

Macquarie Korea Infrastructure Fund

Investor Presentation

1H 2023



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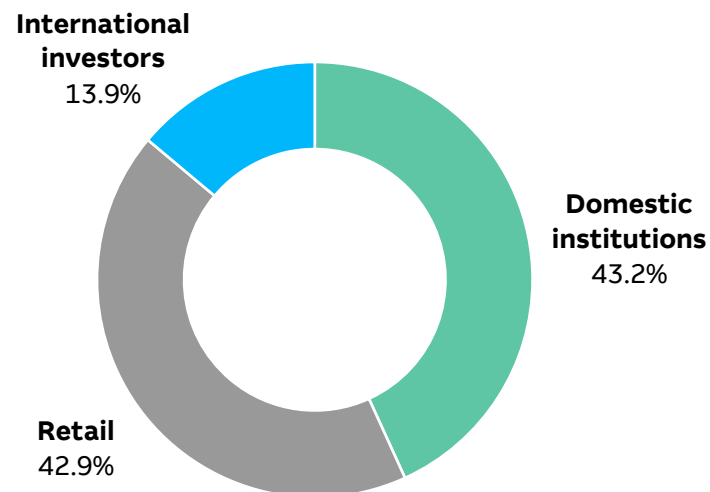
MKIF Overview



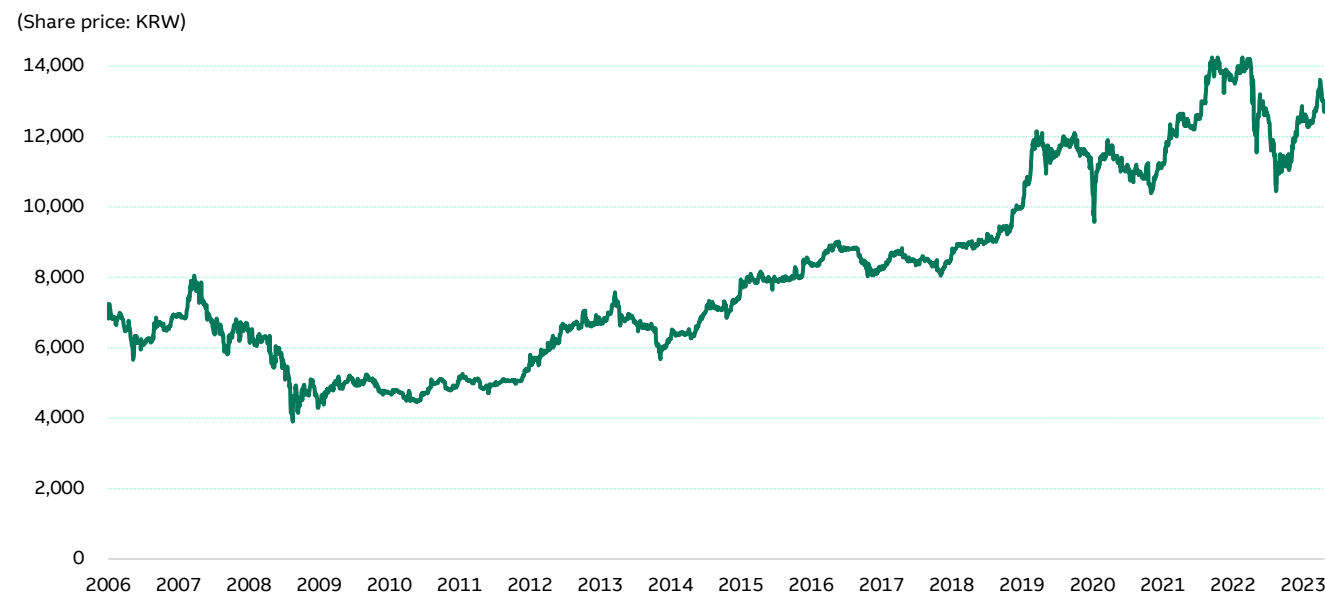
A Leading Infrastructure Fund in Korea

- Established in 2002 / Listed on the Korea Exchange in 2006
- Market capitalization of KRW ~5.1 trillion¹
- Invests only in Korea as defined under the Act on Public Private Partnerships in Infrastructure² (“PPP Act”) of Korea
- Delivered approximately ~7.0% distribution yield³ in 2022
- Issuer credit rating of AA0 (Stable)⁴

Key Shareholder Groups¹



Historical Share Price⁵



1. As at 30 Jun 2023

2. PPP Act states infrastructure sectors including roads, railways, ports, water treatment, waste management, etc.

3. Distribution yield based on FY2022 closing share price of KRW 11,050 and 2022 annual distribution of KRW 770 per share; historical performance does not guarantee future performance

