

Macquarie Infrastructure and Real Assets (MIRA)



Macquarie Korea Infrastructure Fund

Investor Presentation

3Q 2021



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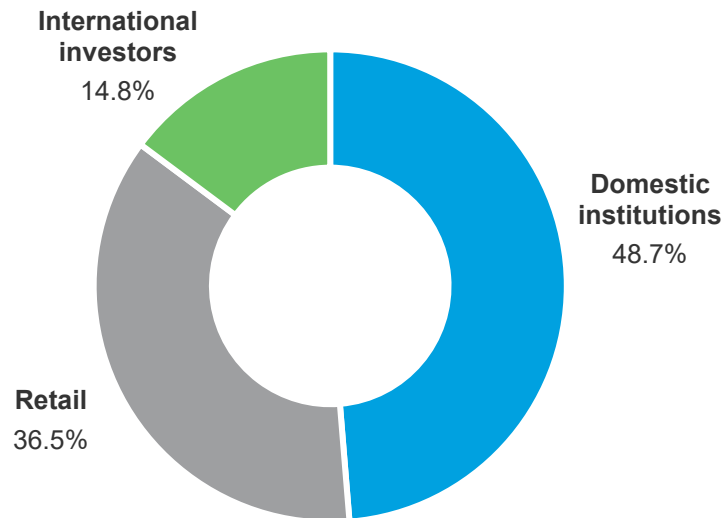
1 | MKIF Overview



A Leading Infrastructure Fund in Korea

- Established in 2002 / Listed on the Korea Exchange in 2006
- Market capitalization of KRW ~5.2 trillion¹
- Invests only in Korea as defined under the Korean PPP Act²
- Delivered approximately ~6.8% distribution yield³ in 2020
- Issuer credit rating of AA0 (Stable)⁴

Key Shareholder Groups⁵



1. As at 30 Sep 2021

2. Act on Public Private Partnerships in Infrastructure ("PPP Act") states infrastructure sectors including roads, railways, ports, water treatment, waste management, etc.

3. Distribution yield based on FY2020 closing share price of KRW 10,650 and FY2020 distributions; historical performance does not guarantee future performance

4. Issuer credit rating by NICE Investor Service on 2 Apr 2021

5. As at 30 Jun 2021

Fund History



Establishment / Listing
2002 / 2006

Mandate
Core and Core+
(Korea only)

Portfolio
**12 Roads, 1 Port,
1 Rail, 2 City Gas**

Market Capitalisation
KRW ~5.2 trillion
(KOSPI top 65)

MKIF History¹

Pioneered the infrastructure sector in Korea, leading the market with best fund and asset management practices

2002 ~ 2006

**Establishment &
Capital Raising**

- Established in Dec 2002
- Investment committed in 15 assets
 - 14 toll roads
 - 1 subway line
- Capital reached KRW 1.3tn

2006 ~ 2009

**IPO &
Asset Stabilization**

- IPO in Mar 2006 (KRW 1.0tn)²
- Listing on KRX and LSE²
- 5 greenfield assets commenced operation on time & on budget
- Asset performance stabilized

2007 ~

**Active Fund and
Asset Management**

Fund-level

- 10 investments³ / 4 divestments⁴
- 9 fund-level debt refinancing⁵
- Effective IR: improved market awareness & active share trading

Asset-level

- 16 asset-level restructuring⁶
- 14 asset-level dispute resolutions⁷
- Actively engaged with current issues

2017 ~

**Share Offering &
New Growth**

- Mandate expansion
- Seeking diverse investment opportunities
- Follow-on offering in 2017 (KRW 147.2 billion)
- Follow-on offering in 2020 (KRW 244.2 billion)
- Follow-on offering in 2021 (KRW 393.5 billion)

1. Please refer to page 7 for asset acronyms

2. KRW 0.6tn = issuance of new shares, KRW 0.4tn = sale of old shares / MKIF delisted from LSE in Mar 2016

3. BNP 2-3 initial investment (2008); MCB bolt-on (2008); BNP 2-3 bolt-on (2013); YSE bolt-on (2015); IBC bolt-on (2017); SCH bolt-on (2018); DBR (2019); B2RR (2020); HY (2021); SRB (2021)

4. New Daegu Busan Expressway (2008); Seosuwon-Osan Pyungtaek Expressway (2010); Daegu 4th Beltway East (2012); Subway Line 9 (2013)

5. MKIF debt refinancing disclosed in May 2007; Apr 2009; Nov 2009; May 2011; Jun 2011; Feb 2014; May 2016; Jun 2018; Jan 2019

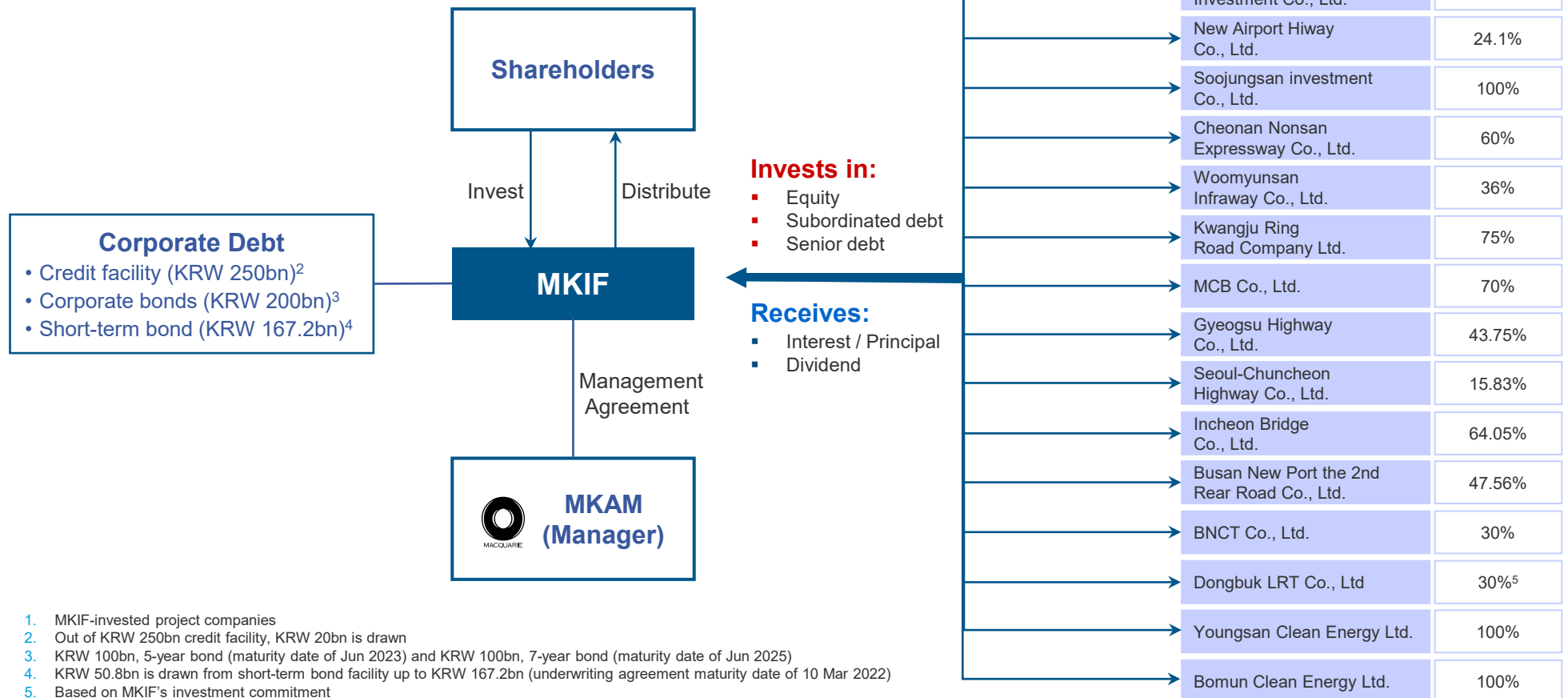
6. Asset-level refinancing disclosed in Feb 2007 (Daegu 4th Beltway East); Jan 2008 (BYTL); Dec 2008 (WIC); Mar 2009 (IBC); May 2009 (CNEC); Nov 2010 (MCB); Aug 2015 (NAHC); Oct 2015 (YSE); Jan 2016 (WIC); Dec 2016 (KBICL); Jan 2017 (MCB); Aug 2017 (IBC); Jun 2018 (SCH); Apr 2019 (BNP 2-3); Dec 2019 (CNEC); Dec 2020 (SCH)

7. Disputes resolved in Oct 2013 (BNP 2-3); Apr 2015 (MCB); Aug 2015 (KBICL); Dec 2016 (KBICL); Jan 2019 (SICL & BYTL); Mar 2019 (SICL); 2018~2019 (5 tax litigations involving SICL, WIC, KBICL, NAHC, CNEC); May 2020 (BYTL); Jun 2020 (IBC)

Business Structure

(As at 30 September 2021)

- MKIF is a holding company of 16 infrastructure project companies
- Active management of the underlying project companies¹
- Fund is managed by Macquarie Korea Asset Management Co., Ltd. ("MKAM")
- MKIF corporate tax exempted when 90% or more of its distributable earnings is distributed



1. MKIF-invested project companies
 2. Out of KRW 250bn credit facility, KRW 20bn is drawn
 3. KRW 100bn, 5-year bond (maturity date of Jun 2023) and KRW 100bn, 7-year bond (maturity date of Jun 2025)
 4. KRW 50.8bn is drawn from short-term bond facility up to KRW 167.2bn (underwriting agreement maturity date of 10 Mar 2022)
 5. Based on MKIF's investment commitment

Portfolio Summary¹



(As at 30 September 2021)

- KRW 2.2 trillion invested across 16 infrastructure assets in Korea in the form of equity (25%), subordinated debt (71%) and senior debt (4%)

● Toll Roads (66%) ● Port (12%) ● Rail (4%) ● City Gas (18%)

Dongbuk Light Rail Transit (DBR)

- 13.4km, underground rail
- MKIF commitment: KRW 82.7bn (4%)

Incheon International Airport Expressway (NAHC)

- 40.2km, 6 to 8-lane expressway
- MKIF investment: KRW 75.3bn (3%)

Woomyunsan Tunnel (WIC)

- 3.0km, 4-lane tunnel
- MKIF investment: KRW 20.3bn (1%)

Incheon Grand Bridge (IBC)

- 12.3km, 6-lane bridge
- MKIF investment: KRW 295.4bn (13%)

Yongin-Seoul Expressway (YSE)

- 22.9km, 4 to 6-lane expressway
- MKIF investment: KRW 151.1bn (7%)

Gwangju 2nd Beltway, Section 1 (KBICL)

- 3.5km, 6-lane ring road
- MKIF investment: KRW 192.6bn (9%)

Haeyang Energy Co., Ltd. (HY)

- City gas retail distributor with 2,405km of pipelines in Gwangju City and eight other regions in Jeollanam-do
- MKIF investment: KRW 322.5bn (15%)

Gwangju 2nd Beltway, Section 3-1 (KRRC)

- 5.6km, 6-lane ring road
- MKIF investment: KRW 28.9bn (1%)

Seoul-Chuncheon Highway (SCH)

- 61.4km, 4 to 6-lane expressway
- MKIF investment: KRW 162.4bn (7%)

Cheonan-Nonsan Expressway (CNEC)

- 81.0km, 4-lane expressway
- MKIF investment: KRW 270.1bn (12%)

Sorabol City Gas Co., Ltd. (SRB)

- City gas retail distributor with 513km of pipelines in two regions in Gyeongsangbuk-do
- MKIF investment: KRW 87.1bn (4%)

