

Private Infrastructure

Relative performance, inflation hedge and
defensive returns

Private infrastructure: Key characteristics



Competitive returns

- Demonstrated competitive performance relative to other asset classes (e.g., 9.6%¹ annualized vs 8.9% for global listed equities²) over the past 20 years.



Hedge against inflation

- Consistent outperformance over equities and bonds during periods of above-average inflation.



Strong risk-adjusted returns

- Over the past two decades, demonstrated strong risk-adjusted returns relative to other asset classes, as measured by the Sharpe ratio³ (e.g., 0.91⁴ vs 0.60⁵ for US equities).



Defensiveness

- As defensive equity, infrastructure may offer downside protection during periods when GDP growth is below average or decelerating.



Diversification

- Low to moderate correlation with equities and bonds may provide diversification benefits to the overall portfolio.



Exposure to high-growth trends

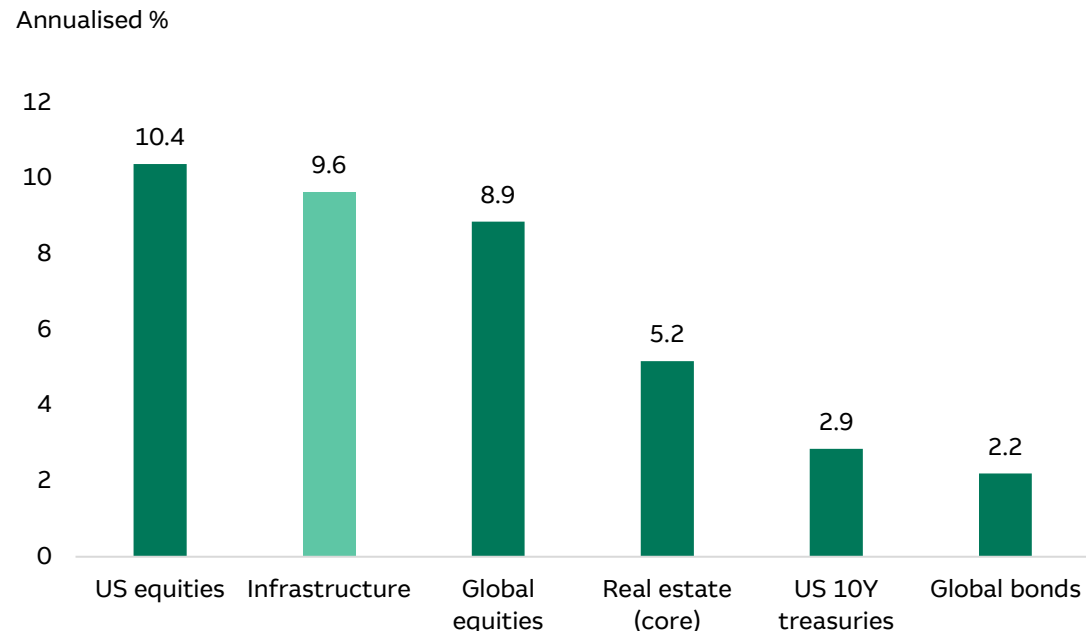
- Offers growth exposure to long-term secular trends like digitalization, demographics and decarbonization.

Source: Macquarie Asset Management (July 2025). Analysis conducted from 1Q 2004 to 4Q 2024. 1. Based on Cambridge Associates Infrastructure Index. 2. Based on MSCI World Index. 3. Sharpe ratio measures the relationship between reward and risk in an investment strategy. The higher the ratio, the greater the investment return relative to the amount of risk taken. 4. Based on Cambridge Associates Infrastructure Index. 5. Based on S&P 500 Index. Past performance is not indicative of future returns. Does not constitute investment advice or recommendation.