4. Issuer credit rating by NICE Investor Service on 31 Mar 2023

5. MKIF share price since IPO on 15 Mar 2006 to 30 Jun 2023; historical performance does not guarantee future performance

Fund History

Establishment / Listing 2002 / 2006	Mandate Core and Core+ (Korea only)	Portfolio 13 Roads, 1 Port, 1 Rail, 3 City Gas	Market Capitalisation KRW 5.1 trillion (KOSPI top 65)
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MKIF History¹

2002 ~ 2006

Establishment and 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 and 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

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

Asset-level

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

2017 ~

Share Offering and 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)
- Follow-on offering in 2023 (KRW 361.0 billion)

1. Please refer to page 8 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); IGEX (2022); SCH bolt-on (2022); CNCITY (2023)

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

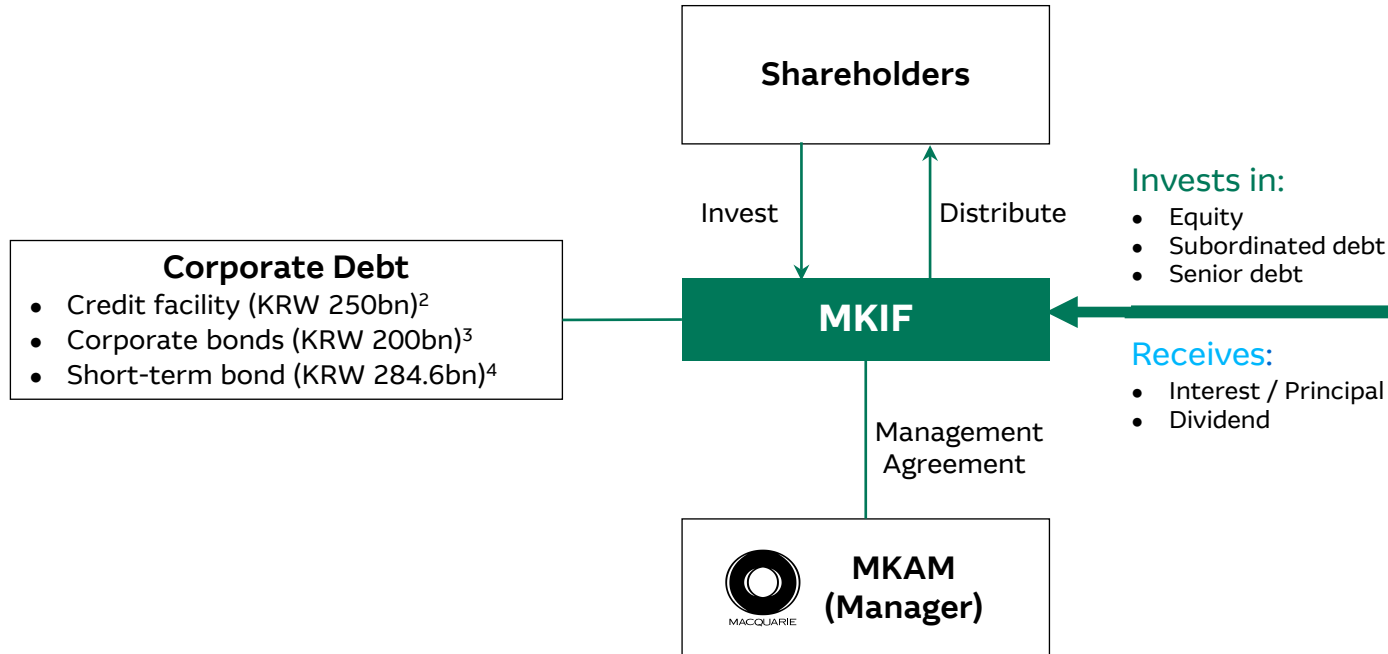
5. MKIF debt refinancing disclosed in May 2007; Apr 2009; Nov 2009; May 2011; Jun 2011; Feb 2014; May 2016; Jun 2018; Jan 2019; Jun 2021; Mar 2022; Jun 2023

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); Dec 2021 (KBICL)

Business Structure

- MKIF is a holding company of 18 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



(As at 30 June 2023)

