IMAP Webinar Series

Global Interest Rates and the implications for Fixed Interest Investing – Income alternatives outside mainstream bonds

Adam Roberts, Australian Ethical Investments

Frank Danieli, MA Financial

Moderated by

Robert Moore, JANA Investment Advisers

IMAP

Institute of Managed Account Professionals

Upcoming events

Advice in Action Conference 2026
28th July – Sydney

Alternatives Week
15th - 17th September – Sydney

Independent Thought Conference
27th October – Sydney

MDA Providers Symposium
19th - 20th November – Sydney

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How to ask a Question

Robert Moore
JANA Investment Advisers

Frank Danieli
MA Financial

Institute of Managed Account Professionals

What do you mean *private credit*?

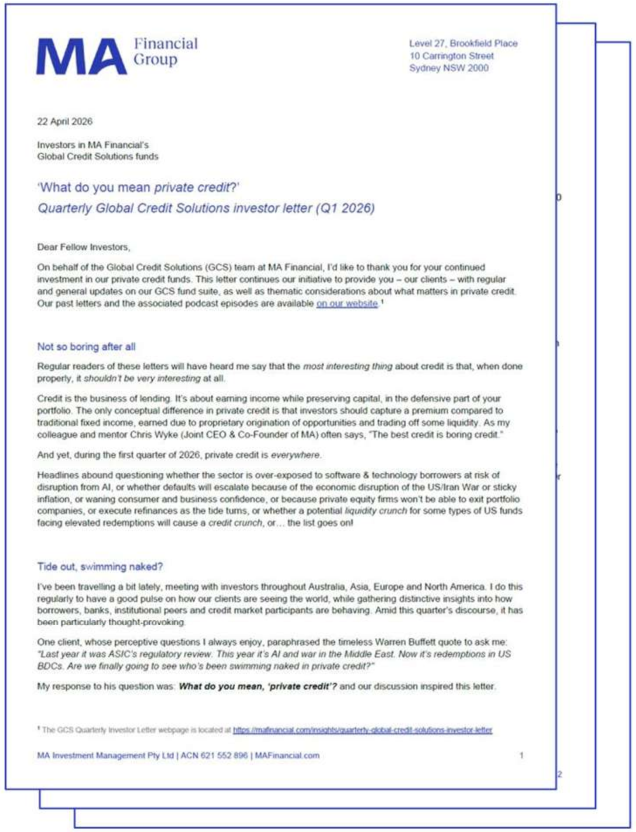
Thematic observations

May 2026

MA Financial Group

We invest. We lend. We advise.

What do you mean *private credit*?[1]


MA Financial Group

Level 27, Brookfield Place
10 Carrington Street
Sydney NSW 2000

22 April 2026

Investors in MA Financial's
Global Credit Solutions funds

'What do you mean *private credit*?'

Quarterly Global Credit Solutions investor letter (Q1 2026)

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Theme of our

Q1 2026 Investor Letter

1. Our Q1 2026 investor letter is available at https://mafinancial.com/insights/quarterly-global-credit-solutions-investor-letter.

The best of Private Credit

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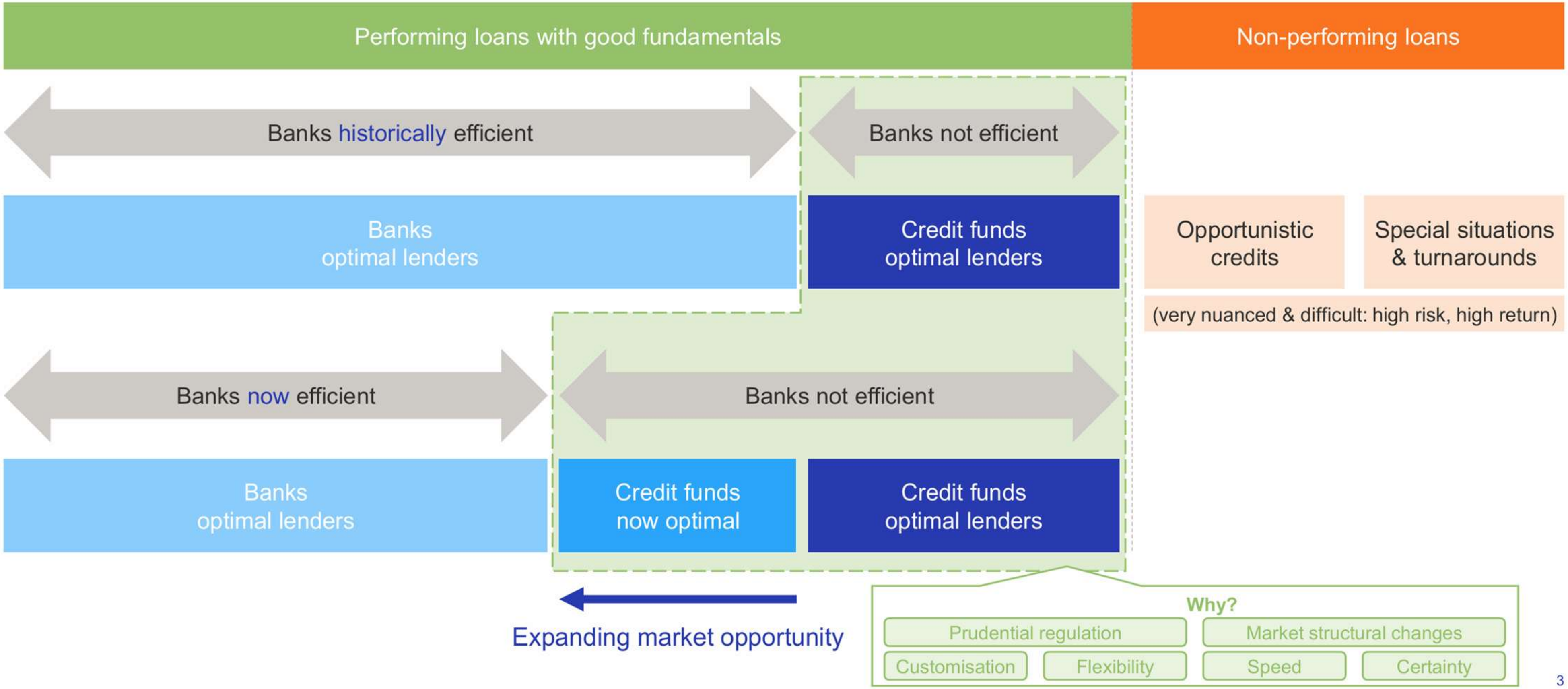
Finding lending opportunities where banks are not (or are no longer) the efficient lender



What do you mean *private credit*?[1]

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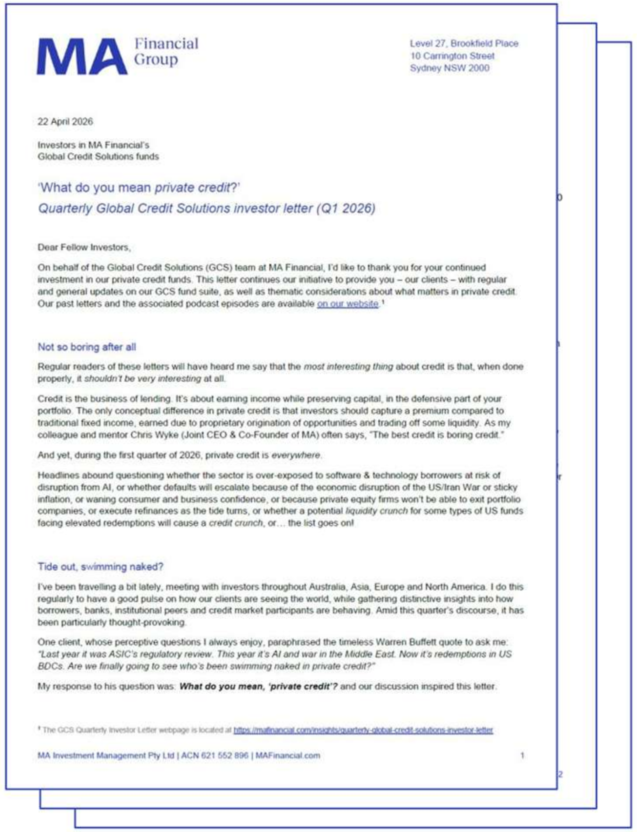

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"Show me the incentives, I'll show you the outcome"[2]

"If you are a monoline manager doing only sponsor-backed direct lending, what happens when the risk adjusted returns in that sector deteriorate due to natural market cycles?