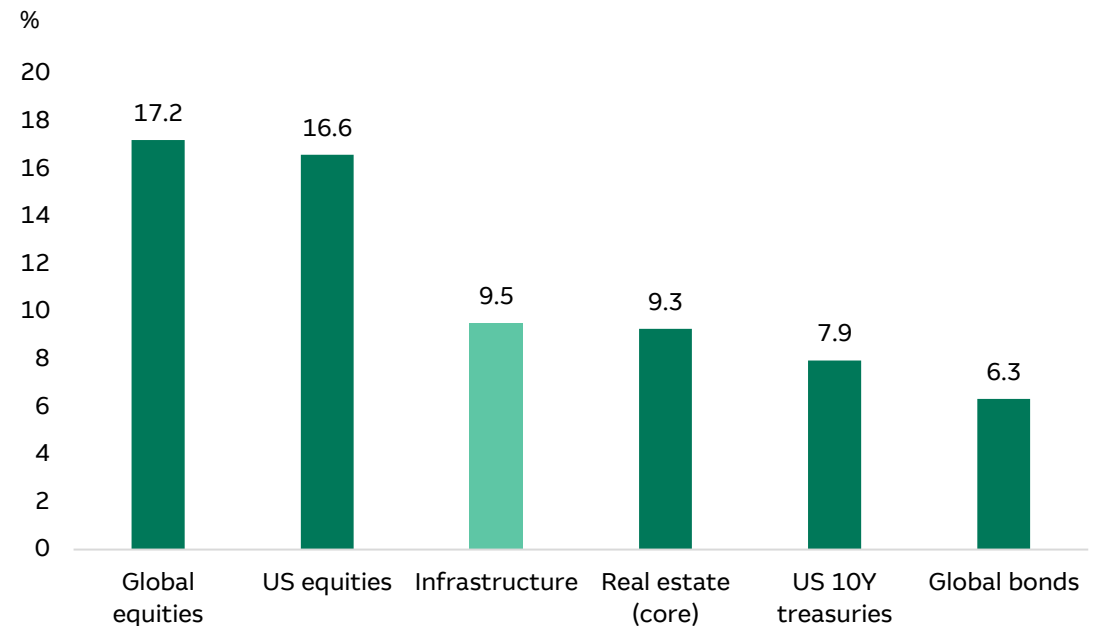
Private infrastructure: Competitive performance

Private infrastructure has delivered comparable returns to listed equities at lower volatility over the past 20 years.

Long-run returns



Volatility (standard deviation)



Source: Cambridge associates, Macrobond, Bloomberg Finance LP. US equities: S&P 500 Index Total Return Index; Infrastructure: Cambridge Associates Infrastructure Index; Global equities: MSCI World; Global bonds: Bloomberg Global-Aggregate Total Return Index; Real estate: INREV Global Real Estate Fund Index (GREFI) refers to core property performance gained via fund structure with low levels of leverage, and excludes land, developments, and alternative property sectors. Analysis conducted from 1Q 2004 to 4Q 2024, except the real estate index which starts from 4Q 2004. (July 2025)

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Private infrastructure: Risk-adjusted returns

Courtesy of the essential nature of its services, private infrastructure has consistently delivered higher returns per unit of risk compared to other asset classes.

Sharpe ratio by asset class



Source: Cambridge associates, Macrobond, Bloomberg Finance LP. Sharpe ratio measures the relationship between reward and risk in an investment strategy. The higher the ratio, the greater the investment return relative to the amount of risk taken. US equities: S&P 500 Index Total Return Index; Infrastructure: Cambridge Associates Infrastructure Index; Global equities: MSCI World; Global bonds: Bloomberg Global-Aggregate Total Return Index; Real estate: INREV Global Real Estate Fund Index (GREFI) refers to core property performance gained via fund structure with low levels of leverage, and excludes land, developments, and alternative property sectors. Analysis conducted from 1Q 2004 to 4Q 2024, except the real estate index which starts from 4Q 2004. (July 2025).

Private infrastructure correlations analysis

Private infrastructure has historically exhibited low to medium correlations with other asset classes.

Correlation matrix (based on quarterly returns)