Baekyang Tunnel (BYTL)

- 2.3km, 4-lane tunnel
- MKIF investment: KRW 2.3bn (0.1%)

Soojungsan Tunnel (SICL)

- 2.3km, 4-lane tunnel
- MKIF investment: KRW 47.1bn (2%)

Busan New Port Phase 2-3 (BNP 2-3)

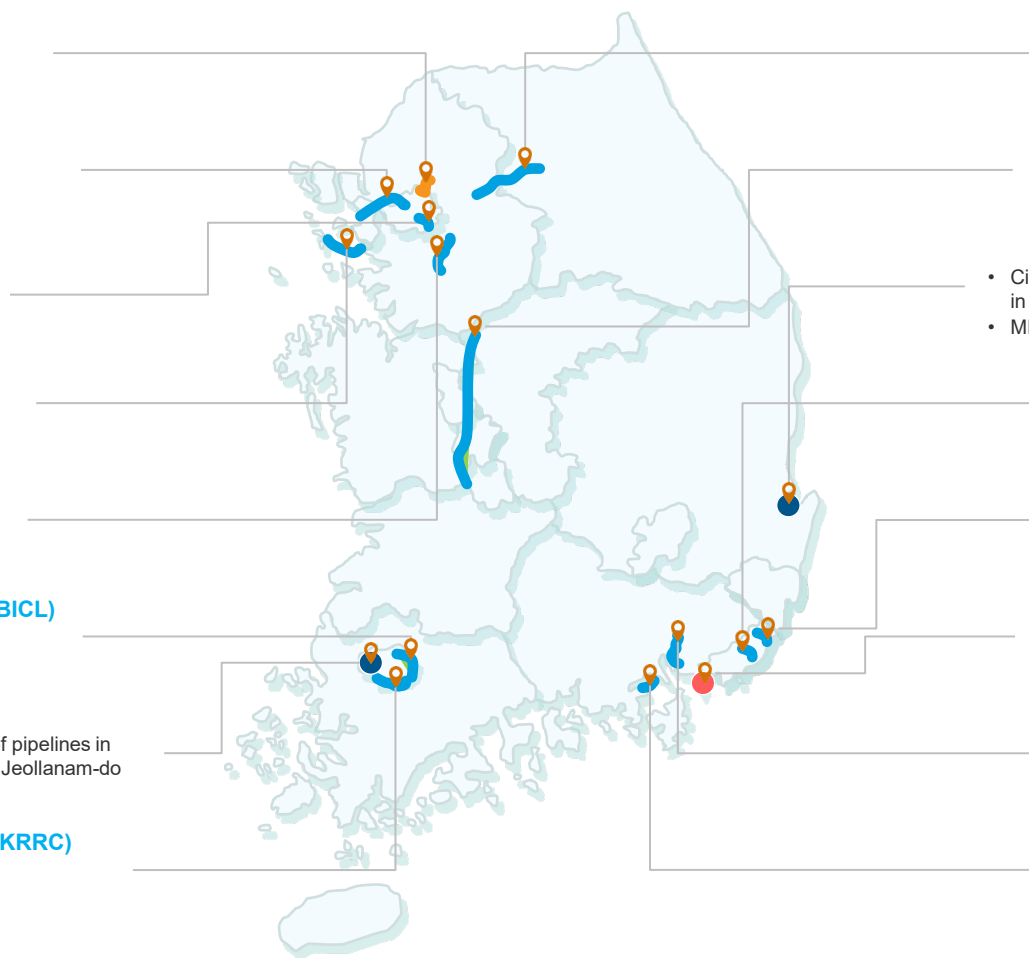
- Container terminal with annual handling capacity of 320 million TEUs
- MKIF investment: KRW 259.4bn (12%)

BNP the 2nd Rear Road (B2RR)

- 15.3km, 4-lane expressway
- MKIF investment: KRW 110.7bn (5%)

Machang Bridge (MCB)

- 1.7km, 4-lane bridge
- MKIF investment: KRW 112.8bn (5%)



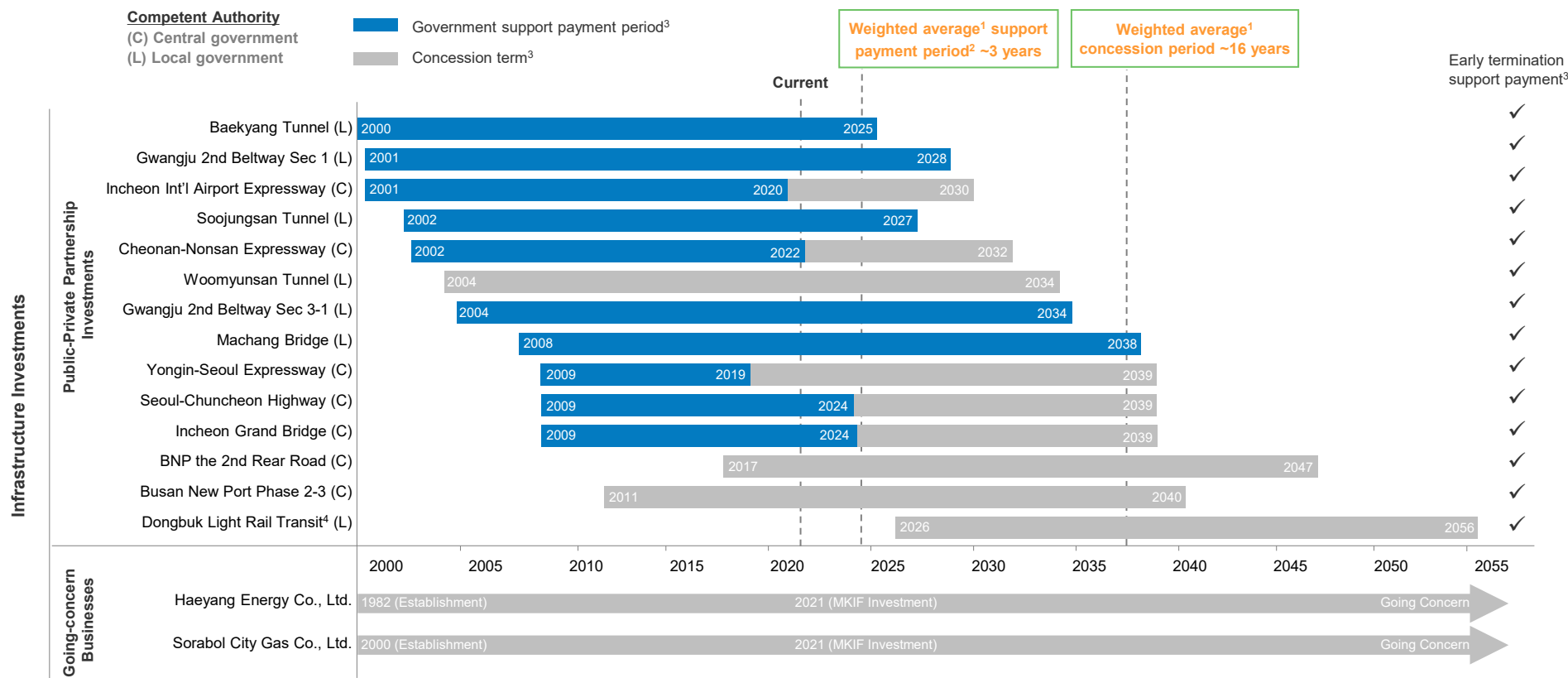
1. All amounts and percentages are based on MKIF's investment amounts (including investment commitments in Dongbuk LRT Co., Ltd)

Concession/Operation Period



(As at 30 September 2021)

- MKIF invests in 16 project companies, of which 14 are public-private partnership investments with a fixed concession period defined under respective concession agreement with competent authority, while the remaining 2 are going-concern businesses



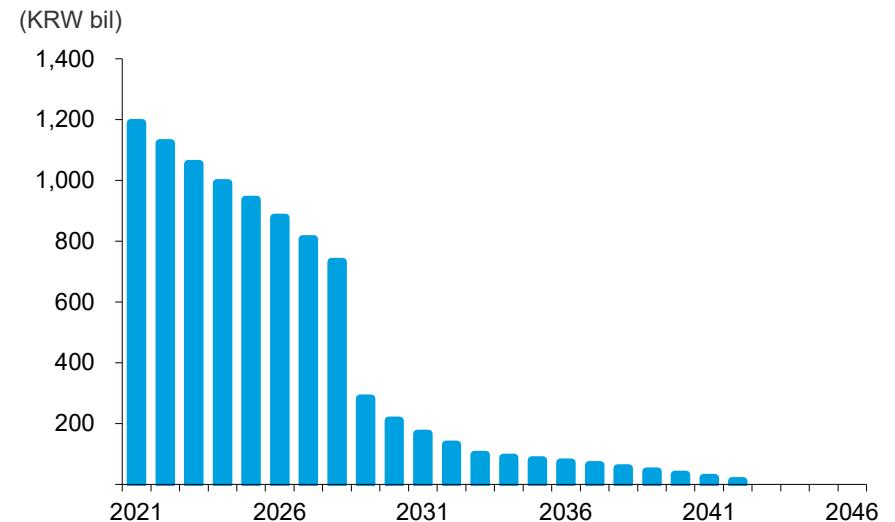
- Based on MKIF's investment amounts and investment commitment in Dongbuk LRT Co., Ltd.
- Revenue guarantee and cost compensation payments received from competent authorities, toll freeze compensations related to the CPI growth, etc. Weighted average support payment period is based on the periods of government support payments other than toll freeze compensation, as toll freeze compensation is typically covered throughout entire concession term
- Project companies have the right to receive payments if the relevant concession agreement is terminated prior to expiration of the concession term, including termination due to events attributable to the concession company, the competent authority, or for events of force majeure
- Construction period of 5 years (2021~2026) expected, followed by a 30-year concession period

Financial Position

(As at 30 September 2021)

- MKIF debt capped at 30% of its capital under PPP Act¹, with the current outstanding debt of KRW 270.8 billion out of KRW 617.2 billion facility size under the existing loan agreements
 - KRW 20 billion is drawn from KRW 250 billion of credit facility limit
 - KRW 200 billion fixed-rate bonds (KRW 100 billion, 5-year bond maturing in June 2023 & KRW 100 billion, 7-year bond maturing in June 2025)
 - KRW 50.8 billion has been issued from KRW 167.2 billion of short-term bond facility
- Weighted average interest rate of MKIF debt is 2.6%, and remaining average maturity is 1.8 years
- Project company-level debt is expected to decline as senior debts are redeemed, and average remaining maturity² of external debt³ is 7.4 years