There is not much incentive for a fund manager to call clients and return their capital. […]

Fishing in a small pond, the natural response is to compete harder to win deals."

1. Theme of our Q1 2026 investor letter, available at https://mafinancial.com/insights/quarterly-global-credit-solutions-investor-letter.
2. Quote of Charlie Munger.

Private credit is much more than sponsor-backed lending

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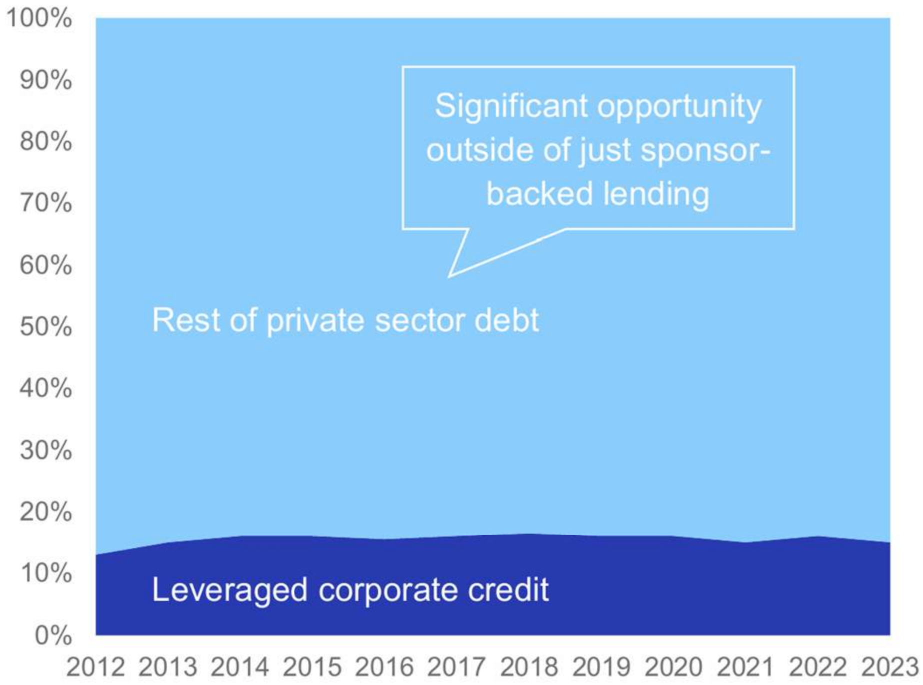
Broad based strategies where managers can adjust allocation to different sectors depending on risk adjusted return dynamics is critical to delivering consistent income with capital preservation through the cycle

Private sector debt composition[1]



Australian private credit spectrum (illustrative)[2]

20%	66%	14%
Direct Asset Lending	**Asset Backed Lending**	**Corporate Lending**
Lending secured against real assets	Financing portfolios of loans, with collateral & structural protections	Lending to established businesses (sponsor & non-sponsor)
Senior secured	*Senior or structured secured*	*Senior secured*

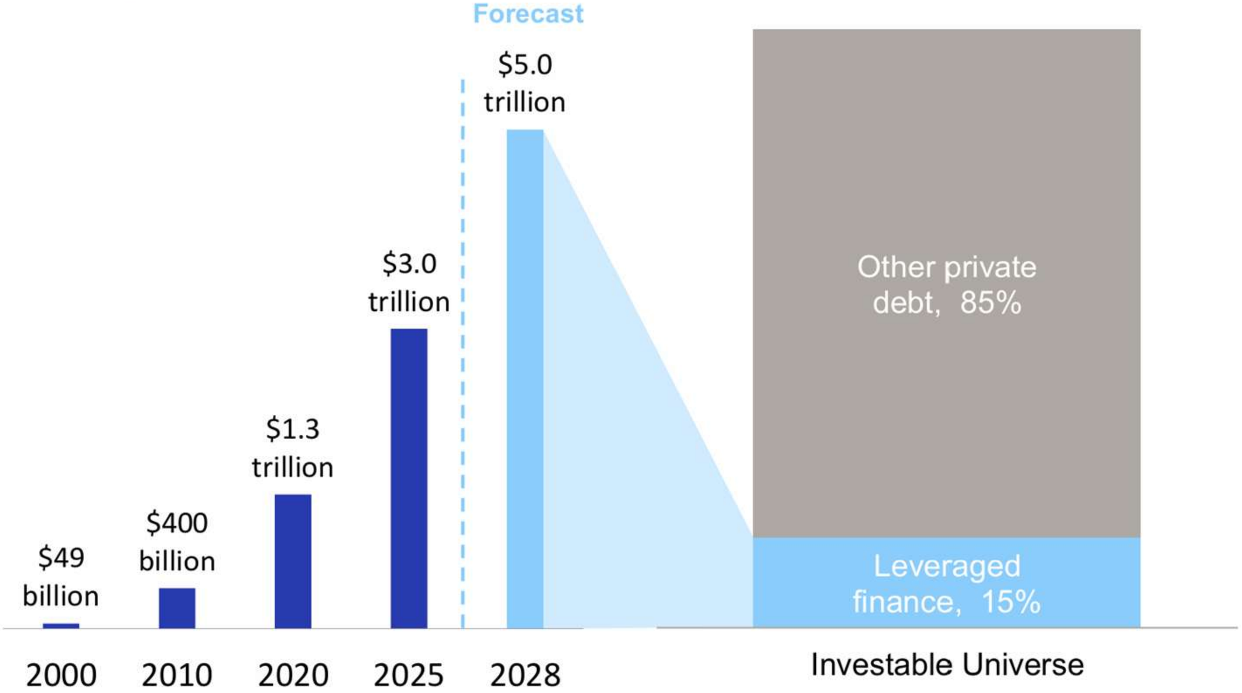
1. Source: MA estimates. FS Investments, Federal Reserve, Bloomberg.
2. Illustrated using MA Credit Income Trust (ASX:MA1) as at 31 March 2026.
3. The Underlying Credit Investments in the Underlying Portfolio span 38 different sub-sectors.

Investable universe matters

MA

Having a diverse opportunity set is important to deliver resilient income, capital preservation and consistent returns from credit

Growing AUM[1]… … narrow sector focus[2]…



… trade-offs happen!

Pricing

Private Debt Investor

Premium 'still there' as spreads decline

The private debt market does not want spreads of less than 500bps to become standard, delegates at the PDI DACH Forum in Munich heard.

Andy Thomson - 14 October 2025

Terms

85% Cov-Lite

Bloomberg

Private Credit Drops Safeguard to Win Deals on Wall Street Terms

By Francesca Veronesi and Kat Hidalgo
January 15, 2026 at 6:15 AM EST

Structural Protections

wtw

Liability Management Exercises (LMEs): The "quiet default" that is reshaping credit markets

By Austin Haymes | October 21, 2025

LMEs!

1. MA Financial analysis. Preqin, Jan 2026. Pitchbook, May 2025. Morgan Stanley, October 2025.
2. MA Financial estimates & analysis. FS Investments, Federal Reserve, Bloomberg.