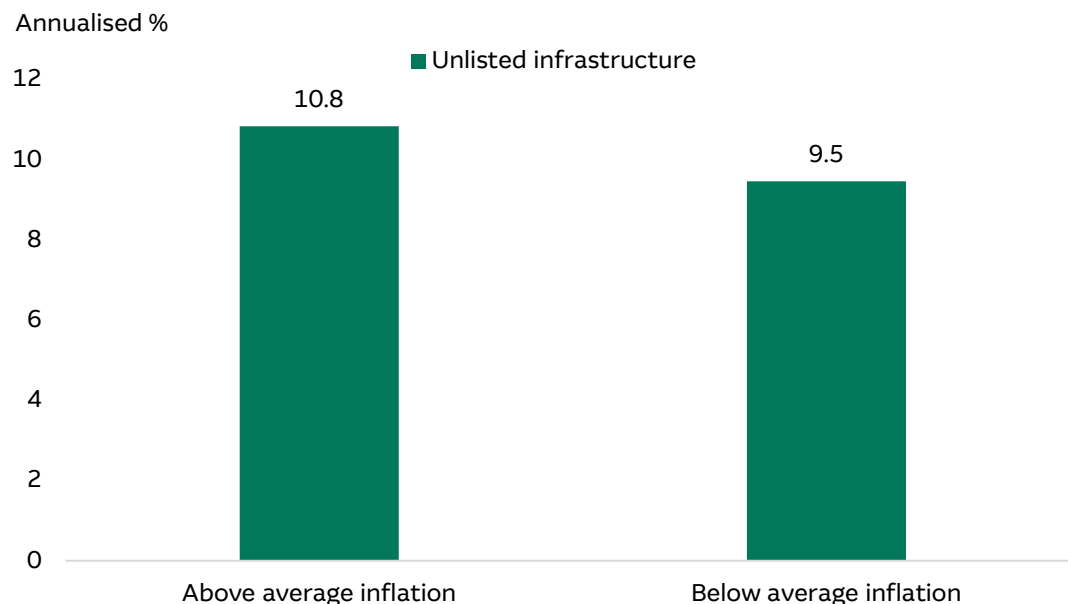
	Infrastructure	Real estate (core)	Global equities	Global bonds	US equities	US 10-year treasuries
Infrastructure	1.00	0.68	0.56	0.17	0.47	-0.30
Real estate (core)	0.68	1.00	0.18	-0.25	0.18	-0.16
Global equities	0.56	0.18	1.00	0.28	0.97	-0.38
Global bonds	0.17	-0.25	0.28	1.00	0.24	0.58
US equities	0.47	0.18	0.97	0.24	1.00	-0.33
US 10-year treasuries	-0.30	-0.16	-0.38	0.58	-0.33	1.00

Source: Cambridge associates, Macrobond, Bloomberg Finance LP. US equities: S&P 500 Index Total Return Index; Infrastructure: Cambridge Associates Infrastructure Index; Global equities: MSCI World; Global bonds: Bloomberg Global-Aggregate Total Return Index; Real estate: INREV Global Real Estate Fund Index (GREFI) refers to core property performance gained via fund structure with low levels of leverage, and excludes land, developments, and alternative property sectors. Analysis conducted from 1Q 2004 to 4Q 2024, except the real estate index which starts from 4Q 2004. (July 2025)

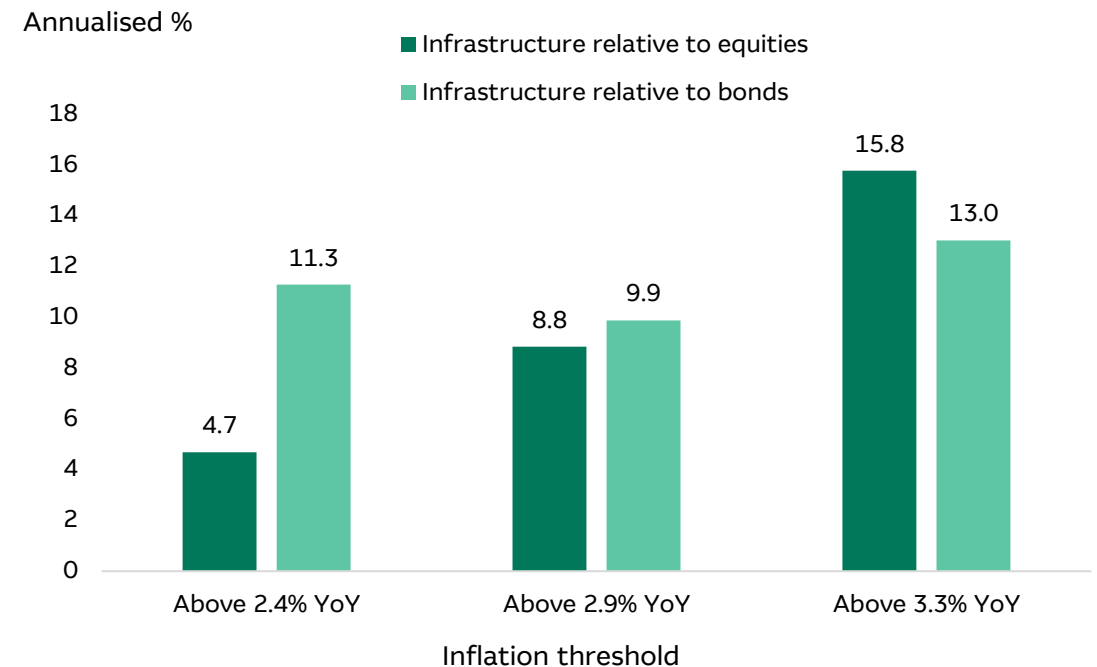
Infrastructure as an inflation hedge

Infrastructure has performed more strongly in absolute terms when inflation was high and outperformed equities and bonds as inflation increased.

