,353	4.56
	<b>Total Netherlands</b>	<b>9,353</b>	<b>4.56</b>
	<b>New Zealand 0.36% (31 Mar 2019: 2.33%)</b>		
	<b>Engineering &amp; Construction 0.36% (31 Mar 2019: 2.33%)</b>		
249,154	Auckland International Airport Ltd	737	0.36
	<b>Total New Zealand</b>	<b>737</b>	<b>0.36</b>
	<b>Spain 7.13% (31 Mar 2019: 4.76%)</b>		
	<b>Electric 5.08% (31 Mar 2019: 0.00%)</b>		
579,837	Red Electrica	10,412	5.08
	<b>Engineering &amp; Construction 2.05% (31 Mar 2019: 4.76%)</b>		
38,464	Aena SME SA	4,200	2.05
	<b>Total Spain</b>	<b>14,612</b>	<b>7.13</b>
	<b>Switzerland 0.86% (31 Mar 2019: 1.52%)</b>		
	<b>Engineering &amp; Construction 0.86% (31 Mar 2019: 1.52%)</b>		
15,665	Flughafen Zuerich AG	1,765	0.86
	<b>Total Switzerland</b>	<b>1,765</b>	<b>0.86</b>

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG SELECT INFRASTRUCTURE FUND (Continued)**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 86.03% (31 Mar 2019: 92.50%) (Continued)</b>		
	<b>United Kingdom 0.93% (31 Mar 2019: 1.37%)</b>		
	<b>Gas 0.00% (31 Mar 2019: 1.37%)</b>		
	<b>Water 0.93% (31 Mar 2019: 0.00%)</b>		
67,402	Severn Trent PLC	1,906	0.93
	<b>Total United Kingdom</b>	<b>1,906</b>	<b>0.93</b>
	<b>United States 39.66% (31 Mar 2019: 34.76%)</b>		
	<b>Electric 19.58% (31 Mar 2019: 16.34%)</b>		
126,645	Eversource Energy	9,905	4.83
155,118	FirstEnergy	6,216	3.03
78,217	Sempra Energy	8,838	4.31
64,105	WEC Energy Group Inc	5,649	2.76
158,192	Xcel Energy Inc	9,539	4.65
	<b>Gas 6.39% (31 Mar 2019: 6.57%)</b>		
131,927	Atmos Energy Corp	13,091	6.39
	<b>REITS 4.99% (31 Mar 2019: 6.12%)</b>		
70,845	Crown Castle International Corp	10,230	4.99
	<b>Transportation 5.06% (31 Mar 2019: 3.72%)</b>		
73,126	CSX Corp	4,190	2.05
43,797	Union Pacific Corp	6,177	3.01
	<b>Water 3.64% (31 Mar 2019: 2.01%)</b>		
62,409	American Water Works Co Inc	7,462	3.64
	<b>Total United States</b>	<b>81,297</b>	<b>39.66</b>
	<b>Total Equities</b>	<b>176,348</b>	<b>86.03</b>
	<b>Total Value of Investments</b>	<b>176,348</b>	<b>86.03</b>
	<b>Cash and Cash Equivalents*</b>	<b>28,687</b>	<b>14.00</b>
	<b>Other Net Liabilities</b>	<b>(55)</b>	<b>(0.03)</b>
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>204,980</b>	<b>100.00</b>

\*All cash holdings are held with The Northern Trust Company.

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG SELECT INFRASTRUCTURE FUND (Continued)**  
**As at 31 March 2020**

<u><b>Analysis of Total Assets</b></u>	<b>% of Total Assets</b>
Transferable Securities admitted to official stock exchange listing	<b>85.01%</b>
Other Assets	<b>14.99%</b>
	<b><u>100.00%</u></b>