Case in point: Software and Technology borrower exposure

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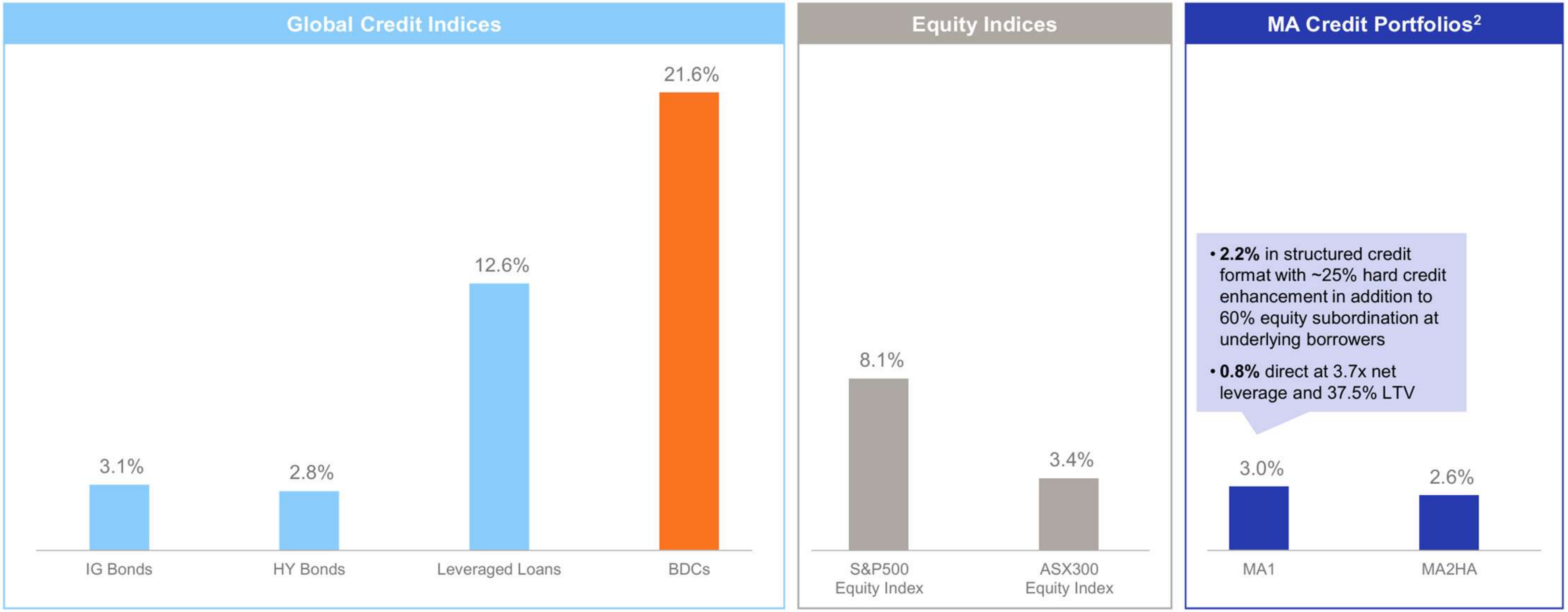
Software and Technology exposure by asset class (% of index or portfolio)[1]



1. Source: For Global Indices: Barclays – FICC Research, US Credit Alpha, 6 February 2026. For Aus Index: S&P, ASX300 Fact Sheet, 30 January 2026.
2. MA Credit Portfolios based on MA Credit Income Trust and MA Credit Portfolio Trust as at 31 March 2026.

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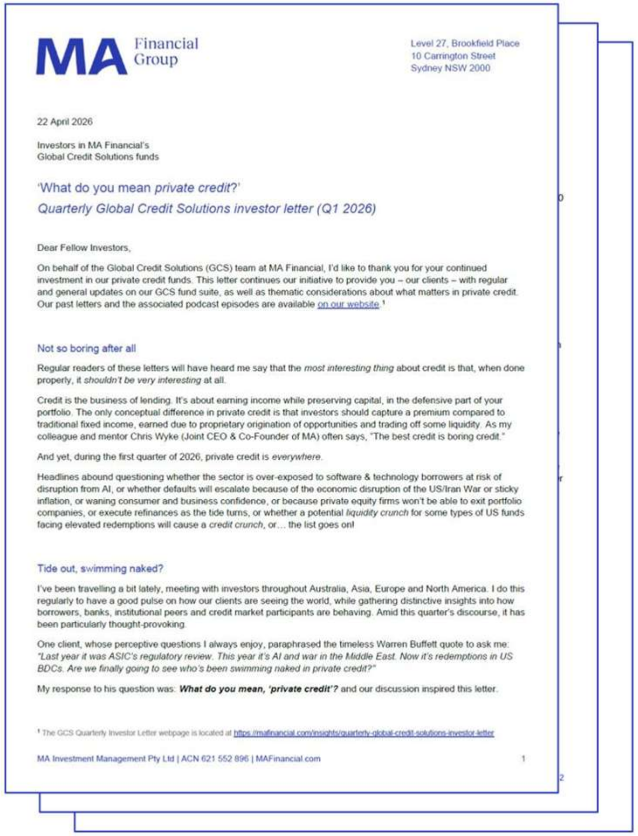
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"Private credit is a broad church. It is any lending that occurs outside a bank balance sheet or the public bond markets.

It is a spectrum – from investment grade alternatives to sub-investment grade alternatives, each providing a fixed-income replacement product for clients (with the trade-off of different liquidity profiles); to opportunistic and higher risk strategies, which seek to deliver equity-like returns through debt. It's the open sea, not a single fishing spot.

1. Theme of our Q1 2026 investor letter, available at https://mafinancial.com/insights/quarterly-global-credit-solutions-investor-letter.
2. Quote of Charlie Munger.

Ranking return & volatility doesn't tell the full picture

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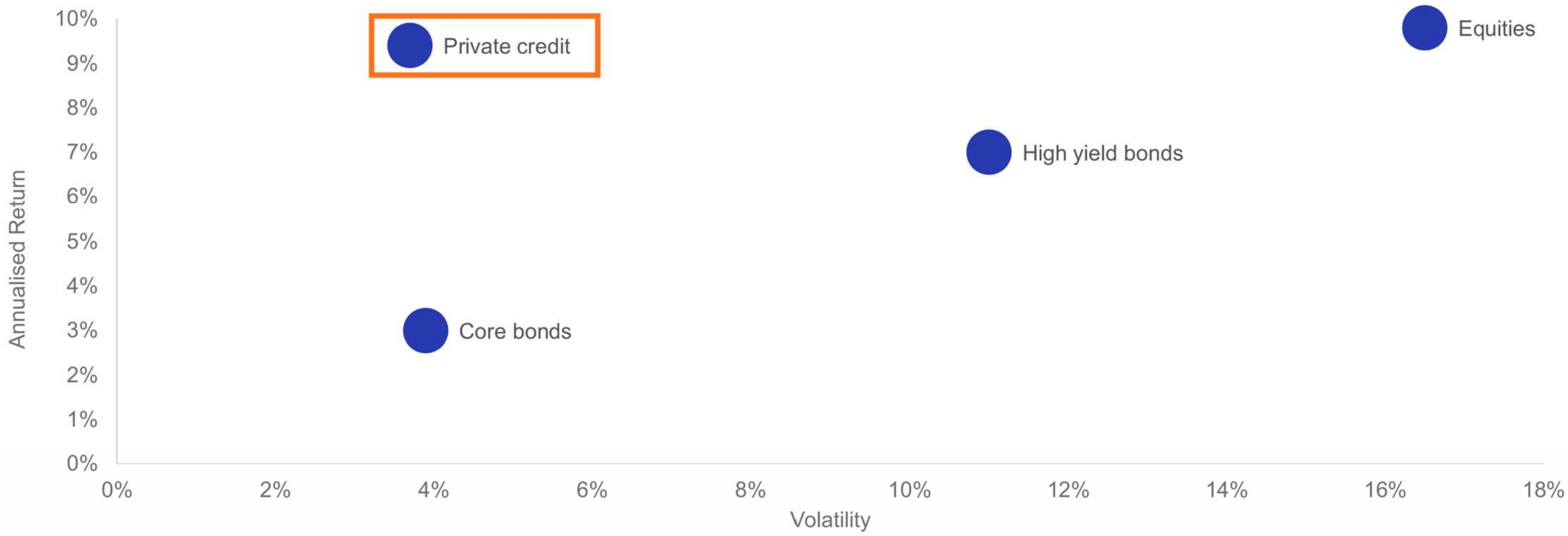
There is a spectrum of options within private asset classes