Infrastructure's performance versus inflation



Infrastructure's relative performance versus inflation



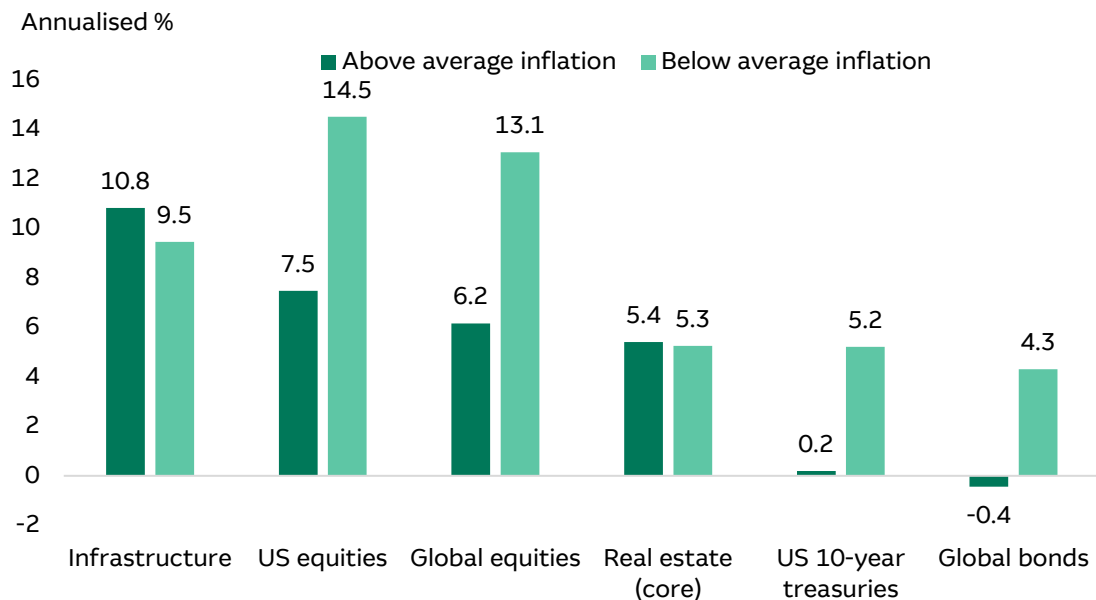
Source: Cambridge associates, Macrobond, Bloomberg Finance LP. Infrastructure: Cambridge Associates Infrastructure Index; Global equities: MSCI World; Global bonds: Bloomberg Global-Aggregate Total Return Index. Analysis conducted from 4Q 2003 to 4Q 2024. Average annual inflation over the period was 2.4%. (July 2025)