Project Company-level External Debt Balance⁶



CASH⁴ KRW **346.8bn**

**EXTERNAL DEBT
AVERAGE MATURITY³** **7.4 years**

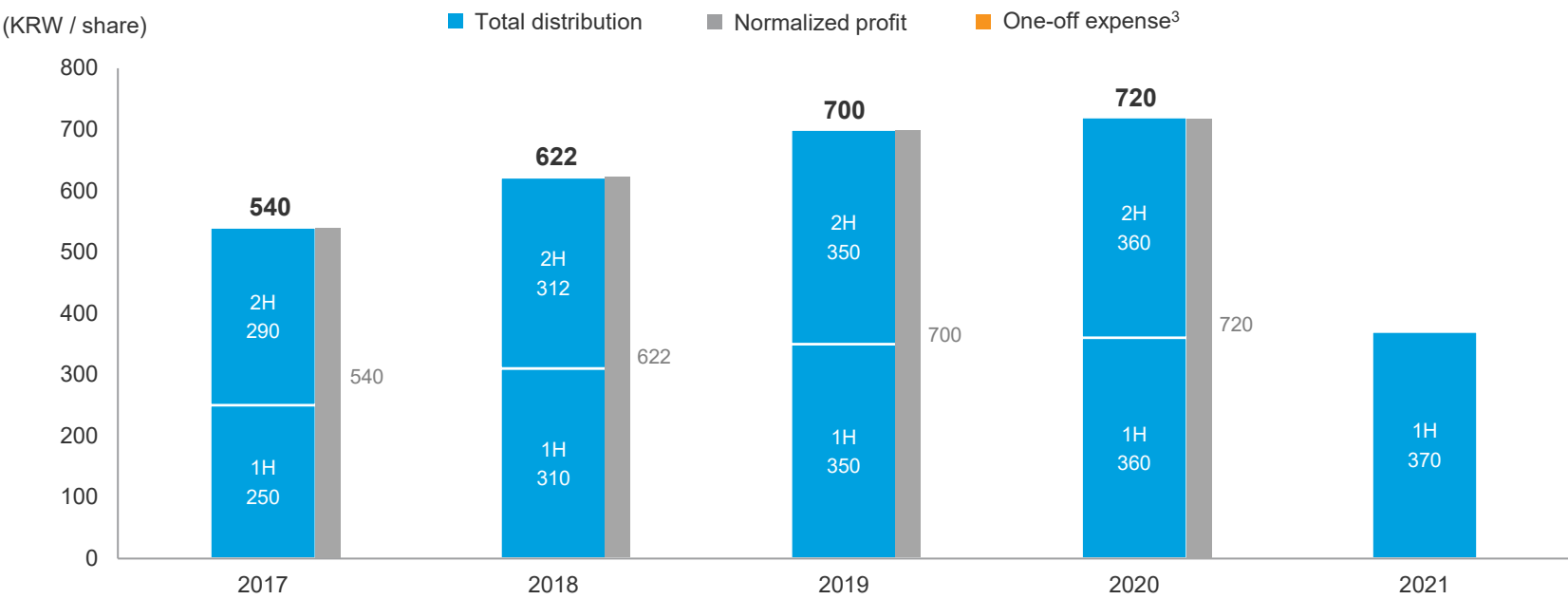
GEARING⁵ **21.6%**

1. Current MKIF debt ceiling under PPP Act is KRW 734.7bn (30% of current MKIF paid-in-capital of KRW 2,448.9bn)
 2. Average remaining maturity of external debt of the underlying project companies based on MKIF equity ownership
 3. External debt of the underlying project companies is defined as the total drawn debt of the underlying project companies minus: (i) borrowing from MKIF; (ii) borrowing from third parties with the same and/or subordinated term as MKIF's; (iii) borrowing of which default risk and redemption obligation have been transferred to the relevant authority as a result of restructuring
 4. Proportionately consolidated MKIF cash and cash equivalents (inclusive of MKIF cash and cash equivalents of KRW 26.4bn)
 5. Proportionately consolidated MKIF net debt / (proportionately consolidated MKIF net debt + average MKIF market capitalization for the previous 3 months)
 6. Outstanding external debt balance of the underlying project companies based on respective MKIF equity ownership, assuming absence of additional restructuring or new investment

Distribution

- Distribution is paid semi-annually (record dates are 30 June and 31 December)
- Distribution floor is higher of taxable income or 100% of distributable accounting income to maintain tax exempt status
- 2021 first half distribution of KRW 370 per share¹ (total amount of KRW 137.7 billion) was paid on 27 August 2021

Distribution History²



1. Distribution amount is treated as dividend income and is tax payable under the relevant Korean law. Investors are advised to consult their own tax advisors for the appropriate tax treatment of the distribution

2. Past result does not guarantee future performance

3. Includes over-distribution amount

2 | 3Q 2021 Performance



Key Performance



- **MKIF revenue and net income (P13)**

- MKIF recorded the revenue of KRW 64.6 billion and net income of KRW 51.4 billion in 3Q 2021 (the "Quarter"), increases of 19.8% and 19.9% respectively compared with the previous corresponding period ("pcp").
- Revenue increased due to higher interest income, and net income increased due to higher revenue.

- **Performance of toll roads (P16)**

- On a weighted average basis, 12 toll road assets delivered traffic volume and revenue growths of 5.2% and 4.0% for the Quarter over pcp. Traffic volumes of most assets improved, showing a noticeable recovery from the impact of the COVID-19 outbreak.

- **Performance of Busan New Port Phase 2-3 (P17)**

- BNP 2-3 handled 0.65 million TEUs during the Quarter, an increase of 15.6% over pcp. Revenue and EBITDA improved by 22.7% and 21.6% to KRW 38.3 billion and KRW 19.6 billion, respectively, during the Quarter over pcp.
- Revenue improved due to a rise in volume, a change in volume mix and an increase in tariff, and EBITDA improved mainly due to an increase in revenue.

- **Performance of City Gas Business (P19)**

- Haeyang Energy Co., Ltd. ("HY") recorded the sales volume of 112 million m³ during the Quarter, a decrease of 1.6% over pcp. Revenue increased by 6.8% over pcp to KRW 73.7 billion. Despite the decline in residential volume due to a higher average temperature and a fewer number of rainy days, revenue improved as KOGAS wholesale tariff increased during the Quarter.
- EBITDA of HY decreased by 24.2% to KRW 5.7 billion due to the one-off cost related to the transaction involving the transfer of the equity of HY
- Sorabol City Gas Co., Ltd. ("SRB") recorded the sales volume of 33 million m³ during the Quarter, an increase of 2.5% over pcp. Revenue increased by 14.5% over pcp to KRW 21.2 billion. Despite the decline in residential volume due to a higher average temperature and a fewer number of rainy days, the increases in industrial sales volume and KOGAS wholesale tariff led to a two-digit % growth in revenue during the Quarter.
- EBITDA of SRB decreased by 36.1% to KRW 1.4 billion due to the one-off cost related to the transaction involving the transfer of the equity of SRB

- **Financial closing of the investments in HY and SRB (P25)**

- On 12 July 2021, the financial closing of the investment¹ in HY and SRB (the "Transaction") was completed. The special purpose company of each HY and SRB, Youngsan Clean Energy Ltd. and Bomun Clean Energy Ltd. (each the "SPC") received the capital of KRW 358.8 billion from MKIF and KRW 462.7 billion from external lenders to source the total Transaction cost of KRW 821.5 billion.
- Accordingly, two SPCs provided to the seller the purchase price of KRW 795.1 billion to acquire 100% of equity stake of each HY and SRB and used the remaining KRW 26.4 billion to disburse expenses incurred in relation to the Transaction.
- Furthermore, on 17 August 2021, MKIF invested additional KRW 50.8 billion in aggregate in the SPCs (the "Additional Investment"). Using the proceed from MKIF's Additional Investment, the SPCs repaid their short-term debts of KRW 50.7 billion out of their total external debts of KRW 462.7 billion and provided KRW ~0.1 billion of accrued interests on the short-term debts.

- **Completion of Follow-On Offering (P23)**

- On 11 August 2021, 73,747,039 shares in aggregate (total subscription rate of 225.85%) were subscribed for 32,653,062 new shares issued from MKIF's follow-on offering². This includes 40,436,966 shares subscribed and over-subscribed by warrant holders (subscription rate of 123.84%) and 33,310,073 shares subscribed for 25,381 fractional shares (subscription ratio of 1,312.40 : 1).
- MKIF received the proceed of KRW 393,469,397,100 (32,653,062 new shares x offering price of KRW 12,050 per share) on 12 August 2021, and the new shares were listed on the Korea Exchange on 23 August 2021.

1. Please refer to the disclosures dated 15 June 2021 (MKIF to invest in Haeyang Energy Co., Ltd. and Sorabol City Gas Co., Ltd.) and 12 July 2021 (Investments in Haeyang Energy Co., Ltd. and Sorabol City Gas Co., Ltd.) on MKIF's website (www.mkif.com) for further details

2. Please refer to the disclosure dated 18 June 2021 (MKIF's Follow-On Offering and Record Date) for further details

Financial Results

Unaudited, non-consolidated – 3Q 2021 and 3Q 2020



- 3Q 2021 revenue and net income increased by 19.8% and 19.9% respectively compared with the pcq
- The increase in revenue and net income was mainly due to higher interest income

(Unit: KRW million)

	3Q 2021 (Jul – Sep)	3Q 2020 (Jul – Sep)	% Change
Revenue	64,631	53,929	19.8%
Interest income	62,218	51,502	
Dividend income ¹	2,412	2,412	
Other income	1	15	
Expenses	13,210	11,039	19.7%
Management fee	10,385	8,488	
Interest expense	2,100	1,872	
Other fees and expenses	725	679	
Net income	51,421	42,890	19.9%
Normalised net income²	51,421	42,890	19.9%
EPS (KRW per share)	132	123	
Normalised EPS (KRW per share)²	132	123	

1. 3Q 2021: KRW 2.4bn from New Airport Hiway Co., Ltd.
2020: KRW 2.4bn from New Airport Hiway Co., Ltd.
2. 3Q 2021 and 3Q 2020: no one-off item

Financial Results

Unaudited, non-consolidated – 2021 YTD and 2020 YTD



- 2021 YTD revenue and net income increased by 15.9% and 16.6% respectively compared with the pcp
- The increase in revenue and net income was mainly due to higher interest income and dividend income¹

(Unit: KRW million)

	2021 YTD (Jan – Sep)	2020 YTD (Jan – Sep)	% Change
Revenue	284,033	245,092	15.9%
Interest income	171,265	151,346	
Dividend income ¹	112,762	93,596	
Other income	6	150	
Expenses	36,993	33,197	11.4%
Management fee	29,612	25,355	
Interest expense	5,221	5,481	
Other fees and expenses	2,160	2,361	
Net income	247,040	211,895	16.6%
Normalised net income²	247,040	211,895	16.6%
EPS (KRW per share)	653	607	
Normalised EPS (KRW per share)²	653	607	

1. 2021 YTD: KRW 13.2bn from New Airport Hiway Co., Ltd.; KRW 84.0bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 12.5bn from Soojungsan Investment Co., Ltd.; KRW 3.0bn from Kwangju Ring Road Company, Ltd.
2020 YTD: KRW 31.3bn from New Airport Hiway Co., Ltd.; KRW 45.3bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 17.0bn from Soojungsan Investment Co., Ltd.

2. Excludes one-off items
2021 YTD and 2020 YTD: no one-off item

Statement of Financial Position

Non-consolidated¹ – as at 30 September 2021 and 31 December 2020



(Unit: KRW mil)

	30 September 2021	31 December 2020
Assets		
Invested Assets	2,168,692	1,801,033
Cash & deposits	26,421	71,362
Loans	1,634,326	1,265,761
Equity securities	507,945	463,910
Others	602,670	532,855
Interest receivable	595,389	525,281
Other receivables	2,393	2,348
Deferred costs, net	2,794	3,267
Prepayment	2,094	1,959
Total Assets	2,771,362	2,333,888
Liabilities		
Management fee payable	10,385	8,329
Long-term debt	20,000	-
Bonds	250,435	199,644
Other liabilities	6,659	8,791
Total Liabilities	287,479	216,764
Shareholders' Equity		
Share capital	2,448,937	2,057,517
Retained earnings	34,946	59,607
Total Shareholders' Equity	2,483,883	2,117,124
Total Liabilities and Shareholders' Equity	2,771,362	2,333,888

CHANGE IN INVESTMENT

Project Company	Item	2021
Dongbuk LRT Co., Ltd.	Equity	3,036
Youngsan Clean Energy Ltd.	Equity	32,286
	Subordinated Debt	290,200
Bomun Clean Energy Ltd.	Equity	8,714
	Subordinated Debt	78,400
Total*		412,636

* Excludes loan amortization of KRW 36 million from Baekyang Tunnel Ltd.