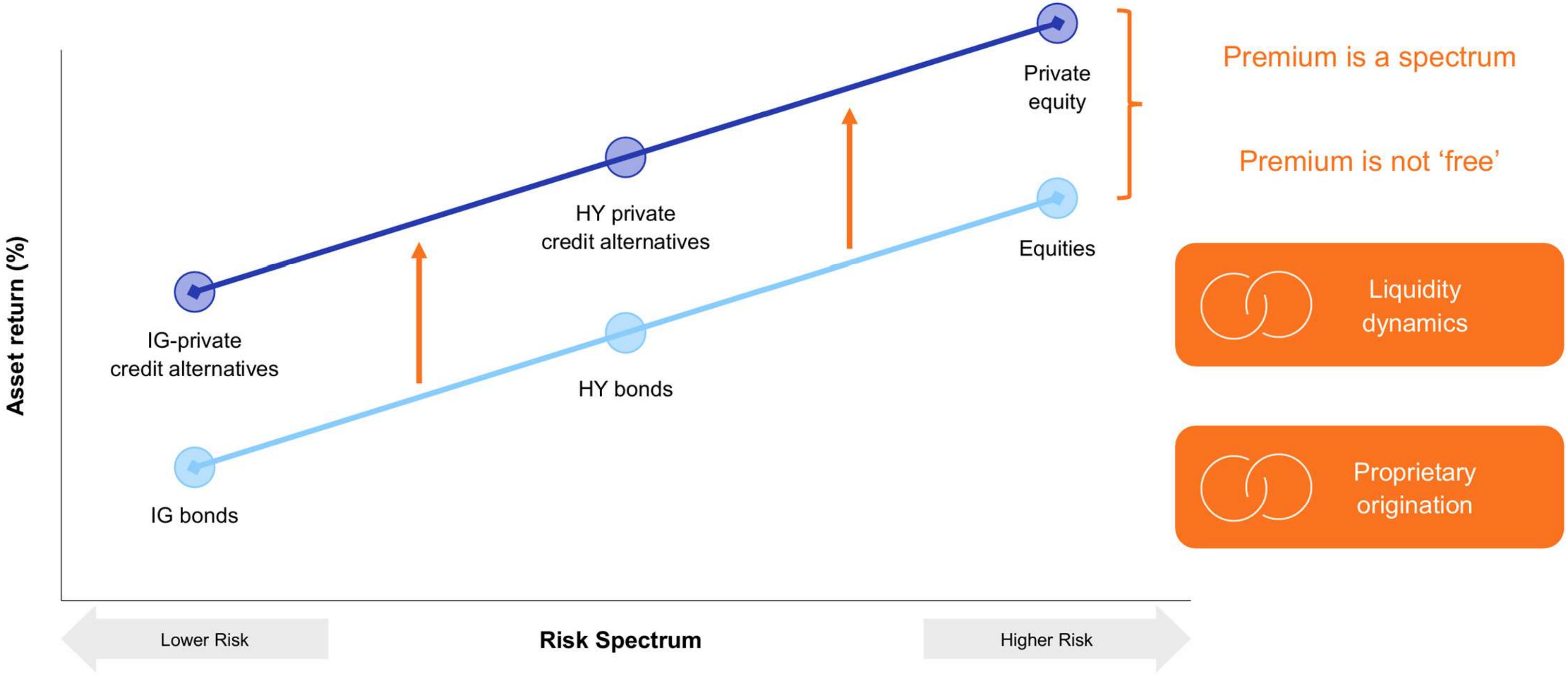
Risk-adjusted return (2004-2023)



Source: T. Rowe Price

Risk and return curves exist in public & private assets

In private alternatives, the curve should be shifted up to capture the liquidity and proprietary deal premiums



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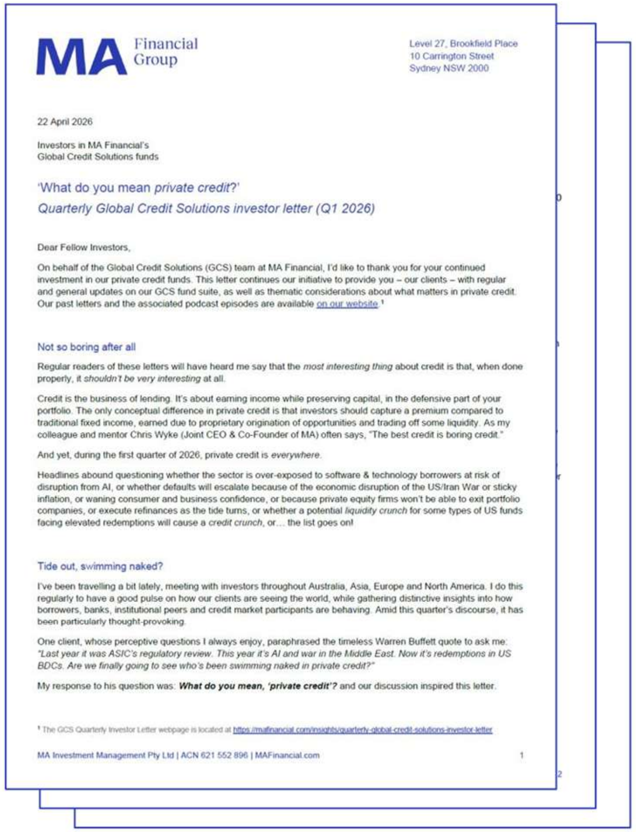

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"The problem is that most investors don't know which part of the sea their manager is fishing in – or with what equipment.

Two funds can both call themselves 'private credit,' target similar headline returns, and have almost nothing else in common."

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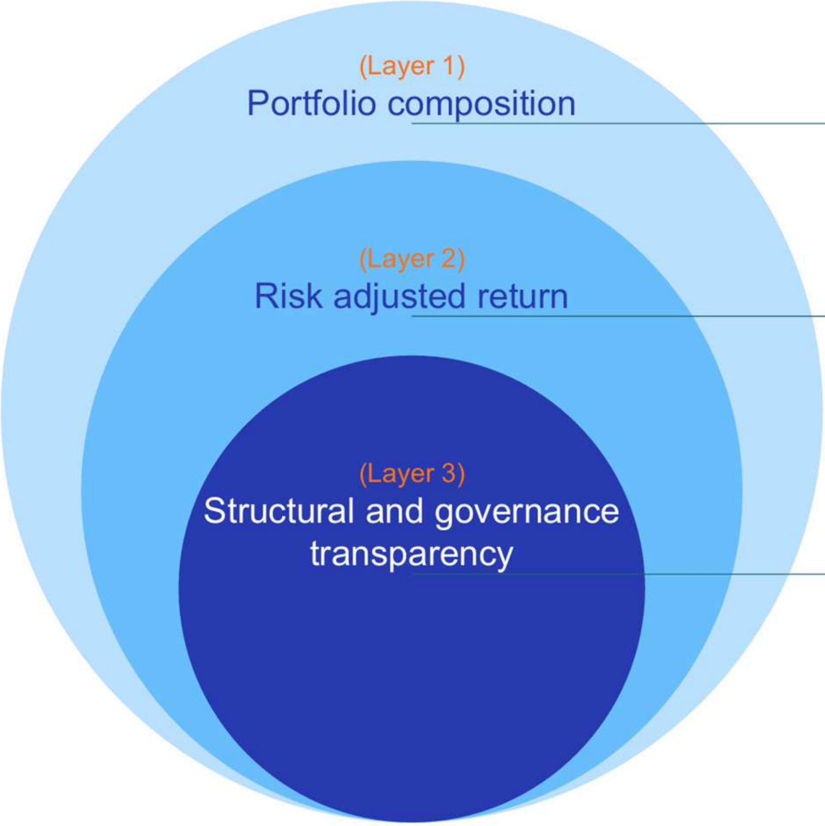
Three layers of transparency

Understanding “what’s under the hood” matters in making a private markets allocation



(Layer 1) Portfolio composition

- Diversification and concentration
- Lending type and sector exposures
- Loan characteristics and features

(Layer 2) Risk adjusted return

- Return per unit of risk
- Performance characteristics
- Key lending metrics by asset class
- Drivers of return
- Leverage

(Layer 3) Structural and governance transparency

- Investment philosophy and approach
- Risk management frameworks
- Governance protocols
- Segregation of duties
- Conflict management protocols
- Independent and external reviews (valuations, ratings, processes)
- Fee transparency

Comprehensive monthly and quarterly reporting is critical to enable investors to assess & compare different funds

Structural and governance transparency

MA

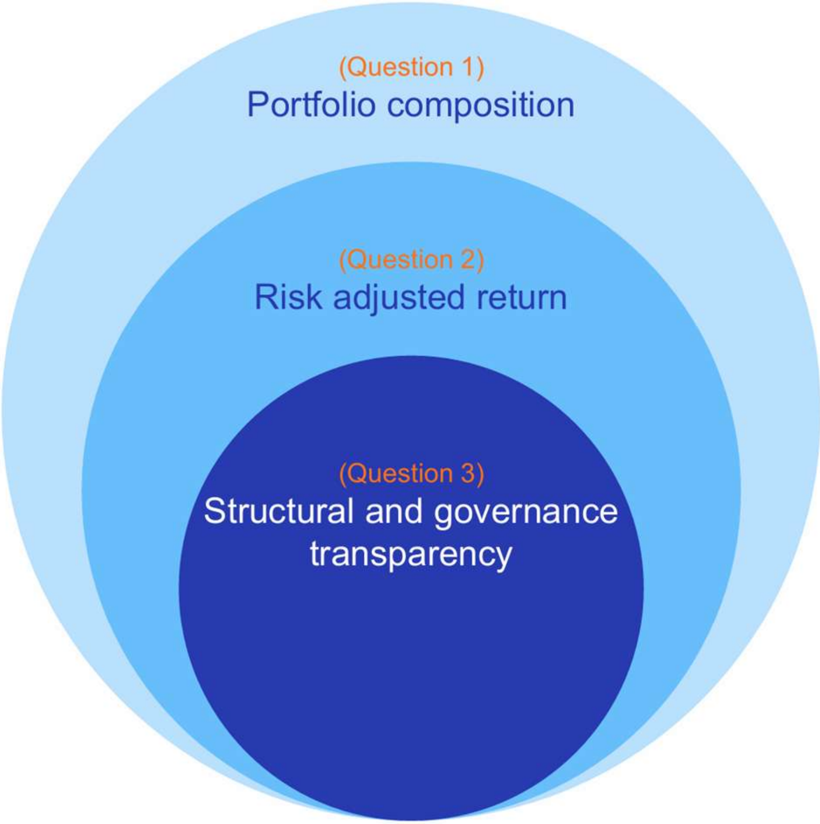
Commitment to robust governance and transparency in our process, not just our portfolios

