

Investment objective

Aims to outperform the S&P Global Infrastructure Index (Net Total Return in \$A) over the medium to long term (before fees). It aims to provide a return comprising both income and capital growth.

Key information

Fund details

| | |
|-----------------------------|---|
| APIR code | MAQ0825AU |
| Inception date | 29 January 2014 |
| Fund size | \$346.5m |
| Distribution frequency | Quarterly |
| Management fee* | 1.00% pa |
| Minimum investment (Direct) | \$20,000 |
| Unit prices and spreads | macquarie.com.au/unit_prices |

*Read the Product Disclosure Statement for more details on fees and costs.

Fund performance to 31 August 2021

| | Total Fund return (gross) | Total Fund return (net) | Benchmark return | Total excess return (net) |
|------------------------|---------------------------|-------------------------|------------------|---------------------------|
| 1 month (%) | 1.58 | 1.49 | 2.33 | -0.84 |
| 3 months (%) | 6.87 | 6.60 | 6.79 | -0.19 |
| 1 year (%) | 23.29 | 22.09 | 21.44 | 0.65 |
| 3 years (% pa) | 8.85 | 7.77 | 5.52 | 2.25 |
| 5 years (% pa) | 8.86 | 7.79 | 6.26 | 1.53 |
| Since inception (% pa) | 10.13 | 9.05 | 8.05 | 1.00 |

Past performance is not a reliable indicator of future performance.

Total returns are calculated based on changes in net asset values and assumes the reinvestment of distributions.

Total net Fund returns are quoted after the deduction of fees and expenses. Due to individual circumstances, your net returns may differ from the net returns quoted above.

Top 10 stocks

| | % |
|-------------------------|-----|
| Sempra Energy | 6.2 |
| TC Energy Corp | 6.1 |
| Transurban Group | 5.7 |
| Aena SME SA | 5.1 |
| American Electric Power | 4.8 |
| National Grid plc | 4.6 |
| Enbridge Inc | 4.3 |
| Nextera Energy Inc | 3.7 |
| Sydney Airport | 3.4 |
| ENAV Spa | 3.3 |

Top sectors

| | % |
|----------------------------------|------|
| Electric Utility | 27.5 |
| Energy Infrastructure | 20.1 |
| Toll Roads | 15.0 |
| Airports | 14.7 |
| Electricity and Gas Distribution | 9.2 |

Top countries

| | % |
|----------------|------|
| United States | 32.4 |
| Canada | 13.7 |
| Australia | 11.8 |
| Italy | 9.3 |
| United Kingdom | 9.2 |

Macquarie International Infrastructure Securities Fund (Unhedged)

Monthly report – 31 August 2021

Fund highlights

The Fund returned 1.49% (after fees), outperforming the benchmark which returned 2.33%.

The major contributors to the strategy's return were the Electric Utilities, Toll Roads and Rail/Other transportation sectors. The major detractors from the strategy's return were the Energy Infrastructure, Airports and Water sectors. Relative to the S&P Global Infrastructure Index and in local currency terms, major stock contributors to the Fund's return included SSE PLC, Pembina Pipelines and Enel SPA. ENAV, China Merchants and NextEra Energy were among the significant detractors. Relative to the S&P Global Infrastructure Index, the major positive contributors were positions in the Rail/Other transportation and Toll Road sectors. Positions in the Electric Utilities, Water and Electricity and Gas Distribution sectors detracted.

Key Contributors to Outperformance

1. **SSE PLC** -SSE outperformed as an activist investor was reported to have built a significant stake in the company. The potential for SSE to be a target for corporate activity reflects the attractive combination of regulated energy network assets and portfolio of renewable assets in operation and under construction.
2. **Pembina Pipeline Corp**-Pembina Pipeline (not held) underperformed after it failed to secure backing for a partnership with another midstream pipeline company, Inter Pipeline Limited.
3. **Enel SPA**-Italian electric utility Enel (not held) underperformed as it announced a deal to acquire a portfolio of hydro assets in Italy. The management team indicated an expectation of further growth through acquisitions.

Key Contributors to Underperformance

1. **ENAV SPA**-ENAV, and the broader European Airport sector was a little weaker over August as the recovery in passenger volumes into the winter season was considered by investors in the context of ongoing delta strain infections.
2. **China Merchants**- China Merchants (not held) was strong over August as it reported results that exceeded expectations. The company does not meet our threshold for infrastructure attributes given the poor regulatory construct that drives earnings.
3. **NextEra Energy**- NextEra Energy outperformed as the company agreed a rate case settlement with key stakeholders in Florida. Key to the agreement is a 10.7% allowed return on equity. NextEra is the largest producer of renewable electricity globally, from sources including wind and solar.

For more information speak to your financial adviser, call us on 1800 814 523, email mim.clientservice@macquarie.com or visit macquarie.com

Important information

Macquarie Investment Management Australia Limited ABN 55 092 552 611 AFS Licence 238321 is the issuer of units in, and responsible entity of the Fund.

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