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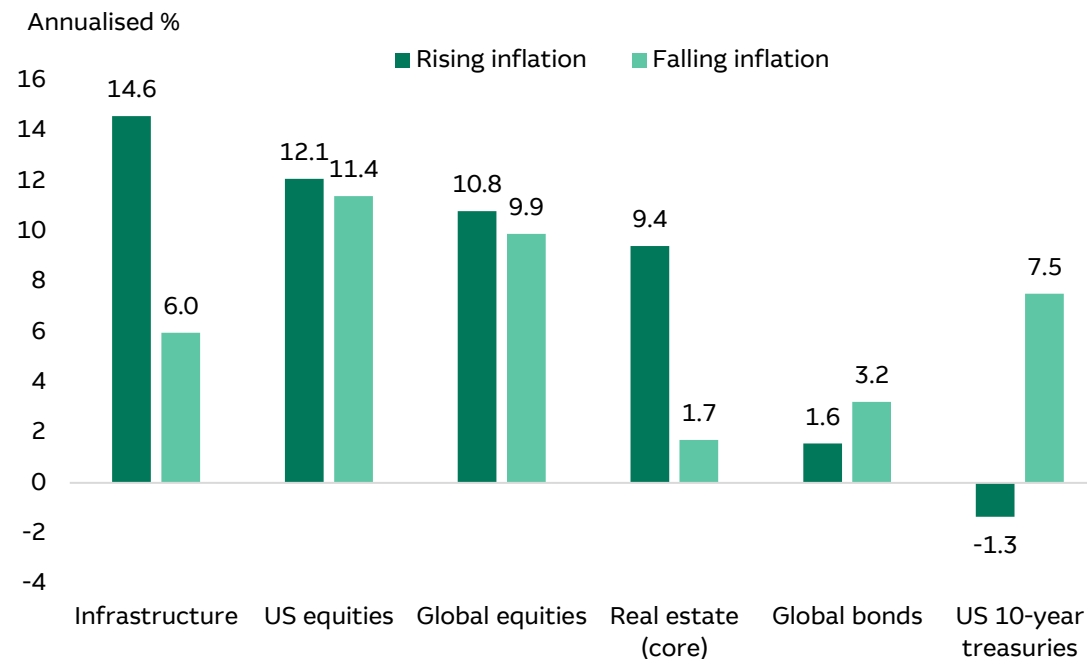
Infrastructure and inflation: Relative to other asset classes

Infrastructure performed more strongly when inflation was above average than below, and better when rising rather than falling.