Governance	Valuation	Risk Management	Fee and Structure Disclosures
Defined Process and Team Structure	**Valuation Policy**	**Credit Risk Scoring Framework**	**Direct Fees**
Robust Protocols	**Segregation of Duties**	**Regular Credit and Portfolio Reviews**	**Other Fees and Earnings**
Decision Frameworks	**Valuation Committee**	**Stress Testing**	**Structural Features**
Conflict and Related Party Management[1]	**Independent Valuation Review**	**Independent Credit Rating Reviews[2]**	**Manager Alignment**

1. This includes any transactions between managed funds and any multiple capital stack structures.
2. Independent review of credit rating methodology, from a governance / process perspective as to specific ratings. All assets would be reviewed annually on a quarterly cycle. Any changes reviewed in quarter of change.

Three simple questions

For allocators into private market alternatives



- Do I have sufficient visibility into the portfolio to make an independent assessment of my exposure?
- Am I earning a genuine private markets premium, sufficiently above what liquid markets would offer for equivalent risk?
- Can I trust the manager to act as an empowered fiduciary aligned with investors in making decisions, generating returns and protecting capital?

Q&A – What's on your mind?

MA Financial Group

We invest. We lend. We advise.

Adam Roberts
Australian Ethical Investments

Infrastructure Debt: Delivering risk-adjusted returns

Adam Roberts, Head of Private Markets

May 2026

Disclaimer

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The Fund is managed by specialist investment manager Infradebt who have agreed to be included in this presentation.

What is infrastructure debt?

Financing underpinned by essential physical assets that support societal or economic functions

Debt is typically issued directly to entities created for specific projects

Outcomes are tied to individual projects rather than corporate entities, and the income generated by this project directly services the debt

Infrastructure has high upfront capital costs, but in return provides high operating margins, which creates high levels of cashflow to pay interest and principal on loans

These long-term arrangements generally include more protective covenants than standard corporate debt, mitigating risks inherent in project finance

Australian Ethical

Infrastructure debt sectors

Renewable energy

Renewable energy, both grid-scale and embedded, including storage.

Embedded networks and micro-grid infrastructure where there is, or will be, significant use of renewable energy and/or efficiency gains.

Social infrastructure

Public transport, hospitals and health facilities, research facilities, water and or sewerage treatment/ networks, educational facilities, convention centres, desalination, recycling/waste facilities.

Infrastructure-like property projects

Asset-backed projects (e.g. social and affordable housing) where there is a significant social impact investing or environmental component.

Note: Not exhaustive nor restrictive

Benefits of infrastructure debt

Stable & predictable cash flows
Infrastructure projects often generate stable and predictable cash flows over the long-term.

Government support
Infrastructure projects often enjoy government support, either through direct financing, regulatory frameworks, or subsidies, contributing to the stability of these investments.

Diversification
Its low correlation with traditional asset classes can help enhance overall portfolio diversification and potentially reduce overall portfolio risk.

Attractive to income-oriented investors
The regular interest payments associated with infrastructure debt make it particularly attractive to retirees or those seeking consistent income streams.

Risk-adjusted returns
The stable cash flows, long-term nature of the investments, and often lower volatility compared to other asset classes contribute to a favourable risk-return profile and potentially attractive risk-adjusted returns.

Sustainable investment
With many renewable energy and sustainable development infrastructure projects aligning with ESG considerations, investors can contribute to positive social and environmental outcomes while still achieving financial returns.

Australian Ethical

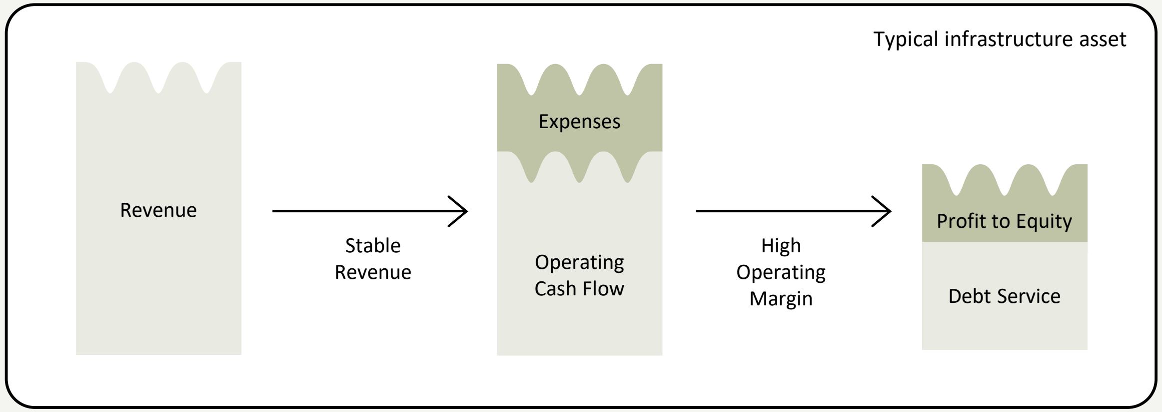
Infrastructure debt vs. Corporate credit