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG GLOBAL SUSTAINABLE FUND**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 84.47% (31 Mar 2019: 85.69%)</b>		
	<b>Belgium 1.62% (31 Mar 2019: 0.00%)</b>		
	<b>Beverages 1.62% (31 Mar 2019: 0.00%)</b>		
3,718	Anheuser-Busch InBev	165	1.62
	<b>Total Belgium</b>	<b>165</b>	<b>1.62</b>
	<b>Cayman Islands 3.37% (31 Mar 2019: 0.00%)</b>		
	<b>Internet 3.37% (31 Mar 2019: 0.00%)</b>		
7,000	Tencent	343	3.37
	<b>Total Cayman Islands</b>	<b>343</b>	<b>3.37</b>
	<b>France 2.50% (31 Mar 2019: 2.81%)</b>		
	<b>Food 2.50% (31 Mar 2019: 0.00%)</b>		
3,954	Danone	254	2.50
	<b>Total France</b>	<b>254</b>	<b>2.50</b>
	<b>Germany 3.68% (31 Mar 2019: 6.25%)</b>		
	<b>Software 3.68% (31 Mar 2019: 0.00%)</b>		
3,328	SAP	375	3.68
	<b>Total Germany</b>	<b>375</b>	<b>3.68</b>
	<b>Italy 1.67% (31 Mar 2019: 0.00%)</b>		
	<b>Electric 1.67% (31 Mar 2019: 0.00%)</b>		
26,788	Terna Rete Elettrica Nazionale SpA	170	1.67
	<b>Total Italy</b>	<b>170</b>	<b>1.67</b>
	<b>Netherlands 0.00% (31 Mar 2019: 2.94%)</b>		
	<b>People's Republic of China 5.10% (31 Mar 2019: 0.00%)</b>		
	<b>Internet 5.10% (31 Mar 2019: 0.00%)</b>		
2,668	Alibaba Group ADR	519	5.10
	<b>Total People's Republic of China</b>	<b>519</b>	<b>5.10</b>
	<b>Spain 1.66% (31 Mar 2019: 1.38%)</b>		
	<b>Electric 1.66% (31 Mar 2019: 0.00%)</b>		
9,428	Red Electrica	169	1.66
	<b>Total Spain</b>	<b>169</b>	<b>1.66</b>

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG GLOBAL SUSTAINABLE FUND (Continued)**  
**As at 31 March 2020**

<b>Holdings</b>	<b>Financial Assets at Fair Value Through Profit or Loss</b>	<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Equities: 84.47% (31 Mar 2019: 85.69%) (Continued)</b>		
	<b>Switzerland 5.87% (31 Mar 2019: 2.21%)</b>		
	<b>Food 3.85% (31 Mar 2019: 0.00%)</b>		
3,811	Nestle SA	392	3.85
	<b>Pharmaceuticals 2.02% (31 Mar 2019: 0.00%)</b>		
2,482	Novartis AG	205	2.02
	<b>Total Switzerland</b>	<b>597</b>	<b>5.87</b>
	<b>United Kingdom 8.61% (31 Mar 2019: 5.00%)</b>		
	<b>Cosmetics/Personal Care 4.09% (31 Mar 2019: 0.00%)</b>		
8,457	Unilever	416	4.09
	<b>Household Products/Wares 4.52% (31 Mar 2019: 0.00%)</b>		
6,036	Reckitt Benckiser	460	4.52
	<b>Total United Kingdom</b>	<b>876</b>	<b>8.61</b>
	<b>United States 50.39% (31 Mar 2019: 65.10%)</b>		
	<b>Beverages 2.83% (31 Mar 2019: 0.00%)</b>		
3,207	Coca-Cola	142	1.40
1,219	PepsiCo Inc	146	1.43
	<b>Computers 1.27% (31 Mar 2019: 0.00%)</b>		
506	Apple Inc	129	1.27
	<b>Diversified Financial Services 8.96% (31 Mar 2019: 0.01%)</b>		
1,773	MasterCard Inc	428	4.20
3,002	Visa Inc	484	4.76
	<b>Food 2.01% (31 Mar 2019: 0.00%)</b>		
4,071	Mondelez International	204	2.01
	<b>Healthcare-Services 2.66% (31 Mar 2019: 0.00%)</b>		
3,020	HCA Holdings Inc	271	2.66
	<b>Internet 12.68% (31 Mar 2019: 0.00%)</b>		
634	Alphabet Class C	737	7.24
3,311	Facebook Inc	553	5.44
	<b>Retail 13.43% (31 Mar 2019: 0.00%)</b>		
464	Chipotle Mexican Grill	304	2.99
6,061	Starbucks Corp	398	3.91
1,815	Walmart	206	2.02
6,692	Yum! Brands Inc	459	4.51

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**SCHEDULE OF INVESTMENTS (Continued)**