1. Unaudited, non-consolidated for 30 September 2021 and audited, non-consolidated for 31 December 2020; pursuant to the Financial Investment Services and Capital Markets Act, MKIF reports all its unlisted equity investments at acquisition cost

Toll Roads Performance

- Key highlights for 3Q 2021 are:
 - Traffic volumes of most assets improved, showing a noticeable recovery from the impact of the COVID-19 outbreak. However, the traffic volumes of Baekyang Tunnel, Soojungsan Tunnel, Woomyunsan Tunnel and Yongin-Seoul Expressway decreased due to the implementation of more severe social distancing measures in the Seoul & Busan Metropolitan areas following a surge in COVID-19 cases during the Quarter.
 - The construction completion of the nearby competing road negatively affected the traffic volume of Woomyunsan Tunnel.
 - Variances between traffic volume and revenue growth rates for some assets were caused by the change in vehicle mix during the Quarter vs. pcpl.
 - Traffic revenue of Seoul-Chuncheon Highway declined more than its volume primarily due to the effect of the toll fare reduction as part of restructuring in December 2020. Toll revenue loss resulting from the toll fare reduction is fully compensated via quarterly funding from a new loan facility provided by the new lenders

	2021 YTD				3Q 2021			
	Average daily traffic volume		Average daily revenue ¹		Average daily traffic volume		Average daily revenue ¹	
	Vehicles/day	% change yoy	KRW1,000/day	% change yoy	Vehicles/day	% change yoy	KRW1,000/day	% change yoy
Baekyang Tunnel	72,971	1.9%	60,798	2.7%	72,372	(0.1%)	60,256	0.7%
Gwangju 2nd Beltway, Section 1	64,150	9.0%	68,004	8.5%	66,320	10.1%	69,828	9.0%
Incheon International Airport Expressway	66,672	(4.0%)	295,136	(4.9%)	71,622	8.6%	319,179	10.3%
Soojungsan Tunnel	46,040	1.1%	42,645	2.1%	45,821	(1.0%)	42,425	0.1%
Cheonan-Nonsan Expressway	55,696	3.6%	258,742	5.4%	57,900	4.6%	267,512	6.9%
Woomyunsan Tunnel	32,542	(1.8%)	71,398	(1.6%)	31,612	(11.2%)	69,406	(11.0%)
Gwangju 2nd Beltway, Section 3-1	58,051	11.0%	62,389	11.3%	60,491	11.6%	64,900	11.7%
Machang Bridge	41,556	9.6%	91,558	11.0%	42,702	8.4%	94,080	8.4%
Yongin-Seoul Expressway	93,619	0.0%	150,267	0.8%	94,081	(2.3%)	150,820	(2.6%)
Seoul-Chuncheon Highway	61,956	3.9%	271,662	(16.7%)	69,348	5.4%	300,956	(17.1%)
Incheon Grand Bridge	43,477	(0.4%)	199,224	1.0%	46,665	10.0%	212,108	9.3%
BNP 2nd Rear Road	19,334	10.4%	37,641	10.5%	19,565	7.5%	38,063	6.9%
Weighted average growth rate¹		2.8%		2.1%		5.2%		4.0%

- Does not include government support payments; Baekyang Tunnel, Gwangju 2nd Beltway Section 1 & 3-1, Soojungsan Tunnel, Cheonan-Nonsan Expressway, Machang Bridge, Seoul-Chuncheon Highway and Incheon Grand Bridge receive support payments from government if their toll revenue or cash flow in a given period is less than specified amount under concession agreement
- On a weighted average basis based on the revenue size and MKIF equity ownership in each project company

Port Performance

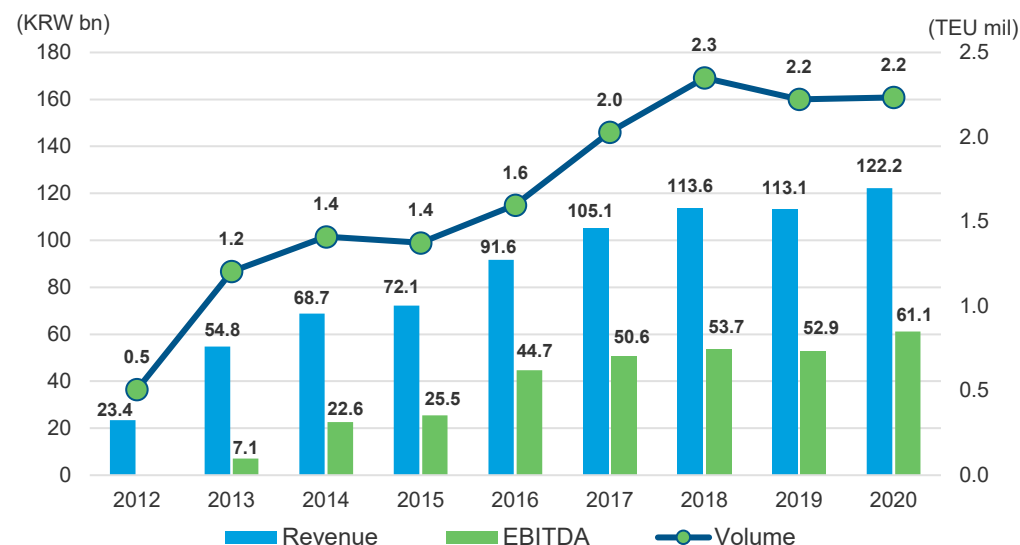


BNCT 3Q 2021 Performance

	2021 YTD	2020 YTD	Change over pcg	3Q 2021	3Q 2020	Change over pcg
Volume (TEU million)	1.82	1.65	10.0%	0.65	0.56	15.6%
Revenue (KRW billion)	105.9	90.0	17.6%	38.3	31.2	22.7%
EBITDA (KRW billion)	53.9	44.5	21.0%	19.6	16.1	21.6%
EBITDA margin	50.9%	49.5%	1.4%p	51.3%	51.8%	(0.5%p)

- BNP 2-3 handled 0.65 million TEUs during 3Q 2021, an increase of 15.6% over pcg.
- Revenue improved by 22.7% over pcg to KRW 38.3 billion due to a rise in volume, a change in volume mix and an increase in tariff
- EBITDA improved by 21.6% over pcg to KRW 19.6 billion mainly due to an increase in revenue. EBITDA margin was 51%

BNCT Historical Results



- BNCT raised additional capex funding in April 2019 via debt refinancing to undertake further capacity expansion, and the maximum capacity of BNP 2-3 has increased from 2.5 million TEUs to 3.2 million TEUs during January 2021

Busan Port

- Busan Port is comprised of Busan New Port (the “New Port”) and Busan North Port (the “North Port”)
- Busan Port handled 21.5 million TEUs¹ of container volume in 2020, of which the New Port handled 69% or 14.9 million TEUs
- The New Port’s utilization rate and the market share within Busan have been on a growing trend over the last 8 years mainly due to (i) stable container volume growth in Busan Port overall and (ii) migration of vessel services from the North Port to the New Port

Busan Port Highlights

FY2018	BNP 2-3	New Port ¹	North Port ¹
Number of Terminals in Operation	(New Port Terminal)	5 Terminals	3 Terminals
Capacity ² (TEUs p.a.)	2.5 mil	15.2 mil	7.3 mil
Handling Volume ³ (TEUs)	2.23 mil	14.9 mil	6.6 mil
Volume Growth (over pcp)	0.5%	(0.3%)	(1.1%)
Utilisation Rate	89%	98%	91%
Market Share ⁴ within Busan Port	10%	69%	31%

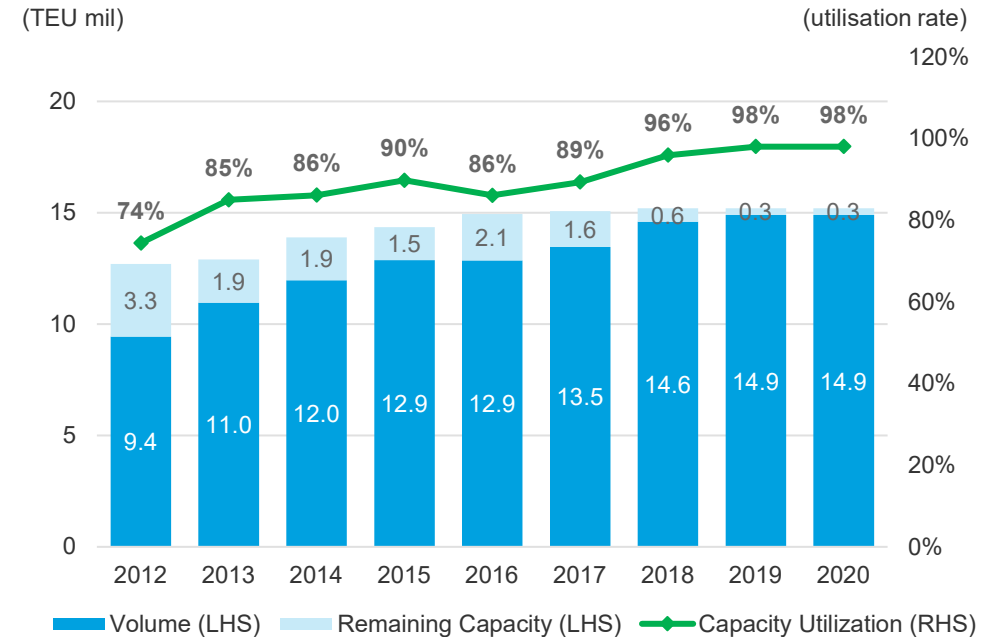
1. Source: Busan Port Authority

2. Excludes the expanded capacity, as the capacity expansion of BNP 2-3 was completed in Jan 2021

3. Source: volume for BNP 2-3 includes shifting; volumes for the New Port and the North Port are compiled by Busan Port Authority and do not include shifting

4. Based on 2020 handling volume

Historical Performance of the New Port³



City Gas Business Performance



Haeyang Energy Co., Ltd. 3Q 2021 Performance

	2021 YTD	2020 YTD	Change over pcg	3Q 2021	3Q 2020	Change over pcg
Volume (million m ³)	559	546	2.4%	112	114	(1.6%)
Revenue ¹ (KRW billion)	356.2	375.4	(5.1%)	73.7	69.1	6.8%
EBITDA (KRW billion)	35.9	37.0	(2.9%)	5.7	7.5	(24.2%)
EBITDA margin (%)	10.1%	9.9%	0.2%p	7.7%	10.8%	(3.1%p)
Pipeline length ² (km)	2,405km	2,346km	2.5%	2,405km	2,346km	2.5%
Penetration rate ² (%)	81.9%	81.1%	0.8%p	81.9%	81.1%	0.8%p

- HY recorded the sales volume of 112 million m³ during the Quarter, a decrease of 1.6% over pcg. Revenue increased by 6.8% over pcg to KRW 73.7 billion
- Despite the decline in residential volume due to a higher average temperature and a fewer number of rainy days, revenue improved as KOGAS wholesale tariff increased during the Quarter
- EBITDA decreased due to the one-off cost related to the transaction involving the transfer of the equity of HY

1. Revenue is mostly impacted by sales volume, KOGAS wholesale tariff and retail distribution tariff. Average wholesale tariff was lower during a period from Jan to Jul 2021 vs. pcg, but became greater during a period from Aug to Sep 2021 vs. pcg due to a rise in natural gas price
 2. As at the end of each period; penetration rate is for residential