Infrastructure debt

Full security over physical asset

- ⊕ Stable revenues
- ⊕ High Operating Margins

- ⊜ Stable Debt Servicing Capacity
- ⊜ Attractive Credit Risk



Corporate credit

No large physical asset security

- ⊕ Cyclical/volatile revenues

- ⊜ Less certainty on debt service, lower recoveries in event of default (see next slide)
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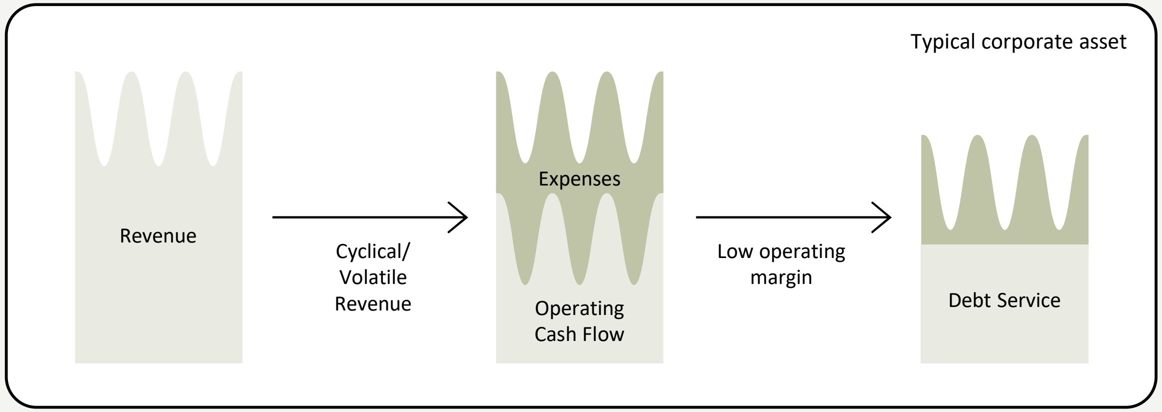
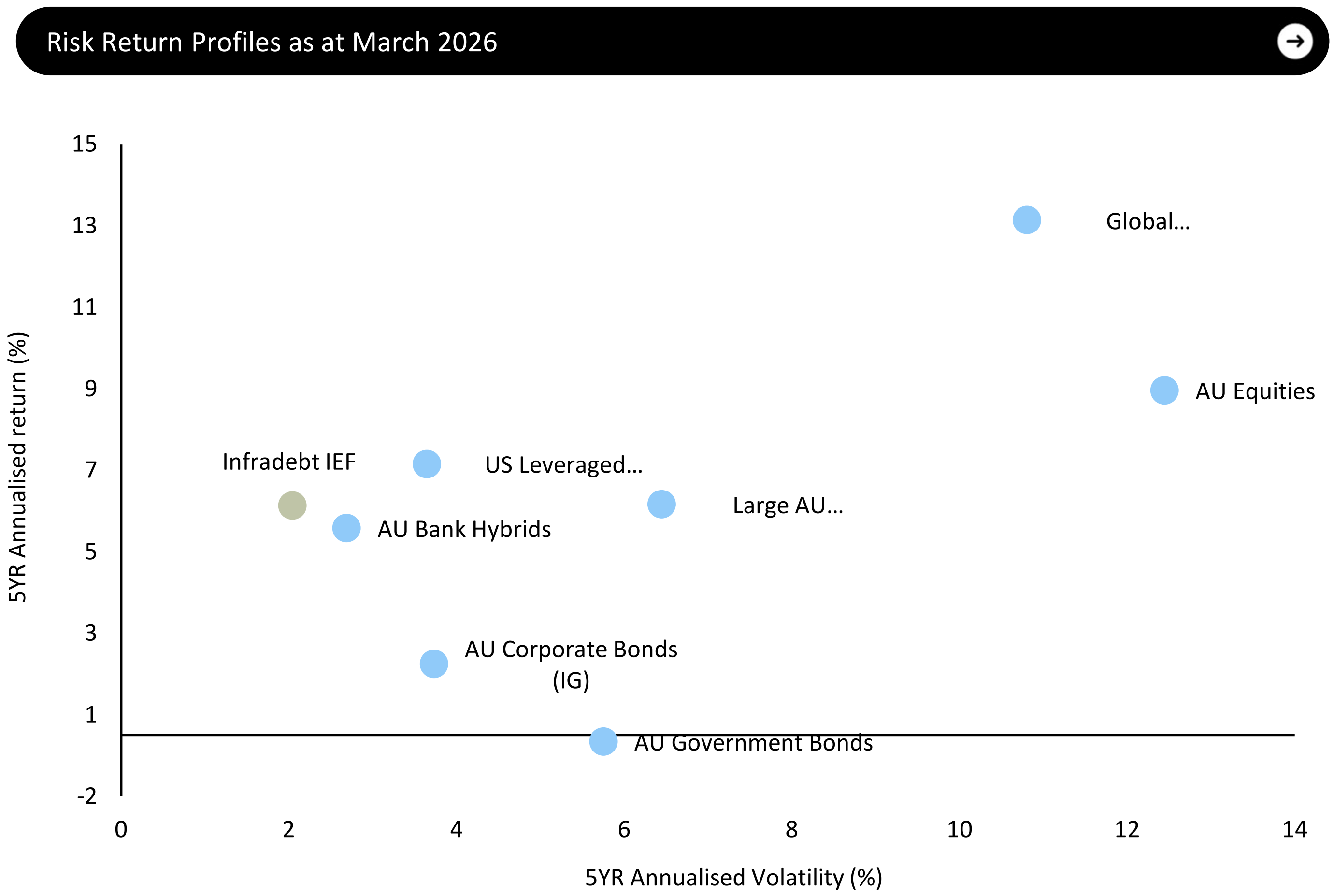


Risk return profiles of infrastructure debt vs. other asset classes



Source: Factset, March 2026
AU Government Bonds: Bloomberg AusBond Govt 0+ Yr Index, AU Bank Hybrids: Solactive Australian Hybrid Securities Index (Net), Global Equities (AUD Unhedged): MSCI World Index (AUD Unhedged) , US Leveraged Loans (USD): Morningstar LSTA US Leveraged Loan TR (USD), AU Corporate Bonds: Bloomberg AusBond Credit 0+ Yr Index, Australian Equities: S&P/ASX 300 (TR), Large AU Private Credit Fund (Monthly change in traded unit price of the ETF plus distributions), Australian Ethical Infrastructure Debt Fund: Infradebt Ethical Fund (assets marked to market)

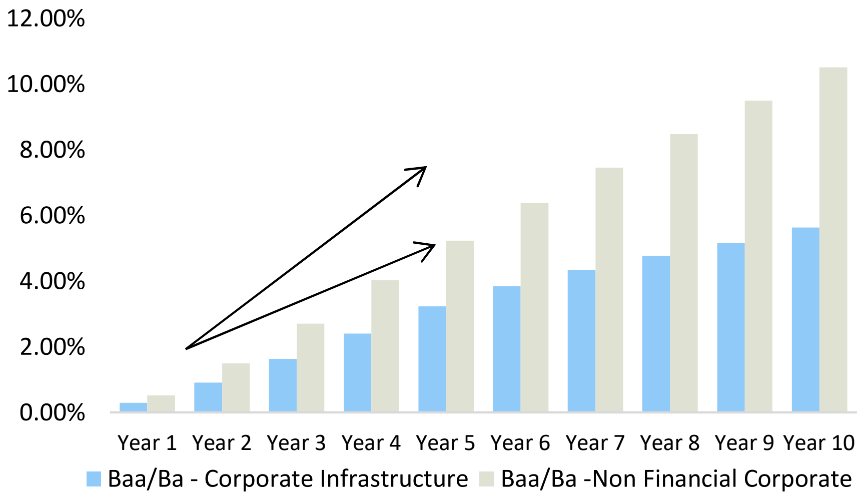
Australian Ethical

Default & recovery studies

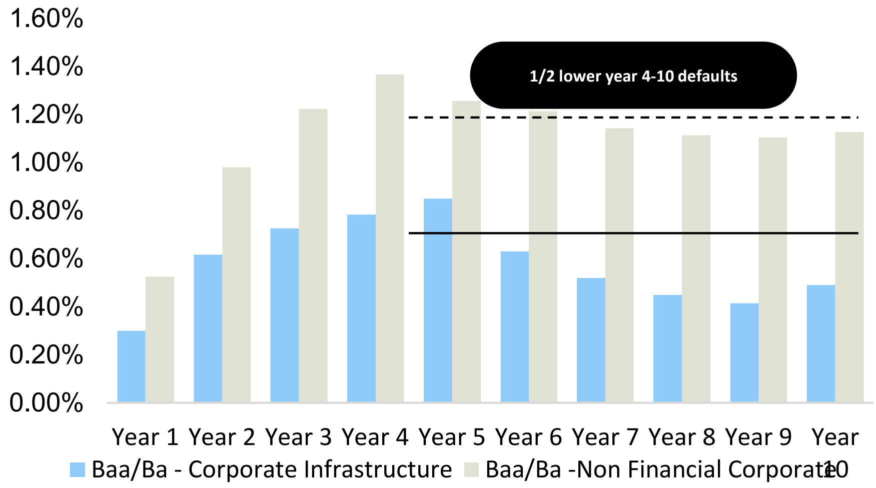
Moodys' Infrastructure Default and Recovery Rates study – September 2018

US$2.0 trillion of infrastructure securities | 1983–2017-time horizon | Over 1,000 separate entities

Cumulative default rate



Marginal default rate



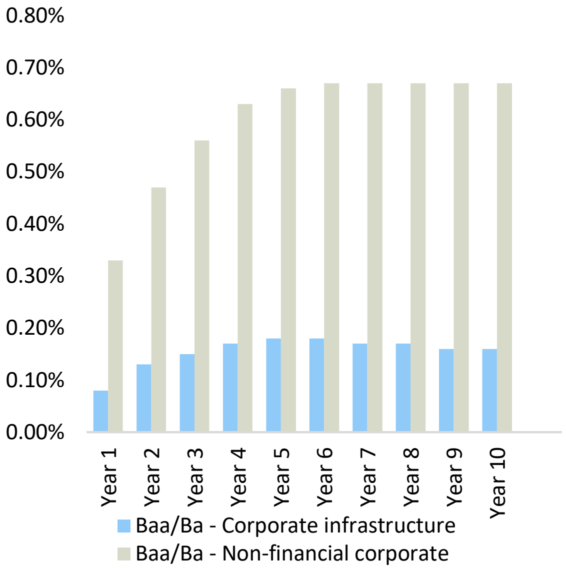
Infrastructure borrowers show significantly lower long-term default rates. Particularly post-year 3.

Recovery rates

Most infrastructure loans are senior secured – compared with corporate bonds, which are usually unsecured. The defensive and stable characteristics of infrastructure businesses translate into higher recoveries.