**MFG GLOBAL SUSTAINABLE FUND (Continued)**  
As at 31 March 2020

Holdings	Financial Assets at Fair Value Through Profit or Loss	Fair Value USD '000	% of Net Assets
	<b>Equities: 84.47% (31 Mar 2019: 85.69%) (Continued)</b>		
	<b>United States 50.39% (31 Mar 2019: 65.10%) (Continued)</b>		
	<b>Software 6.55% (31 Mar 2019: (0.01%))</b>		
4,231	Microsoft Corp	667	6.55
	<b>Total United States</b>	<b>5,128</b>	<b>50.39</b>
	<b>Total Equities</b>	<b>8,596</b>	<b>84.47</b>
	<b>Financial Derivative Instruments: 0.00% (31 Mar 2019: 0.03%)</b>		
	<b>Forward Currency Contracts: 0.00% (31 Mar 2019: 0.03%)</b>		
	<b>Financial Derivative Instruments: 0.00% (31 Mar 2019: (0.06%))</b>		
	<b>Forward Currency Contracts: 0.00% (31 Mar 2019: (0.06%))</b>		
		<b>Fair Value USD '000</b>	<b>% of Net Assets</b>
	<b>Total Value of Investments</b>	<b>8,596</b>	<b>84.47</b>
	<b>Cash and Cash Equivalents*</b>	<b>1,584</b>	<b>15.57</b>
	<b>Other Net Liabilities</b>	<b>(4)</b>	<b>(0.04)</b>
	<b>Net Assets Attributable to Holders of Redeemable Participating Shares</b>	<b>10,176</b>	<b>100.00</b>

\*All cash holdings are held with The Northern Trust Company.

<u>Analysis of Total Assets</u>	% of Total Assets
Transferable Securities admitted to official stock exchange listing	84.42%
Other Assets	15.58%
	<b>100.00%</b>



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**SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED)**

**MFG GLOBAL FUND**

**For the financial year ended 31 March 2020**

Only the top 20 purchases and sales or those greater than 1% of the total value of purchases and sales have been included in the portfolio changes schedules.

<b>Purchases</b>		<b>Cost USD ('000)</b>
756,529	Alibaba Group ADR	131,761
250,018	LVMH Moet Hennessy Louis Vuitton	98,821
1,298,418	Xcel Energy Inc	80,083
358,342	Estee Lauder Cos	68,396
1,187,075	Tencent	57,759
489,308	American Express Co	57,735
607,046	WEC Energy Group Inc	52,749
607,231	Eversource Energy	49,979
554,263	Anheuser-Busch InBev	49,507
370,412	Novartis AG	32,932
263,155	Yum! Brands Inc	26,424
112,847	McDonald's Corp	23,747
115,199	CME	22,626
283,519	Reckitt Benckiser	22,579
171,410	HCA Holdings Inc	20,910
17,279	Alphabet Class C	20,038
205,596	Starbucks Corp	17,180
129,367	Heineken	13,644
49,406	Microsoft Corp	6,941
33,861	Facebook Inc	6,622

<b>Sales</b>		<b>Proceeds USD ('000)</b>
690,918	Apple Inc	163,261
1,770,238	Oracle Corp	99,657
2,118,995	Kraft Heinz	64,468
1,302,024	Wells Fargo & Co	60,880
336,471	Visa Inc	60,291
440,108	Microsoft Corp	60,075
576,802	Lowe's Cos Inc	59,857
485,874	American Express Co	58,184
266,161	Berkshire Hathaway Class B	53,933
381,971	HCA Holdings Inc	51,404
43,058	Alphabet Class C	48,975
175,661	MasterCard Inc	45,227
228,407	Facebook Inc	38,717
280,918	SAP	33,915
89,081	LVMH Moet Hennessy Louis Vuitton	33,096
393,136	Starbucks Corp	32,821
115,199	CME	24,235
282,770	Yum! Brands Inc	24,157
112,484	Alibaba Group ADR	20,459
132,650	Nestle SA	13,377
167,440	Reckitt Benckiser	13,246

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**SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) (CONTINUED)**

**MFG SELECT INFRASTRUCTURE FUND**

**For the financial year ended 31 March 2020**

Only the top 20 purchases and sales or those greater than 1% of the total value of purchases and sales have been included in the portfolio changes schedules.

<b>Purchases</b>		<b>Cost USD ('000)</b>
1,574,932	Transurban Group	15,393
212,217	Xcel Energy Inc	13,002
69,140	Aena SME SA	11,930
110,690	Atmos Energy Corp	11,831
579,837	Red Electrica	11,270
244,449	FirstEnergy	11,173
96,547	Vinci	10,969
57,915	Aeroports de Paris	10,956
279,283	Enbridge Inc	10,239
2,104,077	Snam SpA	9,933
121,076	Eversource Energy	9,438
66,500	Sempra Energy	8,871
138,569	Evergy Inc	8,438
1,597,913	Atlas Arteria Group	8,415
1,373,410	Sydney Airport	7,818
56,674	Crown Castle International Corp	7,453
152,686	Koninklijke Vopak NV	7,385
37,840	Union Pacific Corp	6,730
74,192	WEC Energy Group Inc	6,423
53,395	American Water Works Co Inc	6,379
78,058	CSX Corp	5,935
912,778	Terna Rete Elettrica Nazionale SpA	5,600
299,149	Societa Iniziative Autostradali e Servizi SpA	5,039
3,072,321	Spark Infrastructure Group	4,584
20,290	Canadian Pacific Railway Ltd	4,552
54,618	Fraport AG	4,513
525,099	APA Group	3,750
632,120	Auckland International Airport Ltd	3,469
580,343	Atlas Arteria Group	2,712
4,729,127	Aguas Andinas SA	2,574
15,098	Flughafen Zuerich AG	2,567