Sorabol City Gas Co., Ltd. 3Q 2021 Performance

	2021 YTD	2020 YTD	Change over pcg	3Q 2021	3Q 2020	Change over pcg
Volume (million m ³)	142	133	6.9%	33	32	2.5%
Revenue ¹ (KRW billion)	89.6	89.3	0.4% ³	21.2	18.6	14.5%
EBITDA (KRW billion)	9.5	9.8	(2.5%)	1.4	2.2	(36.1%)
EBITDA margin (%)	10.6%	10.9%	(0.3%p)	6.6%	11.8%	(5.2%p)
Pipeline length ² (km)	513km	482km	6.3%	513km	482km	6.3%
Penetration rate ² (%)	70.6%	69.9%	0.7%p	70.6%	69.9%	0.7%p

- SRB recorded the sales volume of 33 million m³ during the Quarter, an increase of 2.5% over pcg. Revenue increased by 14.5% over pcg to KRW 21.2 billion
- Despite the decline in residential volume due to a higher average temperature and a fewer number of rainy days, the increases in industrial sales volume and KOGAS wholesale tariff led to a two-digit % growth in revenue during the Quarter
- EBITDA decreased due to the one-off cost related to the transaction involving the transfer of the equity of SRB

Major Litigation and Dispute



(As at 30 September 2021)

Project Company (MKIF Investment %)	Case	Background	Status
Kwangju Beltway Investment Co., Ltd. ("KBICL") (9%)	Claim for overdue support payments	<ul style="list-style-type: none"> - Pursuant to the terms of the amended Concession Agreement (the "Amended Concession Agreement") signed by KBICL and its competent authority ("GMC") on 16 December 2016, KBICL made requests to GMC in March 2021 and June 2021 to provide the support payments of KRW ~2,185 million for the first quarter of 2021 and KRW ~2,052 million for the second quarter of 2021 (together the "Claimed Support Payments"), respectively. - GMC has declined to provide the Claimed Support Payments on the basis that it has a different interpretation of the relevant provision under the Amended Concession Agreement. - Accordingly, KBICL submitted a request for arbitration in accordance with the legal dispute resolution method stipulated in the Amended Concession Agreement. 	<ul style="list-style-type: none"> - KBICL submitted a request for arbitration to the Korean Commercial Arbitration Board ("KCAB") on 13 August 2021 to seek a declaration on its claim of KRW 4,237 million of overdue payments from GMC. - The arbitration will follow the international arbitration rules of KCAB, and the decision will be final and binding to both parties.

3 Restructuring of Seoul-Chuncheon Highway Co., Ltd.

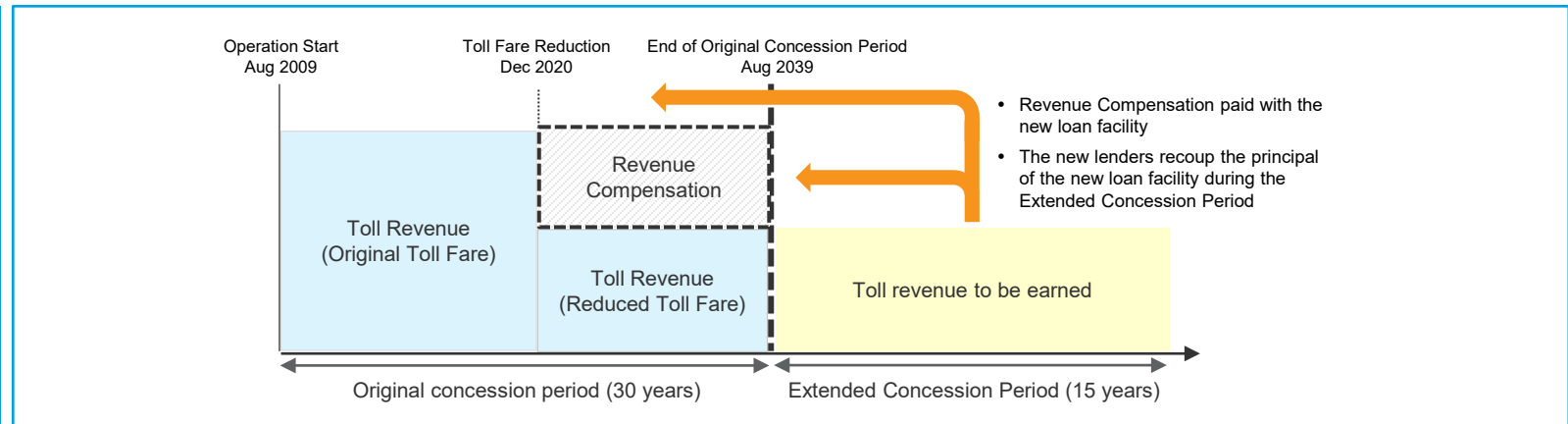


Restructuring Highlights

Restructuring Highlights

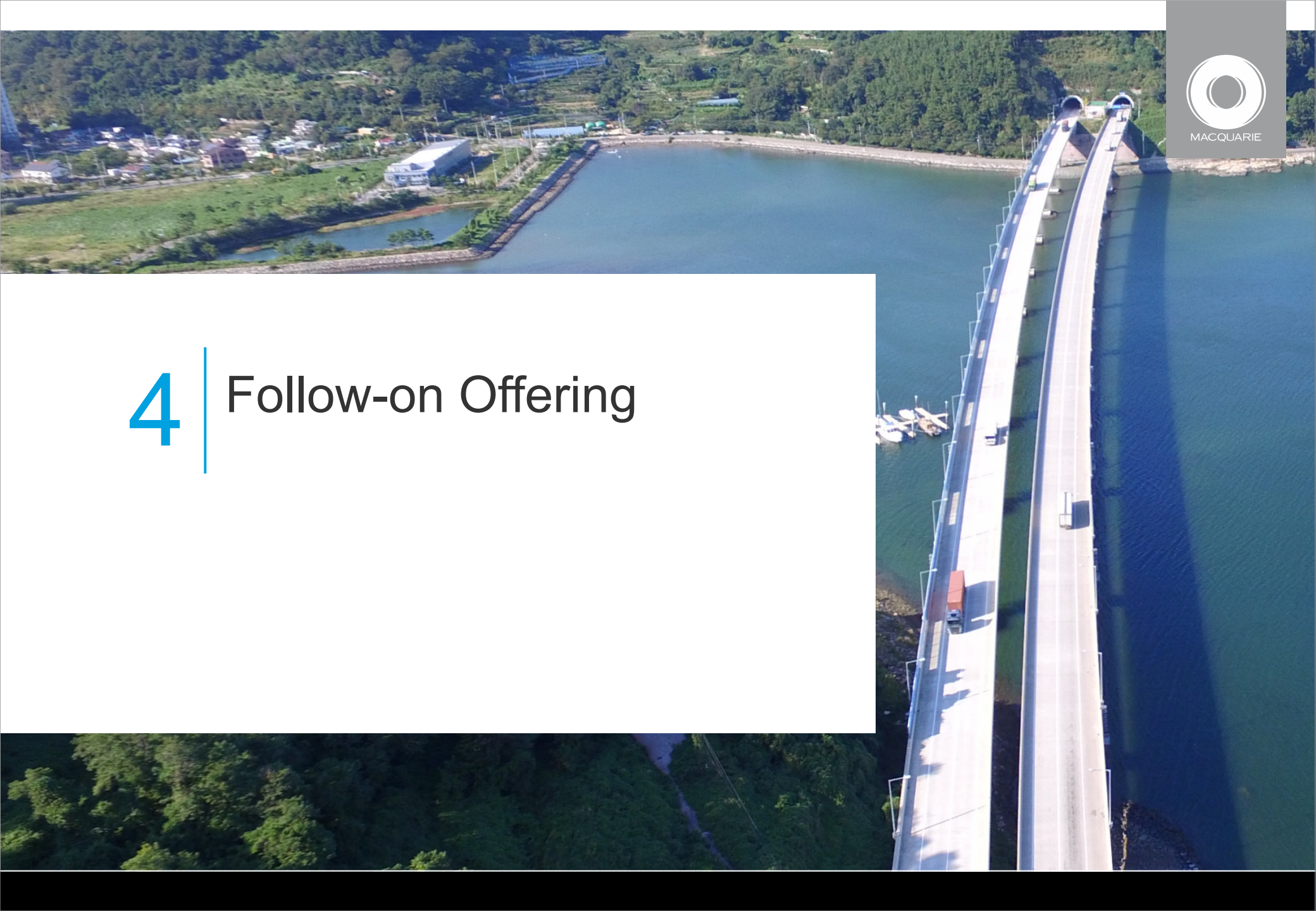
- Seoul-Chuncheon Highway Co., Ltd. ("SCH") completed restructuring in December 2020 that involves:
 - (i) Reduction of toll fare by 28%¹ (toll fare reduction effective from 24 December 2020)
 - (ii) The new lenders will fully compensate SCH for toll revenue loss (the "Revenue Compensation") resulting from the toll fare reduction during the remaining original concession period through quarterly funding from a new loan facility with a facility limit of KRW 1,070 billion
 - The quarterly funding² includes the Revenue Compensation, interest expense & financing costs associated with the new loan facility and other expenses related to the restructuring
 - Impact of traffic volume increase attributable to the toll fare reduction is to be calculated based on traffic volume / toll fare elasticity and will be excluded from the Revenue Compensation
 - (iii) The concession period of the Seoul-Chuncheon Highway project will be extended by 15 years from 12 August 2039 to 11 August 2054 (the "Extended Concession Period"), and the principal of the new loan facility will be repaid during the Extended Concession Period
 - MKIF is to exit its investment in SCH at the end of the original concession period, as the anticipated project return during the Extended Concession Period is not in line with MKIF's target level due to adoption of the cost compensation scheme³
 - (iv) No change in the amount and terms of MKIF's investment in SCH during the original concession period

Conceptual Diagram: Revenue Compensation



- Toll fare reduced from KRW 5,700 per vehicle to KRW 4,100 per vehicle for Type 1 vehicles (small vehicles); toll fare based on the entire section of Seoul-Chuncheon Highway
- Funding is adjusted for the tax shield created from the restructuring
- If the resulting amount from (actual revenue – expense items specified in the Amended Concession Agreement) is a negative figure, the competent authority provides cost compensation for the deficit; if it is a positive figure, the competent authority recoups the excess
- Conceptual diagram and may be different from the actual; while the MRG provision is effective until Aug 2024, the diagram assumes that SCH would not rely on MRG in the future based on recent traffic volume growth of Seoul-Chuncheon Highway

4 | Follow-on Offering



2021 MKIF Follow-on Offering

- **Offer Size:** 32,653,062 new common shares (8.77% of previous outstanding shares) (the “New Shares”) / KRW 393.5 billion
- **Use of Offering Proceed¹:** investment in each Haeyang Energy Co., Ltd. and Sorabol City Gas Co., Ltd. through respective investment vehicles, Youngsan Clean Energy Ltd. and Bomun Clean Energy Ltd.
- **Offer Type:** a rights offering followed by a public offering of forfeited shares
 - Shareholders registered to MKIF’s shareholders’ registry on 2 Jul 2021 (the “Record Date”) were provided warrants (the “Warrants”) that grant preferential subscription rights on the New Shares pro-rata to their shareholdings; the Warrants were listed for trading from 21 Jul 2021 to 27 Jul 2021
 - The holders of the Warrants may over-subscribe up to 100% of their allotted number of new shares in excess of their allotted shares (“Over-Subscription”)
- **Offer Price:** KRW 12,050 per share (determined by applying the pre-determined discount rate of 2.4% to the reference price²)
- **Subscription & Underwriting:** 73,747,039 shares were subscribed in aggregate (total subscription rate of 225.85%)
 - Number of shares subscribed and over-subscribed by warrant holders: 40,436,966 shares (subscription rate of 123.84%)
 - Number of shares subscribed by participants of the public offering of the fractional shares³: 33,310,073 shares (subscription ratio: 1,312.40 : 1)
- **Offering Proceed & Listing:** MKIF received the proceed of KRW 393.5 billion on 12 August 2021, and the new shares were listed on the Korea Exchange 23 August 2021
- **MKIF Impact:**
 - MKIF’s share capital has increased to KRW 2,448.9 billion (KRW 391.4 billion¹ increase from the previous share capital of KRW 2,057.5 billion)
 - MKIF debt ceiling has increased to KRW 734.7 billion⁴ (KRW 117.4 billion increase from the previous debt ceiling of KRW 617.3 billion⁴)

1. Based on net offering proceed of KRW 391.4bn, calculated by subtracting the issuance costs of KRW 2.1bn from the offering proceed of KRW 393.5bn

2. Determined pursuant to Article 57 of the Regulation on Securities Issuance and Disclosures

3. 25,381 fractional shares resulted from the allocation of the over-subscribed shares

4. MKIF debt ceiling under PPP Act is 30% of its share capital



5 | Investment in Haeyang Energy Co., Ltd. & Sorabol City Gas Co., Ltd.