Annualised credit losses

Lower default + Higher recoveries = Substantially lower credit losses



Recovery rates

Sector	Senior secured	Senior unsecured
Utilities	73%	56%
Regulated E&G utilities and networks	81%	60%
Unregulated E&G utilities and power	80%	55%
Transportation	74%	n/a
Average corporate infrastructure debt securities	72%	55%
Average non-financial corporate issuers	54%	38%

Cross-ratings comparison

	10-year annualised credit loss	
Rating	Corporate infrastructure	Non-financial corporates
Aaa	0.00%	0.02%
Aa	0.01%	0.02%
A	0.04%	0.08%
Baa	0.07%	0.20%
Ba	0.25%	1.17%
B	0.71%	2.70%
Caa-C	1.56%	3.92%
Investment grade	0.05%	0.12%
Speculative grade	0.48%	2.33%

Energy transition opportunity

2020-21

Renewables production increased

10%

largely due to the rapid expansion of solar and wind[1]

2024

Renewable energy accounted for

39%

of Australia's total electricity generation – the highest on record[2]

2030

Renewable energy generation is targeted to be

82%

Policy of the Australian Federal Government[3]

Total capex spend on renewables to date

$33bn

8GW of Solar, 11GW of Wind, 1.5GW Battery storage.[4]

Capex Spend to get to 82% renewables in the next six years

$80bn

New build: 4GW of Solar, 20GW of Wind, 10GW Battery storage.[4]

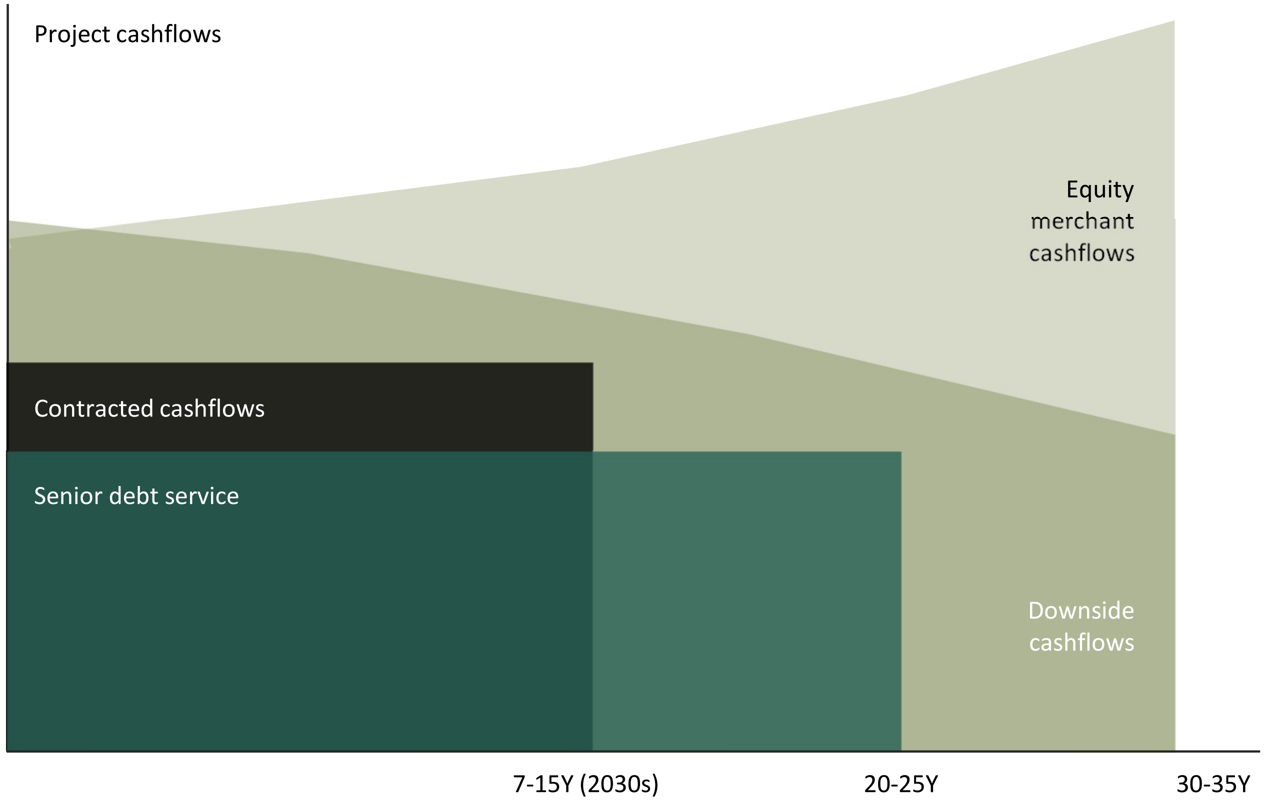
Debt finance is often critical for clean energy projects large and small providing 50-70% of capital.

Non-bank lenders can play an important role, especially within emerging segments such as batteries.

1. Australian Energy Statistics 2022 Energy Update Report
2. Open NM
3. Annual Climate Change Statement 2022; DCCEEW
4. Integrated System Plan, AEMO 2022

Typical renewables structure

Typical renewable infrastructure equity financing structures are highly leveraged to back-end revenue assumptions.
Senior debt captures most of the front-end cashflows.
Equity return is highly dependent on forecast energy prices in the last 10-20 years. This return is very sensitive to technological deflation.



Why invest in infrastructure debt vs. equity?

Typical infrastructure project capital structure (renewables project)

Senior Debt

40-60%

- Senior debt typically earns between 6%-8% YTM.
- Secured predominantly by physical assets or contracts.
- First priority over project cashflows (i.e. debt gets paid first).
- Underlying asset (physical plant) with 20-35 year life: debt is paid from the early life cashflows.

Returns driven by first decade of cash flows

Project Pre-Tax WACC 8 -12%

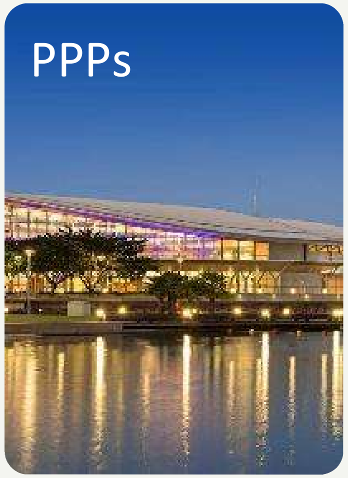
Equity

60-40%

- Equity forecast return 10%-14%: This is only a forecast and the actual experience in renewables, in general, has not matched these expectations.
- Equity return is back-ended: Equity returns are highly dependent on assumed forecast cashflows 10-20 years in the future. These cashflows are highly uncertain and subject to forecast error.

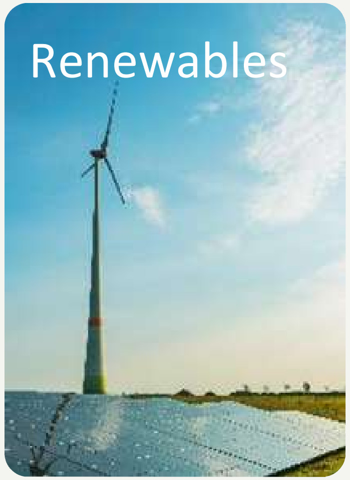
Returns driven by cash flows 10+ years away

Investment universe



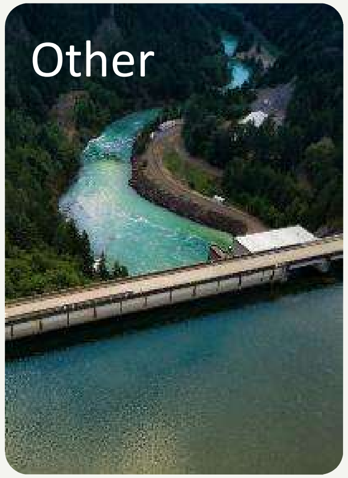
100+

Research centres, convention centres, hospitals, accomodation, schools, water, light rail



200+ current

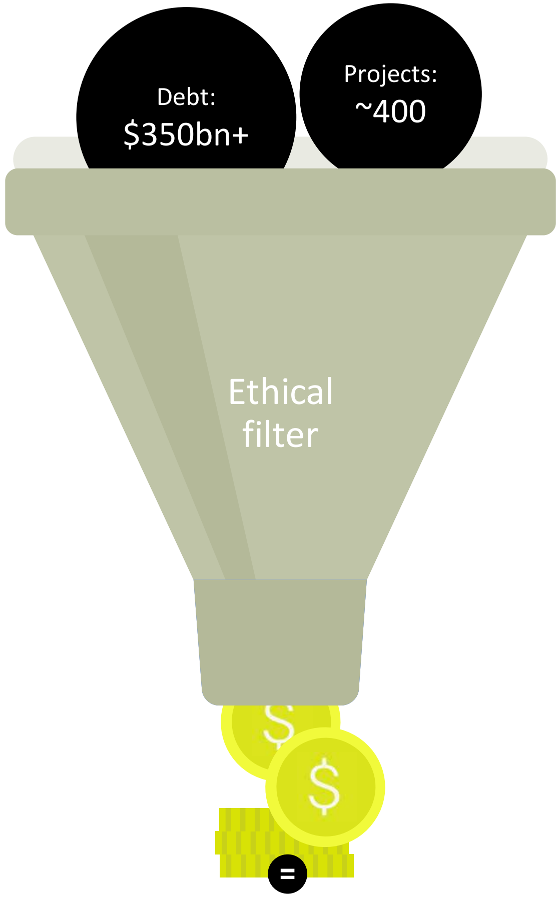
30+ new in the next 24 months



20-30

Communications, water, rail

The number of debt opportunities is much larger than equity opportunities as debt is typically re-financed every 3-5 years.