Returns versus inflation - Above and below average



Returns versus inflation - Rising and falling



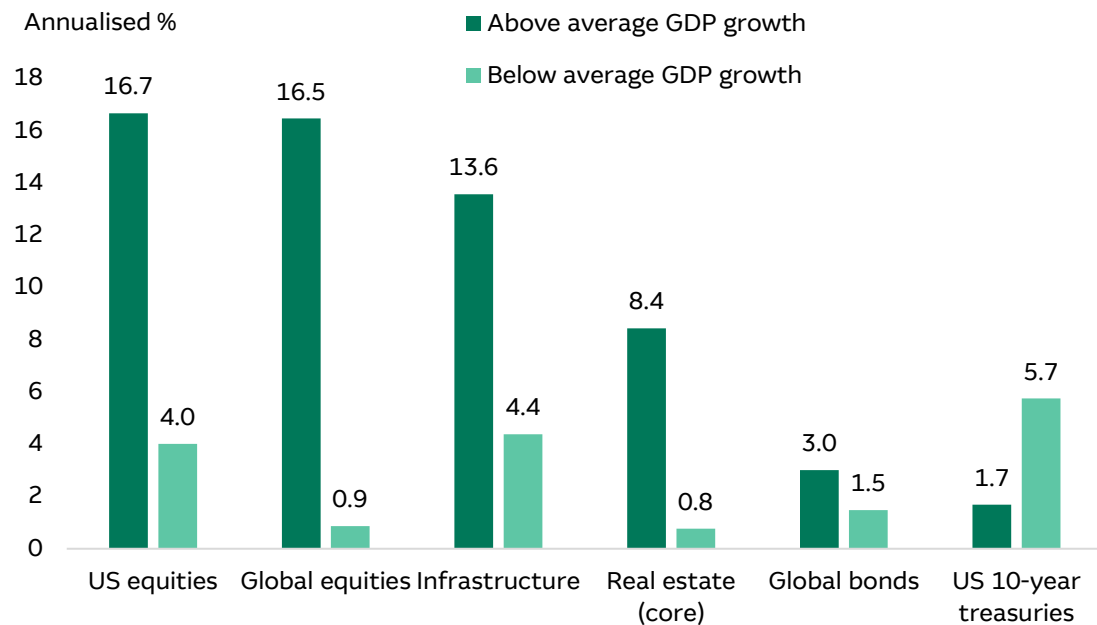
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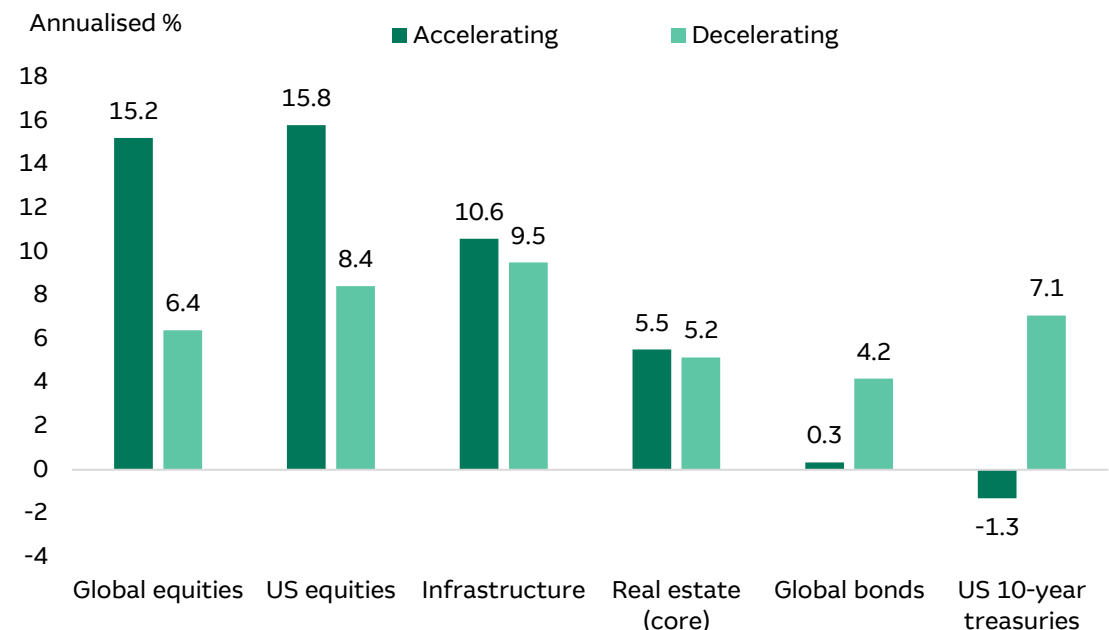
Infrastructure and GDP growth: Relative to other asset classes