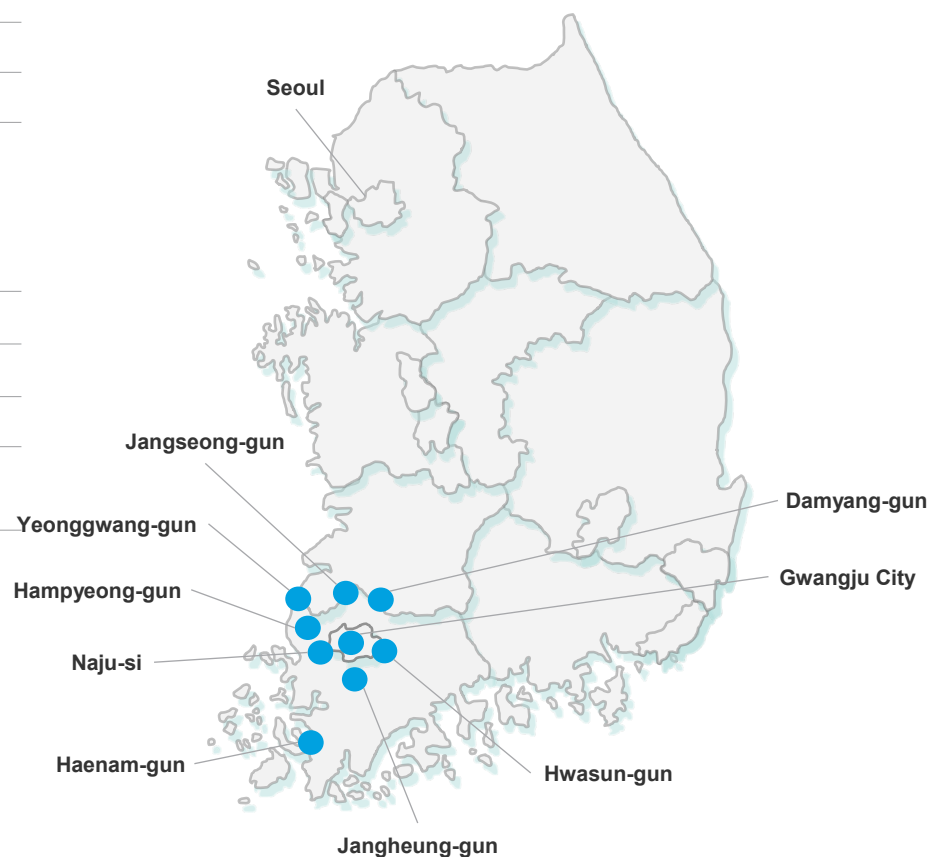
Haeyang Energy Co., Ltd.



Business Overview¹

Asset Company	Haeyang Energy Co., Ltd.
Establishment	1982
Business	Distribution & sale of city gas and associated products
Distribution Area (Penetration Rate)	Gwangju City (100%) 8 regions in Jeollanam-do (33%): Naju-si, Hwasun-gun, Jangseong-gun, Damyang-gun, Yeonggwang-gun, Haenam-gun, Hampyeong-gun, Jangheung-gun
Total Asset / Revenue	KRW 483.6 bn / KRW 520.0 bn
Pipeline Length	Total 2,383km
No. of Users	738,593
Amount of Gas Distributed	33,398 million MJ ²
Gas Distribution by User Type	<p>Gwangju City:</p> <ul style="list-style-type: none"> - Residential: 59% - General/Commercial: 15% - Industrial: 20% - Others: 6% <p>8 regions in Jeollanam-do:</p> <ul style="list-style-type: none"> - Residential: 26% - General/Commercial: 8% - Industrial: 52% - Others: 14%

Distribution Area



1. Source: Korea City Gas Association and the audit report of Haeyang Energy Co., Ltd.; all figures are as at 31 Dec 2020 or for FY2020

2. Megajoule; unit of energy used to measure gas usage

Sorabol City Gas Co., Ltd.



Business Overview¹

Asset Company	Sorabol City Gas Co., Ltd.
Establishment	2000
Business	Distribution & sale of city gas and associated products
Distribution Area (Penetration Rate)	2 regions in Gyeongsangbuk-do (71%): Gyeongju-si and Yeongcheon-si
Total Asset / Revenue	KRW 104.6 bn / KRW 122.4 bn
Pipeline Length	Total 495km
No. of Users	128,549
Amount of Gas Distributed	8,100 million MJ ²
Gas Distribution by User Type	2 regions in Gyeongsangbuk-do: <ul style="list-style-type: none"> - Residential: 36% - General/Commercial: 11% - Industrial: 51% - Others: 2%

Distribution Area

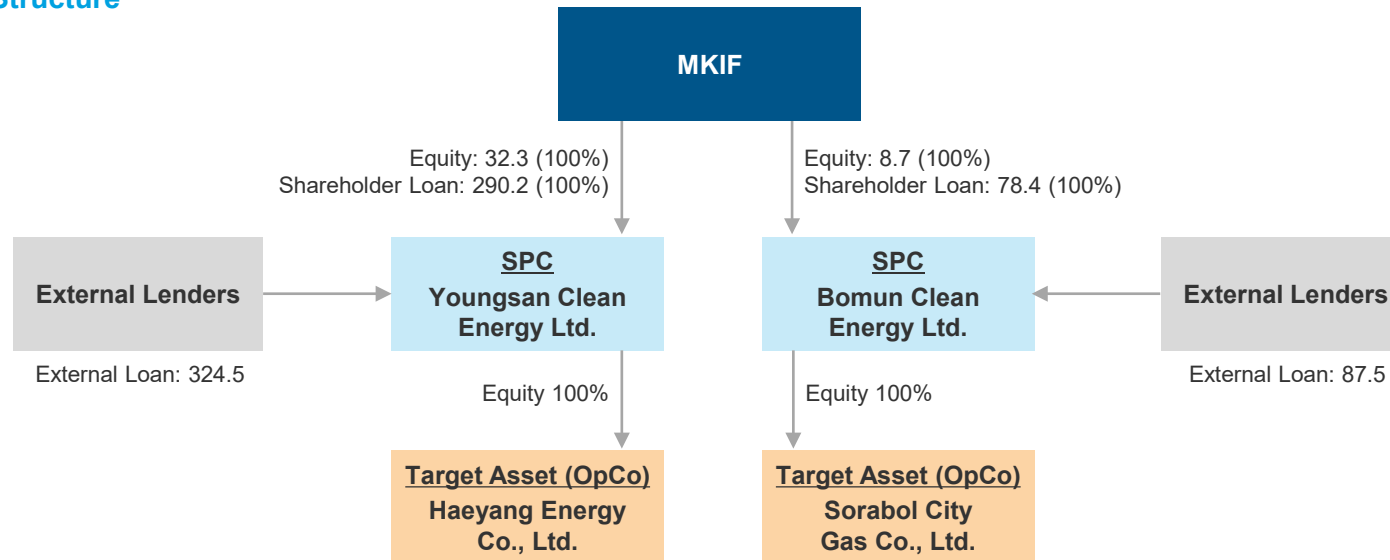


1. Source: Korea City Gas Association and the audit report of Sorabol City Gas Co., Ltd.; all figures are as at 31 Dec 2020 or for FY2020
 2. Megajoule; unit of energy used to measure gas usage

Transaction Structure

Transaction Structure

(Unit: KRW bn)



Transaction Summary

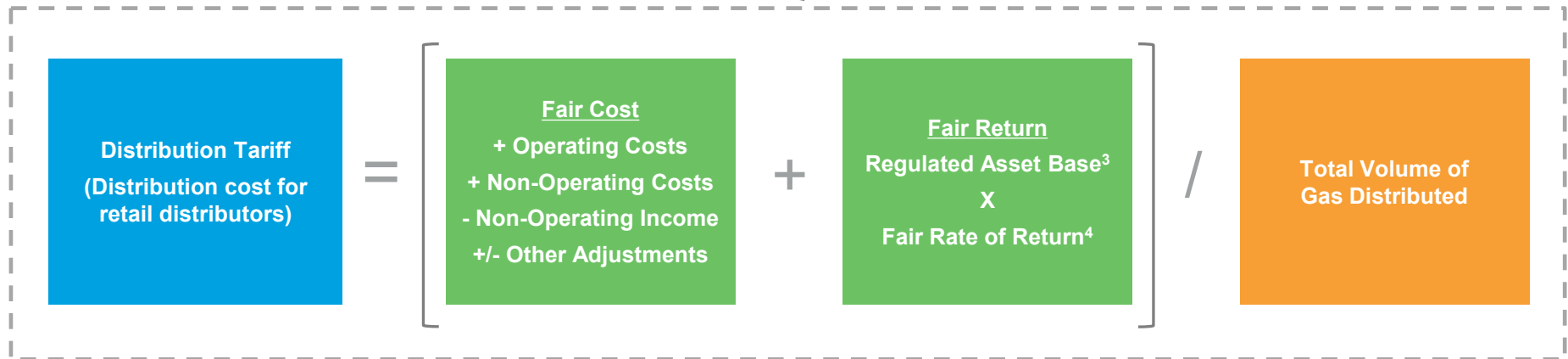
(Unit: KRW bn)

	Youngsan Clean Energy Ltd.	Bomun Clean Energy Ltd.	Total
MKIF Investment (MKIF 100%)	322.5 - Equity 32.3 - Shareholder loan 290.2	87.1 - Equity 8.7 - Shareholder loan 78.4	409.6 - Equity 41.0 - Shareholder loan 368.6
External Debt (External Lenders 100%)	324.5 - Long-term debt 321.8 - Revolving credit facility 2.7	87.5 - Long-term debt 86.8 - Revolving credit facility 0.7	412.0 - Long-term debt 408.6 - Revolving credit facility 3.4
Total	647.0	174.6	821.6