Investable universe

~300 projects

Infrastructure debt: real world examples

Our portfolio

Projects: 45

Loans: 21

Debt: 100% Senior Debt

12-month net of fees return: 7.6% (3.8% over benchmark), 7.2% YTM

Projects: >80% of projects in operating phase, <20% in construction

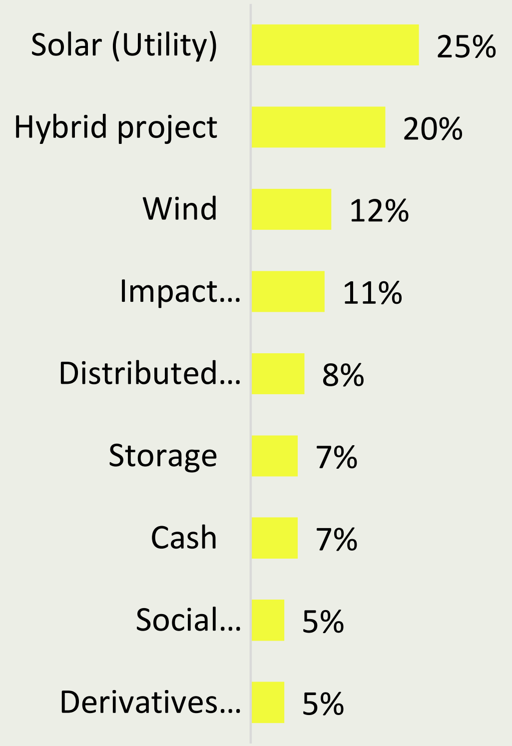
Weighted Average Loan Life: 2.8 years

Modified duration: 0.4 years

*Hybrid refers to a renewable energy system integrated with another energy system

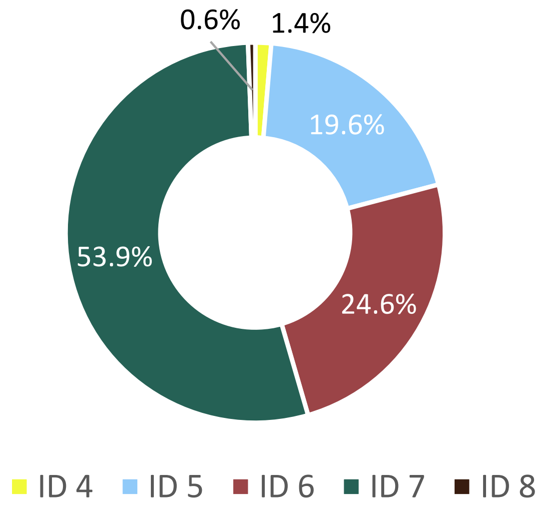
Project Sector Overview

72% of portfolio invested in renewable energy



Credit Ratings of the Fund Holdings

Note: All loans in the portfolio are assigned an Infradebt credit rating but are not subject to formal rating by an external rating agency. Infradebt has assessed that a rating of an Infradebt 6 (ID 6) is approximately equivalent to S&P BBB applying published S&P rating criteria.



Fund performance

The Fund continues to outperform its benchmark predominantly driven by income from underlying loans and securities. Despite significant global equity market volatility, the Fund's infrastructure-focus means underlying cashflows of the projects in the portfolio continue to be resilient.

The Fund has been open to investors for more than two years and has delivered the following performance:

Net performance to 31 March 2026	1 year (% p.a.)	Since inception (% p.a.)[3]
Fund[1]	7.6	7.4
Benchmark[2]	3.8	4.1
Excess	+3.8	+3.3

**Past performance is not a reliable indicator of future performance.
1 Net of fees for periods to 31 March 2026.
2 RBA Cash Rate
3 Fund inception was 1 February 2024

Australian Ethical

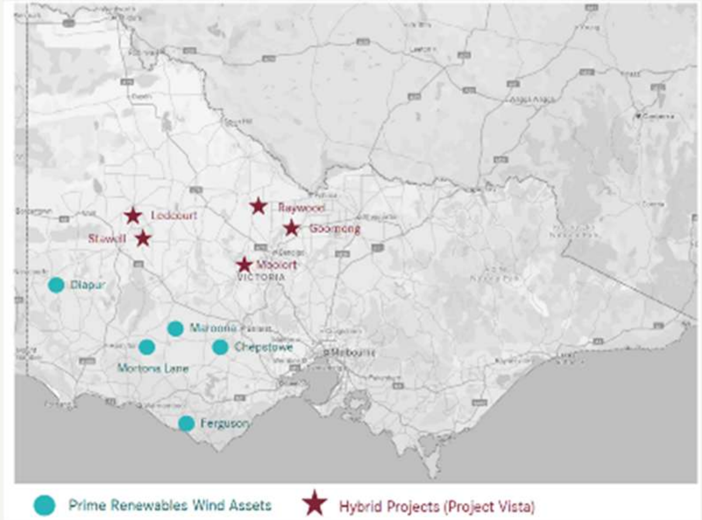
Recent investment

Prime Renewables

PRIME RENEWABLES

Portfolio of operating wind farms and solar hybrid projects in Victoria

- Over 70MW of generation and 55MWh of storage
- Largely contracted portfolio of operating assets.
- Diversified across revenue structures and offtake counterparties.



Australian Ethical

Recent investment

Evie Networks

EVIE
GO ELECTRIC. GO ANYWHERE

Owner and operator of Australia's largest electric vehicle (EV) DC fast-charging network.

- Over 900 charging bays across more than 320 sites in all Australian States and Territories.
- With a focus on convenience, reliability and innovation, Evie continues to rapidly expand its portfolio.

Australia's first non-recourse debt facility to EV charging infrastructure.

- The debt facility provided by the Fund provides both a term facility to re-capitalise existing operations and a capex facility to fund the company's network expansion plan.
- Form a portfolio perspective, provides diversification beyond traditional renewables and is expected to deliver strong risk-adjusted returns for investors.

Australian Ethical

Recent investment

Battery Energy Storage Systems (BESS)

BESS provides grid stabilisation services and energy shifting/ demand matching functions

Shifting energy from periods when renewable energy is abundant to periods where demand is highest, which is essential to Australia's transition to a carbon-neutral grid.

Bouldercombe BESS

20km southwest of Rockhampton (central QLD)

50MW/100MWh BESS using Tesla Megapack 2.0

Strong operating performance

Fulham Hybrid Project

107MWdc solar farm and 64MW/128MWh BESS in Victoria.

Partially contracted for 10 years to the Victorian Government.

Under construction

NRN Holdings (household batteries)

Provider of behind-the-meter solar and battery solutions to residential customers at no upfront cost.

Energy cost savings to customers by bringing together solar installers, energy retailers (VPP), and investors.


Australian Ethical
Thank you
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Upcoming events

Advice in Action Conference 2026
28th July – Sydney

Alternatives Week
15th - 17th September – Sydney

Independent Thought Conference
27th October – Sydney

MDA Providers Symposium
19th - 20th November – Sydney

IMAP
Institute of Managed Account Professionals

Tomorrow's webinar

Global Interest Rates and the implications for Fixed Interest Investing –

Portfolio Construction in the current environment

Chamath De Silva, Betashares

Tristan Bowman, Cameron Harrison

Moderated by

Khurram Jan, JANA Investment Advisers

IMAP

Institute of Managed Account Professionals

IMAP

Institute of Managed Account Professionals