Infrastructure is defensive equity that may offer downside protection during periods when GDP growth is below average or decelerating.

Returns versus GDP growth – Above and below average



Returns versus GDP growth – Rising and falling

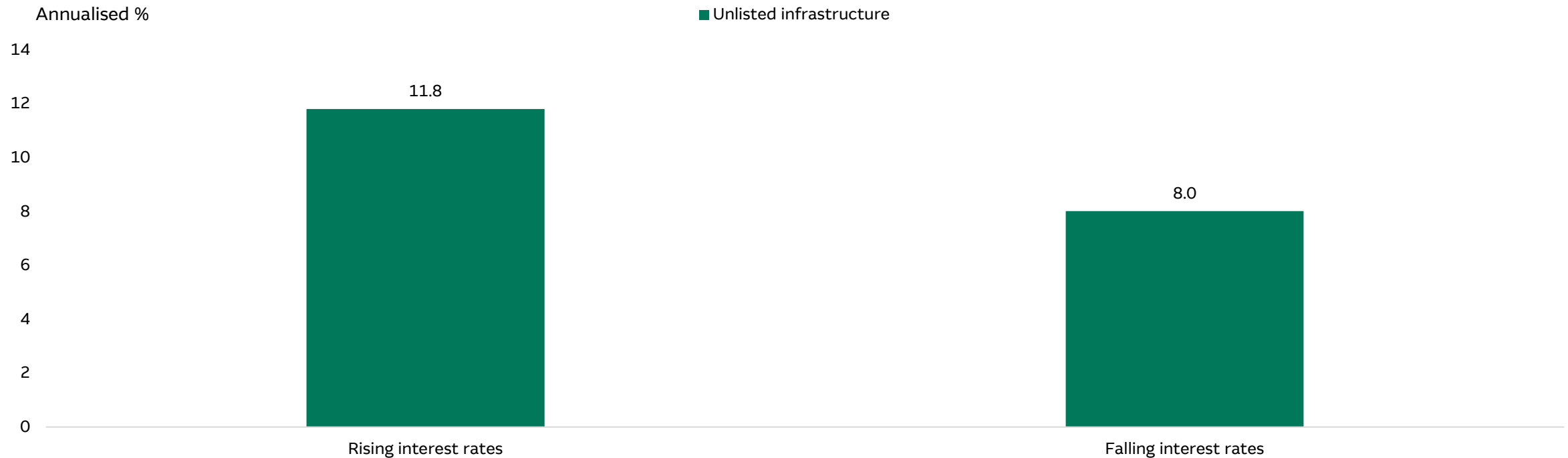


Source: Cambridge associates, Macrobond, Bloomberg Finance LP. US equities: S&P 500 Index Total Return Index; Infrastructure: Cambridge Associates Infrastructure Index; Global equities: MSCI World; Global bonds: Bloomberg Global-Aggregate Total Return Index; Real estate: INREV Global Real Estate Fund Index (GREFI) refers to core property performance gained via fund structure with low levels of leverage, and excludes land, developments, and alternative property sectors. Analysis conducted from 4Q 2003 to 4Q 2024, except the real estate index which starts from 4Q 2004. GDP = gross domestic product. Average GDP growth over the period was 1.8%. 'Accelerating' refers to quarters in which GDP growth increased compared to the previous quarter, 'decelerating' refers to quarters in which GDP growth decreased compared to the previous quarter. (July 2025)

Infrastructure and interest rates

Infrastructure delivered attractive return both when interest rates were rising and falling.

Infrastructure's performance when interest rates are rising and falling



Source: Cambridge associates, Macrobond, Bloomberg Finance LP. Unlisted infrastructure: Cambridge Associates Infrastructure Index. Analysis conducted from 4Q 2003 to 4Q 2024. Rising interest rates refers to quarters in which a GDP-weighted 10Y government bond yield increased compared to the previous quarter, falling interest rates refer to quarters in which the bond yield decreased compared to the previous quarter. (July 2025)

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Diversification may not protect against market risk.

Investing in real assets securities includes the risk that the value of a fund’s shares will be affected by factors particular to real assets securities and related industries or sectors (such as government regulation) and may fluctuate more widely than that of a fund that invests in a broad range of industries.

Investment strategies that hold securities issued by companies principally engaged in the infrastructure industry have greater exposure to the potential adverse economic, regulatory, political, and other changes affecting such entities.

Infrastructure companies are subject risks including increased costs associated with capital construction programs and environmental regulations, surplus capacity, increased competition, availability of fuel at reasonable prices, energy conservation policies, difficulty in raising capital, and increased susceptibility to terrorist acts or political actions.

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Market risk is the risk that all or a majority of the securities in a certain market – like the stock market or bond market – will decline in value because of factors such as adverse political or economic conditions, future expectations, investor confidence, or heavy institutional selling.

International investments entail risks including fluctuation in currency values, differences in accounting principles, or economic or political instability. Investing in emerging markets can be riskier than investing in established foreign markets due to increased volatility, lower trading volume, and higher risk of market closures. In many emerging markets, there is substantially less publicly available information and the available information may be incomplete or misleading. Legal claims are generally more difficult to pursue.

Currency risk is the risk that fluctuations in exchange rates between the US dollar and foreign currencies and between various foreign currencies may cause the value of an investment to decline. The market for some (or all) currencies may from time to time have low trading volume and become illiquid, which may prevent an investment from effecting positions or from promptly liquidating unfavourable positions in such markets, thus subjecting the investment to substantial losses.

Credit risk is the risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. Credit risk arises whenever a borrower expects to use future cash flows to pay a current debt. Investors are compensated for assuming credit risk by way of interest payments from the borrower or issuer of a debt obligation. Credit risk is closely tied to the potential return of an investment, the most notable being that the yields on bonds correlate strongly to their perceived credit risk.

The Dow Jones Brookfield Global Infrastructure Index is designed to measure the performance of pure-play infrastructure companies domiciled globally. The index covers all sectors of the infrastructure market. To be included in the index, a company must derive at least 70% of cash flows from infrastructure lines of business.

The Cambridge Associates Infrastructure Index is a calculation of infrastructure fund performance based on data from funds formed since 1993. The index is a horizon calculation that includes fully liquidated partnerships.

The Bloomberg Global-Aggregate Total Return Index measures the performance of global investment-grade fixed income securities. It's a widely used benchmark for fixed income securities.

INREV Global Real Estate Fund Index (GREFI) refers to core property performance gained via fund structure with low levels of leverage, and excludes land, developments, and alternative property sectors.

The MSCI World Index, represents large and mid-cap stocks across 23 developed market countries worldwide. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

The S&P 500 Total Return Index (SPTR) is a stock market index that includes dividend gains, while the standard S&P 500 Index (SPX) does not.

Index performance returns do not reflect any management fees, transaction costs or expenses. Indices are unmanaged and one cannot invest directly in an index.

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