Gas Distribution Tariffs in Korea¹

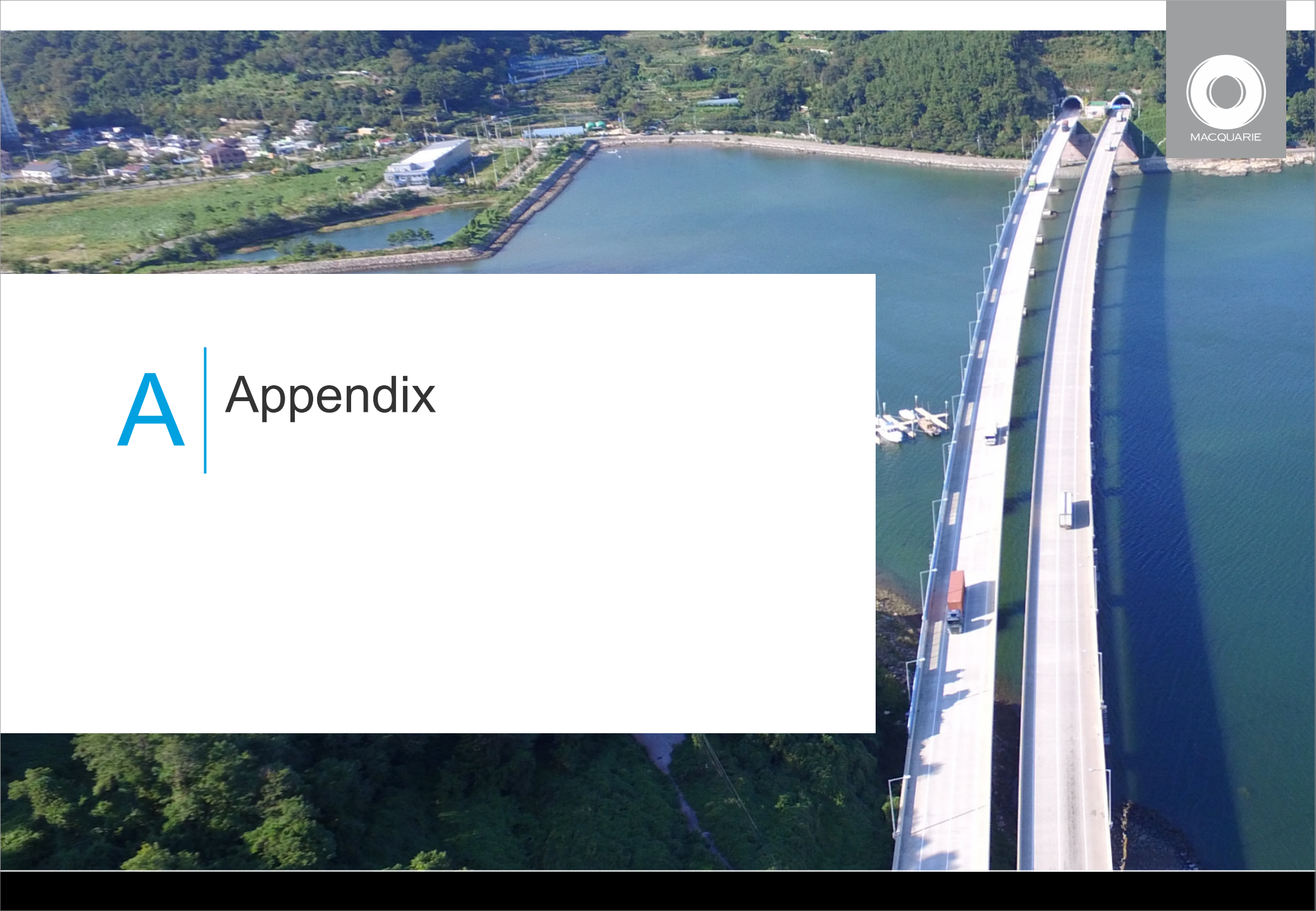
Gas Distribution Tariffs in Korea¹

Wholesale Tariff



1. Source: Guidelines on Gas Distribution Tariffs promulgated by the Ministry of Trade, Industry and Energy
2. Korea Gas Corporation
3. Sum of tangible & intangible assets, assets under construction and certain amount of working capital that are related to the city gas distribution business
4. Calculated based on the weighted average cost of capital of the business entity

A | Appendix



Management Fee



(As at 30 September 2021)

Management Fee

- 85bps p.a. of (Net Investment Value (*NIV) + Commitment) of MKIF
- Commitment means all amounts that MKIF has firmly committed for future investment; commitment of KRW 64.7 billion² outstanding on 30 September 2021
- Management Fee is calculated and paid on a quarterly basis

* NIV for any quarter equals:

- The average market capitalisation¹ of MKIF over all trading days in the quarter
- NIV is adjusted down by MKIF net debt (debt minus cash & cash equivalents) when net debt is a negative figure

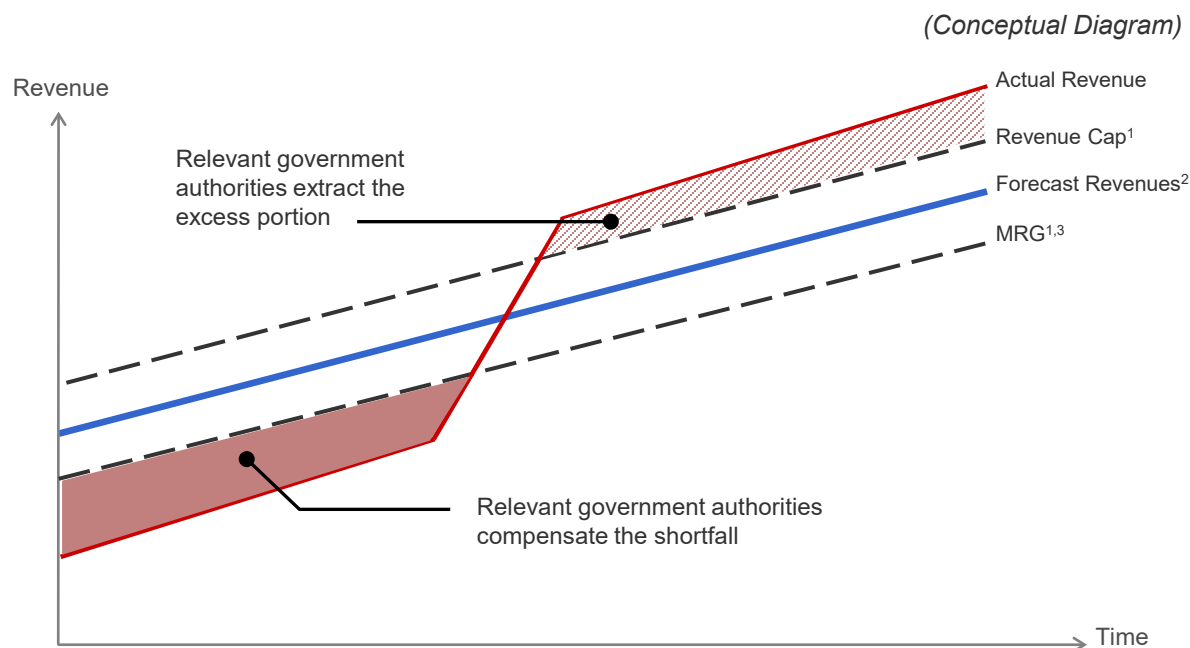
1. Based on volume weighted average trading price for the quarter
2. Investment commitments in Dongbuk LRT Co., Ltd. (KRW 64.7bn)

Minimum Revenue Guarantee



(As at 30 September 2021)

Minimum Revenue Guarantee (“MRG”) Scheme



- Inflation-linked revenue support
- MRG line tracking the forecast revenue line (typically 70~90% below forecast revenue)
- Current sovereign ratings of Korea:
 - S&P: AA (Stable)
 - Moody's: Aa2 (Stable)

1. MRG and revenue caps vary across assets
2. Forecast revenues set out in the Concession Agreement
3. In two MRG assets invested by MKIF, no revenue guarantee applies if actual revenue falls below 50% of the toll revenue forecast

Performance of the Project Companies in Operation¹

(Unit: KRW mil)

Project Company	2020						2019					
	Adjusted operating revenue ²	OPEX	Adjusted EBITDA ²	Net debt ³	Adjusted EBITDA margin	Net debt to adjusted EBITDA	Adjusted operating revenue ²	OPEX	Adjusted EBITDA ²	Net debt ³	Adjusted EBITDA margin	Net debt to adjusted EBITDA
Baekyang Tunnel Ltd.	27,036	(4,816)	22,220	54,973	82%	2.5x	26,669	(4,411)	22,258	68,700	83%	3.1x
Kwangju Beltway Investment Co., Ltd.	42,858	(9,097)	33,761	(6,604)	79%	(0.2x)	34,889	(7,865)	27,024	(5,691)	77%	(0.2x)
New Airport Hiway Co., Ltd.	275,118	(33,719)	241,399	(7,535)	88%	(0.0x)	259,892	(32,731)	227,161	(60,810)	87%	(0.3x)
Soojongsan Investment Co., Ltd.	24,872	(4,926)	19,945	(12,911)	80%	(0.6x)	24,806	(4,535)	20,272	(16,354)	82%	(0.8x)
Cheonan Nonsan Expressway Co., Ltd.	259,542	(34,163)	225,379	(397,312)	87%	(1.8x)	247,819	(36,267)	211,552	(253,531)	85%	(1.2x)
Woomyunsan Infraway Co., Ltd. ⁴	27,212	(5,063)	22,148	(12,725)	81%	(0.6x)	28,158	(4,927)	23,232	(10,796)	83%	(0.5x)
Kwangju Ring Road Company Ltd.	23,462	(7,187)	16,276	(6,354)	69%	(0.4x)	22,912	(8,212)	14,700	(2,022)	64%	(0.1x)
MCB Co., Ltd. ⁵	33,855	(5,810)	28,045	(3,755)	83%	(0.1x)	34,560	(6,310)	28,249	(3,020)	82%	(0.1x)
Gyeongsu Highway Co., Ltd.	62,187	(16,585)	45,602	328,770	73%	7.2x	63,648	(16,273)	47,375	344,192	74%	7.3x
Seoul-Chuncheon Highway Co., Ltd.	162,001	(27,462)	134,540	348,843	83%	2.6x	139,605	(27,612)	111,994	395,694	80%	3.5x
Incheon Bridge Co., Ltd.	98,850	(17,841)	81,009	305,124	82%	3.8x	113,559	(24,548)	89,011	339,842	78%	3.8x
Busan New Port the 2nd Rear Road Co., Ltd.	12,841	(7,779)	5,062	266,310	39%	52.6x	12,183	(6,260)	5,922	265,098	49%	44.8x
BNCT Co., Ltd.	122,167	(61,049)	61,118	568,942	50%	9.3x	113,113	(60,203)	52,910	543,351	47%	10.3x
Proportionate average⁶	526,809	(103,788)	423,021	475,121	80%	1.1x	511,611	(107,061)	404,550	592,351	79%	1.5x

1. Based on audited financial statements

2. Revenue compensation and other compensations from the relevant government authority are reflected on accrued basis, not on cash basis (therefore is different from revenue stated in audit report)

3. Net debt = external debt – cash & cash equivalents

4. For calculation of net debt, Shareholder Debt A backed by the relevant authority and cash balance of Surplus Income Account (which is overseen by the relevant authority) were excluded

5. For calculation of net debt, the senior loan backed by the relevant authority was excluded

6. On a proportionate average basis based on MKIF's equity interest in each project company

MKIF Investment Details¹



(As at 30 September 2021)

(Units: KRW bn, %)