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**SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) (CONTINUED)**

**MFG SELECT INFRASTRUCTURE FUND (Continued)**  
**For the financial year ended 31 March 2020**

<b>Sales</b>		<b>Proceeds USD ('000)</b>
159,338	Evergy Inc	10,887
727,224	Transurban Group	7,398
83,502	Xcel Energy Inc	5,541
43,057	Aena SME SA	5,462
1,015,551	Snam SpA	5,355
15,284	Canadian Pacific Railway Ltd	3,988
925,630	Atlas Arteria Group	3,889
34,386	Aeroports de Paris	3,651
89,331	FirstEnergy	3,505
16,856	American Tower Corp	3,462
1,066,665	Sydney Airport	3,338
579,482	Auckland International Airport Ltd	2,970
356,866	Terna Rete Elettrica Nazionale SpA	2,546
20,883	Eversource Energy	1,945
188,797	National Grid PLC	1,917
19,107	WEC Energy Group Inc	1,885
27,707	Fraport AG	1,408
147,309	APA Group	1,124
12,214	Vinci	797
14,868	CSX Corp	759

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**SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) (CONTINUED)**

**MFG GLOBAL SUSTAINABLE FUND**  
**For the financial year ended 31 March 2020**

Only the top 20 purchases and sales or those greater than 1% of the total value of purchases and sales have been included in the portfolio changes schedules.

<b>Purchases</b>	<b>Cost USD ('000)</b>
6,507 Alibaba Group ADR	1,137
6,906 Nestle SA	702
3,590 Aena SME SA	685
7,899 Anheuser-Busch InBev	652
6,107 Yum! Brands Inc	607
6,031 Capital One Financial	547
685 Chipotle Mexican Grill	508
5,838 Danone	475
7,534 Unilever	460
5,410 Reckitt Benckiser	444
6,893 Unilever	391
204 Booking Holdings Inc	365
11,740 Kraft Heinz	355
7,000 Tencent	308
4,119 Fresenius Medical Care	307
250 Alphabet Class C	288
2,008 American Express Co	244
1,914 HCA Holdings Inc	227
2,014 Lowe's Cos Inc	206
1,815 Walmart	196
4,071 Mondelez International	188
9,428 Red Electrica	151
3,207 Coca-Cola	147
26,788 Terna Rete Elettrica Nazionale SpA	146
1,219 PepsiCo Inc	144
943 Johnson & Johnson	132

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**SCHEDULE OF SIGNIFICANT PORTFOLIO CHANGES (UNAUDITED) (CONTINUED)**

**MFG GLOBAL SUSTAINABLE FUND (Continued)**  
**For the financial year ended 31 March 2020**

Sales		Proceeds USD ('000)
896	Alphabet Class C	1,221
20,096	Oracle Corp	1,125
11,877	Starbucks Corp	1,013
6,091	Microsoft Corp	995
8,989	American Express Co	982
9,386	Lowe's Cos Inc	949
4,767	Facebook Inc	940
3,361	Apple Inc	910
6,570	HCA Holdings Inc	896
8,781	Yum! Brands Inc	890
4,322	Visa Inc	818
6,151	SAP	805
2,553	MasterCard Inc	771
3,839	Alibaba Group ADR	753
8,684	Reckitt Benckiser	680
21,630	Kraft Heinz	658
11,224	Unilever	635
667	Chipotle Mexican Grill	573
337	Booking Holdings Inc	528
3,590	Aena SME SA	524
6,805	Fresenius Medical Care	482
6,031	Capital One Financial	477
5,689	Danone	436
8,714	Wells Fargo & Co	417
3,095	Nestle SA	334
3,573	Novartis AG	324
4,181	Anheuser-Busch InBev	284
1,981	Crown Castle International Corp	248
1,601	Johnson & Johnson	206

## **RISK ITEM (UNAUDITED)**

### **Cybersecurity Risk**

Cybersecurity breaches may occur allowing an unauthorised party to gain access to assets of the Funds, Shareholder data, or proprietary information, or may cause the Company, the Investment Manager, the Distributor, the Administrator or the Depositary to suffer data corruption or lose operational functionality.

