

**CONTINUOUS DISCLOSURE NOTICE**

**1 JULY 2020**

**PRODUCT DISCLOSURE STATEMENTS AND ADDITIONAL INFORMATION BOOKLET FOR THE RARE INFRASTRUCTURE FUNDS**

This website notice is issued by Legg Mason Asset Management Australia Limited (the **RE**) and RARE Infrastructure Limited.

This notice advises that the RE has issued revised product disclosure statements (**New PDS**), as well as an Additional Information Booklet and associated documents (**Fund Documents**), for the following funds managed by RARE Infrastructure Limited, with effect from **1 July 2020**.

- RARE Infrastructure Value Fund - Unhedged updates PDS issued 20 December 2018
- RARE Infrastructure Value Fund - Hedged updates PDS issued 20 December 2018
- RARE Infrastructure Income Fund - Class A Units updates PDS issued 20 December 2018
- RARE Infrastructure Income Fund - Class B Units updates PDS issued 1 March 2019
- RARE Emerging Markets Fund updates PDS issued 3 February 2020

(each a “Fund” and collectively, the “Funds”).

**1. Changes to Sector and Regional Parameters for the Funds**

Each Fund’s Sector and Regional Parameters, as well as Asset Maturity parameters are set out in Section 5 of the PDS.

**Changes to Sector Parameters** - Two additional sectors, **Renewables** and **Energy Infrastructure** have been included in the New PDS.

**Renewables** - Within the sector designation of “Regulated Utilities”, a number of companies operate renewable energy assets under long term contracts. A new classification, “Renewables”, is now included to provide greater granularity and disclosure for those companies.

**Energy Infrastructure** - Certain companies have been re-classified to “Energy Infrastructure”, where less than 60% of their value comes from businesses that have a regulatory underpinning. This primarily includes contracted oil and gas pipelines and LNG facilities.

A summary of the key changes to the Sector Parameters in the New PDS are set out in Table 1. You should refer to the New PDS and Fund Documents for further details.

**Table 1**

Sector Parameters	Value %	Income %	Emerging Markets %
<b>Regulated Utilities</b>	<del>45-70</del> 35-70	<del>50-90</del> 40-90	20-80
<b>Renewables</b>	n/a 0-40	n/a 0-40	n/a 0-40
<b>Transport</b>	<del>25-45</del> 15-40	<del>0-45</del> 0-40	20-80
<b>Energy Infrastructure</b>	n/a 0-20	n/a 0-20	n/a 0-20
<b>Communications</b>	<del>0-15</del> 0-20	0-20	0-20
<b>Community &amp; Social</b>	0-10	<del>0-20</del> 0-10	0-20
<b>Cash</b>	0-20	0-20	0-20

Corresponding adjustments have been made to the Sector Parameters in Section 5, specifically: Regulated Utilities; Transport; Communication and Community and Social. Refer to the New PDS for further details.

**Regional Parameters** - A summary of the changes in the New PDS to Regional Parameters are set out in Table 2. You should refer to the New PDS and Fund Documents for further details.

**Table 2**

Regional Parameters	Value	Income	Emerging Markets
UK/Europe	<del>20-45</del> 20-70	<del>20-60</del> 20-70	n/a
APAC Dev	<del>0-25</del> 0-40	<del>10-50</del> 0-40	n/a
North America	<del>20-55</del> 20-70	<del>20-60</del> 20-70	n/a
Emerging Markets/Developing	0-25	0-20	80-100
Cash	0-20	0-20	0-20

**2. In addition to the above changes, further changes in the New PDS are set out below.**

**Changes to Risk Disclosure** - Risk disclosure is set out at Section 4 of each Fund PDS. Two additional heads of risk, Infrastructure Risk and Macro Risk has been included in the New PDS, with minor amendments made to other heads of risk. Unlisted Securities Risk and Individual Investment Risk has been removed, as well as Market, Country, and Political Risk. Important features of those risks have been absorbed into the remaining categories of risk.

**Derivatives Disclosure** - For the RARE Infrastructure Income Fund, Class A Units and Class B Units, the reference to “enhance income” has been removed to confirm that the investment committee for this strategy does not use derivatives in order to generate income.

**Removal of Performance Fee** - All references to a Performance Based Fee, including references to a Performance Fee (for performance above the absolute benchmark of OECD G7 inflation + 5.5%pa) have been removed in entirety for the RARE Infrastructure Value Fund - Unhedged and the RARE Infrastructure Value Fund - Hedged.

- 3. Additional Information Booklet (AIB)** - At the same time, further additional updates to the AIB, consistent with the above changes, have been made. Refer to the AIB for further details.
- 4. Effective Date** - The New PDS and Fund Documents will be available on RARE Infrastructure Limited’s website after 2pm on Wednesday, 1 July 2020. After that time, all existing PDS, AIB and associated documents will be withdrawn and replaced with each New PDS and Fund Documents dated 1 July 2020.

If you have any questions about these changes, you should consult with your adviser or consultant.

Yours sincerely,



**RARE Infrastructure Limited**

Richard Elmslie - Director