Project Company	Asset Abbrev.	Equity	Ownership (%)	Subordinated Debt	Senior Debt	Total
Baekyang Tunnel Ltd.	BYTL	1.2	100%	-	1.1	2.3
Kwangju Beltway Investment Co., Ltd.	KBICL	33.1	100%	85.2 ²	74.3	192.6
New Airport Hiway Co., Ltd.	NAHC	23.6	24.1%	51.7	-	75.3
Soojungsan Investment Co., Ltd.	SICL	47.1	100%	-	-	47.1
Cheonan Nonsan Expressway Co., Ltd.	CNEC	87.8	60%	182.3	-	270.1
Woomyunsan Infraway Co., Ltd.	WIC	5.3	36%	-	15.0	20.3
Kwangju Ring Road Company Ltd.	KRRC	28.9	75%	-	-	28.9
MCB Co. Ltd.	MCB	33.8	70%	79.0	-	112.8
Gyeongsu Highway Co., Ltd.	YSE	51.5	43.75%	99.6	-	151.1
Seoul-Chuncheon Highway Co., Ltd.	SCH	0.6	15.83%	161.8	-	162.4
Incheon Bridge Co. Ltd.	IBC	54.4	64.05%	241.0	-	295.4
Busan New Port the 2nd Rear Road Co., Ltd.	B2RR	41.5	47.56%	69.2	-	110.7
BNCT Co., Ltd.	BNP 2-3	66.4	30%	193.0	-	259.4
Dongbuk LRT Co., Ltd.	DBR	35.4	30%	47.3	-	82.7
Youngsan Clean Energy Ltd.	HY	32.3	100%	290.2	-	322.5
Bomun Clean Energy Ltd.	SRB	8.7	100%	78.4	-	87.1
Total		551.6		1,578.7	90.4	2,220.7
Percentage (%)		24.8%		71.1%	4.1%	100%

1. Based on MKIF's investment amounts (including investment commitment in Dongbuk LRT Co., Ltd.)

2. Includes KRW 3.2bn working capital facility and KRW 50bn new shareholder loan

Government Support Payment Provisions¹



(As at 30 September 2021)

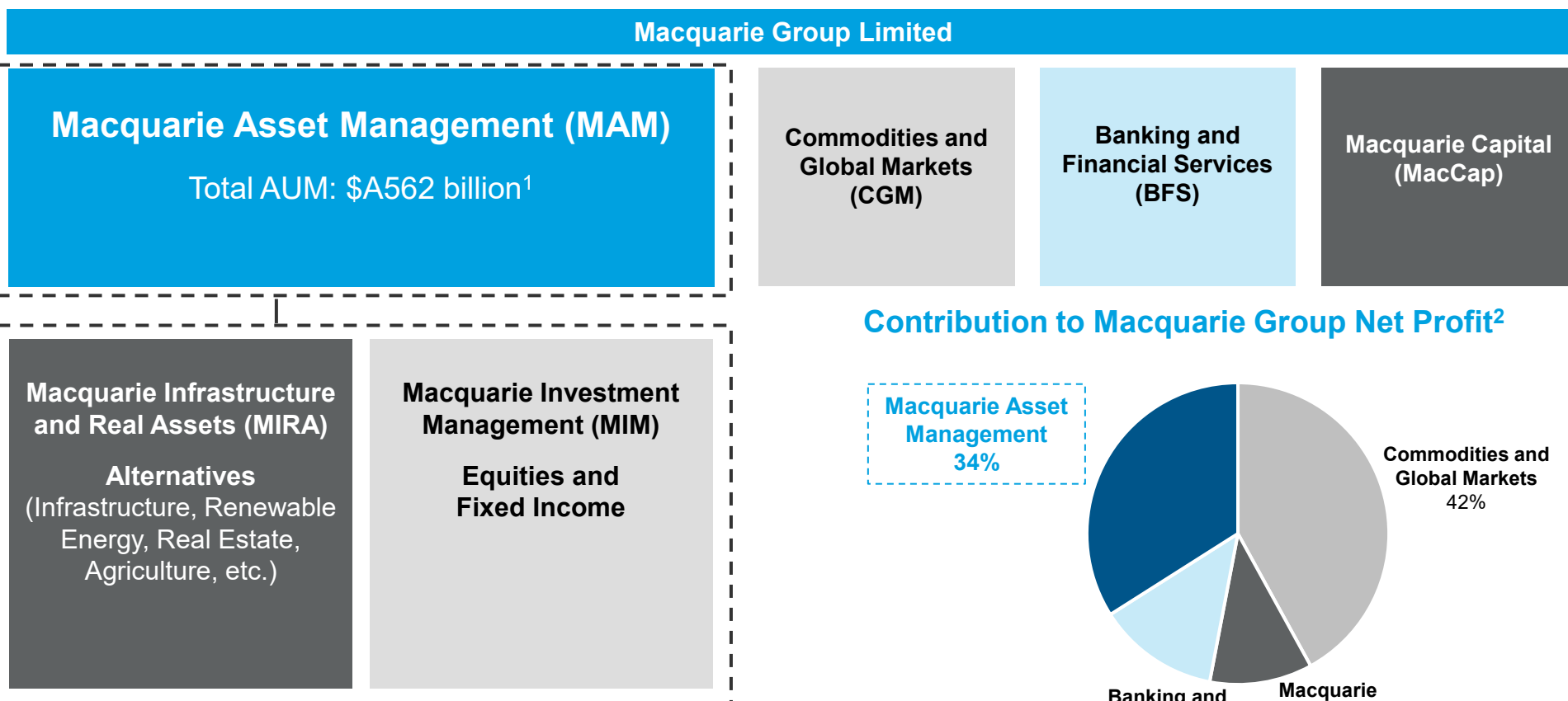
Asset	Competent Authority	Concession Term	Remaining Concession Term	Support Payment Duration	Remaining Support Payment Duration	Revenue Guarantee Threshold ²	Revenue Cap Threshold ^{2,3}	Remarks
Baekyang Tunnel	Busan Metropolitan City	25.0	3.3	25.0	3.3	90%	110%	
Gwangju 2nd Beltway, Section 1	Gwangju Metropolitan City	28.0	7.3	28.0	7.3	Investment cost compensation		Competent authority provides agreed cashflow to concessionaire to guarantee MKIF investment return
Soojungsan Tunnel	Busan Metropolitan City	25.0	5.6	25.0	5.6	90%	110%	For toll revenue below 90%, Busan Metropolitan City is obligated to compensate 91.5% of the shortfall amount
Cheonan-Nonsan Expressway	MOLIT ⁴	30.0	11.2	20.0	1.2	82%	110%	Partial revenue sharing in excess of 82% to 110% level
Gwangju 2nd Beltway, Section 3-1	Gwangju Metropolitan City	30.0	13.2	30.0	13.2	90%	110%	
Machang Bridge	GSND ⁴	30.0	16.8	30.0	16.8	75.78%	100%	Revenue guarantee applies to MCB account 50:50 revenue sharing with competent authority in excess of 100%
Seoul-Chuncheon Highway ⁵	MOLIT ⁴	30.0	17.9	15.0	2.9	60%	140%	
Incheon Grand Bridge	MOLIT ⁴	30.0	18.1	15.0	3.1	80%	120%	

1. For the government support payment provisions that are effective as at the record date
2. % of annual concession agreement projected revenue
3. Relevant government authorities are entitled to receive the portion exceeding the threshold
4. MOLIT (Ministry of Land, Infrastructure and Transport) / GSND (Gyeongsang Namdo Government)
5. No revenue guarantee applies if actual revenue is below 50% of the annual concession agreement projected revenue

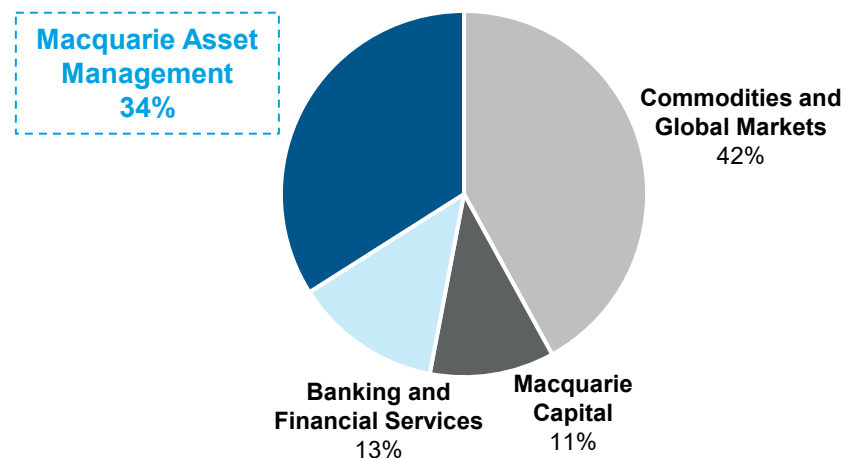
Macquarie Group and MIRA

MIRA is a standalone business within MAM and has a 26-year track record in global infrastructure investment and management

MKAM is an entity within MIRA that has focused on investment and management of landmark infrastructure assets in Korea since its establishment in 2002



Contribution to Macquarie Group Net Profit²



1. As at 31 Mar 2021

2. Based on 2021 (1 Apr 2020 – 31 Mar 2021) net profit

Notice on Environmental, Social and Governance



MKAM, as an affiliate of the Macquarie Group (Macquarie) and in a capacity as a manager and corporate director of MKIF, has adopted ESG framework that Macquarie Infrastructure and Real Assets (MIRA) applies to its fund management activities to the extent relevant and possible. MIRA aims to improve the sustainability performance of portfolio companies by addressing material ESG issues and opportunities to enhance long-term value for our investors. MIRA addresses a broad range of ESG risks and opportunities throughout the entire investment lifecycle from screening and due diligence through to ongoing asset management and exit. MIRA also regularly collect a range of ESG data from portfolio companies, allowing us to track and support improvement of their ESG performance. ESG information is communicated to shareholders at least annually in fund reports and fund presentations. MKAM is committed to continuously improving our ESG performance and look forward to continuing to share our progress with investors.

Macquarie Asset Management (MAM) climate change commitment

As long-term investors in companies that underpin economies and communities, MIRA take our responsibility to address climate change risks seriously. As stewards of these vital businesses, MIRA have a duty to ensure they play their part in global efforts to address our warming planet.

Macquarie Group is supporting the transition to a low carbon economy by progressing a range of initiatives to mitigate climate change and adapt to its effects. On the fifth anniversary of the Paris Agreement, Macquarie Asset Management (MAM), which MIRA belongs to as one of its business group, announced a commitment to manage its global portfolio in line with net zero emissions by 2040.

The public commitment articulated our goal to implement Paris-aligned or net zero business plans at each of our fund portfolio companies by the end of 2022. This commitment has several steps that are already underway:

- measure greenhouse gas emissions of all portfolio companies;
- identify pathways to reduce emissions;
- develop business plans that contribute to a net zero economy by 2040, or sooner;
- for new investments, target completion of these steps within 24 months of acquisition;
- work with portfolio companies with the aim that they will be meeting their Paris-aligned/net zero emissions reduction pathways by 2030; and
- report on our progress annually.

This detailed commitment complements extensive activity across the broader Macquarie Group in developing and managing renewable energy projects, helping clients on their decarbonisation pathways, and adapting infrastructure for climate resilience.

MIRA look forward to working with our investors, portfolio companies, regulators and other stakeholders to achieve these transformational objectives for the benefit of all. MIRA remain grateful for these partnerships and MIRA welcome continued engagement as MIRA seek to play our part in building a more sustainable future for everyone.

Please visit [MIRAFunds.com](https://www.mirafunds.com) for more detail regarding our climate change commitment as well as our approach to ESG, sustainability and responsible investment.