The Funds may be affected by intentional cybersecurity breaches which include unauthorised access to systems, networks, or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Company, the Investment Manager, the Distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund’s investments to lose value, as a result of which investors, including the relevant Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

## REMUNERATION DISCLOSURE (UNAUDITED)

### Remuneration Policy of the Company

The Company has designed and implements a remuneration policy which is intended to comply with the provisions of the UCITS Directive and ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (ESMA/2016/411) (the “ESMA Remuneration Guidelines”) each of which may be amended from time to time. The Company’s remuneration policy includes measures to avoid conflicts of interest.

The Company’s remuneration policy applies to those categories of staff, including senior management, risk takers, control functions, delegates, specifically the Investment Manager and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Company. The result of this categorisation is such that the remuneration policy will only be applicable to the Directors.

The Directors of the Company receive a fixed fee only. The Directors do not receive performance based variable remuneration, therefore avoiding any potential conflicts of interest. The basic fee of a non-executive Director is set at a level that is on par with the rest of the market and reflects the qualifications and contribution required in view of the Company’s complexity, the extent of the responsibilities and the number of board meetings. No pension contributions are payable on Director’s fees. Details of the Director’s fees are included in Note 7 of the annual financial statements.

Given the internal organisation of the Company as a self-managed UCITS investment company and considering the size of the Company with the limited nature, scale and complexity of the activities of the Company, it is not considered proportionate for the Company to set up a remuneration committee. Noting the net assets of the Funds, the legal structure of the Company as a self-managed UCITS investment company with a Board of Directors and no other employees are factors supporting the view that a remuneration committee would not be considered appropriate for the Company.

The Directors of the Company in its supervisory function (being the body with ultimate decision-making authority in the Company and comprising the supervisory and managerial functions) is responsible for, and oversees, the implementation of the remuneration policy.

As the Company delegate’s investment management functions in respect of the Company, in accordance with the requirements of the ESMA Remuneration Guidelines, it ensures that:

- a) the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or
- b) appropriate contractual arrangements are put in place to ensure that the delegates apply in a proportionate manner the remuneration rules as detailed in the UCITS Directive as amended such that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Details of the remuneration policy of the Company will be made available free of charge upon request.

**APPENDIX I - SECURITIES FINANCING TRANSACTION REGULATION (UNAUDITED)**

The Securities Financing Transactions Regulation, as published by the European Securities and Markets Authority, aims to improve the transparency of the securities financing markets. Disclosures regarding exposure to Securities Financing Transactions (SFTs) will be required on all report and accounts published after 13 January 2017. During the financial year ended 31 March 2020, none of the Funds entered into any Securities Financing Transactions.



## **APPENDIX II – CRS DATA PROTECTION INFORMATION NOTICE (UNAUDITED)**

The Fund hereby provides the following data protection information notice to all Shareholders in the Fund either as at 31 December 2015 or at any point of time since this date.

For the avoidance of doubt, this notice applies equally to any Shareholders that have ceased to hold shares in the Fund since 1 January 2016. Furthermore, it should be noted that this notice may be applicable to Controlling Persons of certain Shareholders.

The Fund hereby confirm that they intend to take such steps as may be required to satisfy any obligations imposed by (i) the OECD's Standard for Automatic Exchange of Financial Account Information in Tax Matters ("the Standard"), which therein contains the Common Reporting Standard ("CRS"), as applied in Ireland by means of the relevant international legal framework and Irish tax legislation and (ii) EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange information in the field of taxation ("DAC2"), as applied in Ireland by means of the relevant Irish tax legislation, so as to ensure compliance or deemed compliance (as the case may be) with the Standard/CRS and the DAC2 from 1 January 2016.

In this regard, the Manager on behalf of the Fund is obliged under Section 891F and Section 891G of the Irish Taxes Consolidation Act, 1997 (as amended) and regulations made pursuant to those sections to collect certain information about each Shareholder's tax arrangements (and also collect information in relation to relevant Controlling Persons of specific Shareholders).

In certain circumstances, the Manager on behalf of the Fund may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the Fund with the Irish Revenue Commissioners (and, in particular situations, also share information in relation to relevant Controlling Persons of specific Shareholders). In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, information that may be reported in respect of a shareholder (and relevant Controlling Persons, if applicable) includes name, address, date of birth, place of birth, account number, account balance or value at year end (or, if the account was closed during such year, the balance or value at the date of closure of the account), any payments (including redemption and dividend/interest payments) made with respect to the account during the calendar year, tax residency(ies) and tax identification number(s).