Underlying Project Companies	MKIF Shareholding
Baekyang Tunnel Ltd.	100%
Kwangju Beltway Investment Co., Ltd.	100%
New Airport Hiway Co., Ltd.	24.1%
Soojungsan investment Co., Ltd.	100%
Cheonan Nonsan Expressway Co., Ltd.	60%
Woomyunsan Infraway Co., Ltd.	36%
Kwangju Ring Road Company Ltd.	75%
MCB Co., Ltd.	70%
Gyeongsu Highway Co., Ltd.	43.75%
Seoul-Chuncheon Highway Co., Ltd.	18.16%
Incheon Bridge Co., Ltd.	64.05%
Busan New Port the 2nd Rear Road Co., Ltd.	47.56%
Incheon-Gimpo Expressway Co., Ltd.	22.8%
BNCT Co., Ltd.	30%
Dongbuk Urban Railway Co., Ltd.	30% ⁵
Youngsan Clean Energy Ltd.	100%
Bomun Clean Energy Ltd.	100%
CNCITY Energy Co., Ltd.	48% ⁵

1. MKIF-invested project companies
2. Out of KRW 250bn credit facility, KRW 112.6bn is drawn (credit facility agreement maturity date of 28 Jan 2024)
3. KRW 100bn, 5-year bond (maturity date of 12 Jun 2028) and KRW 100bn, 7-year bond (maturity date of 11 Jun 2025)
4. KRW 165.3bn drawn from the short-term bond facility with the limit of KRW 284.6bn (underwriting agreement maturity date of 11 Sep 2023)
5. Based on MKIF's investment commitment
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Portfolio Summary¹

(As at 30 June 2023)

- KRW 2.5 trillion invested across 18 infrastructure assets in Korea in the form of equity (31.3%), subordinated debt (66.5%) and senior debt (2.2%)

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%)

Incheon-Gimpo Expressway (IGEX)

- 28.9km, 4 to 6-lane tunnel
- MKIF commitment: KRW 128.0bn (5%)

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 (12%)

Yongin-Seoul Expressway (YSE)

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

Gwangju 2nd Beltway, Section 1 (KBICL)

- 3.5km, 6-lane ring road
- MKIF investment: KRW 156.6bn (6%)

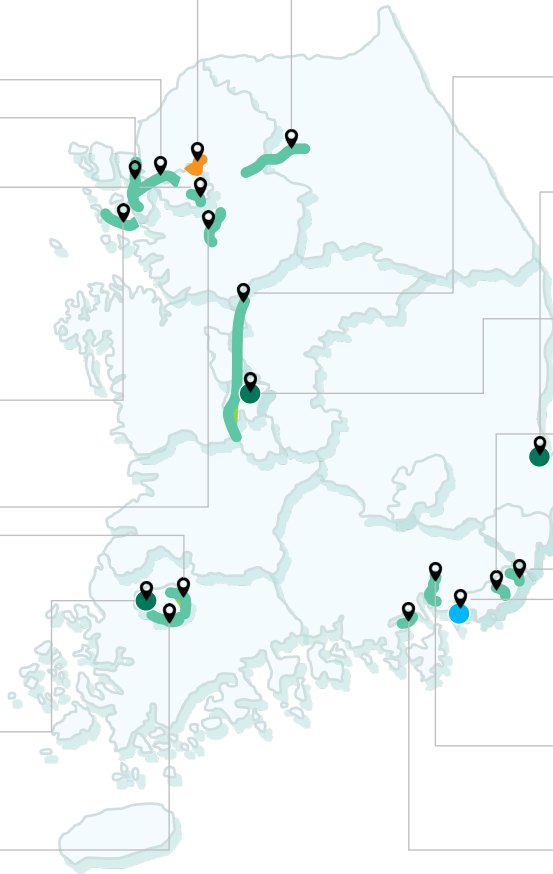
Haeyang Energy Co., Ltd. (HY)

- City gas retail distributor with 2,507km of pipelines in Gwangju City and eight other regions in Jeollanam-do
- MKIF investment: KRW 322.5bn (13%)

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

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

● Toll Roads (63%) ● Port (10%) ● Rail (3%) ● City Gas (24%)



Seoul-Chuncheon Highway (SCH)

- 61.4km, 4 to 6-lane expressway
- MKIF investment: KRW 166.0bn (7%)

Cheonan-Nonsan Expressway (CNEC)

- 81.0km, 4-lane expressway
- MKIF investment: KRW 270.1bn (11%)

Sorabol City Gas Co., Ltd. (SRB)

- City gas retail distributor with 564km of pipelines in two regions in Gyeongsangbuk-do
- MKIF investment: KRW 87.1bn (4%)

CNCITY Energy Co., Ltd. (CNCITY)

- City gas retail distributor with 1,748km of pipelines in Daejeon City and Gyeryong City
- MKIF investment: KRW 183.2bn (7%)

Baekyang Tunnel (BYTL)

- 2.3km, 4-lane tunnel
- MKIF investment: KRW 2.2bn (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 (10%)

BNP the 2nd Rear Road (B2RR)

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

Machang Bridge (MCB)

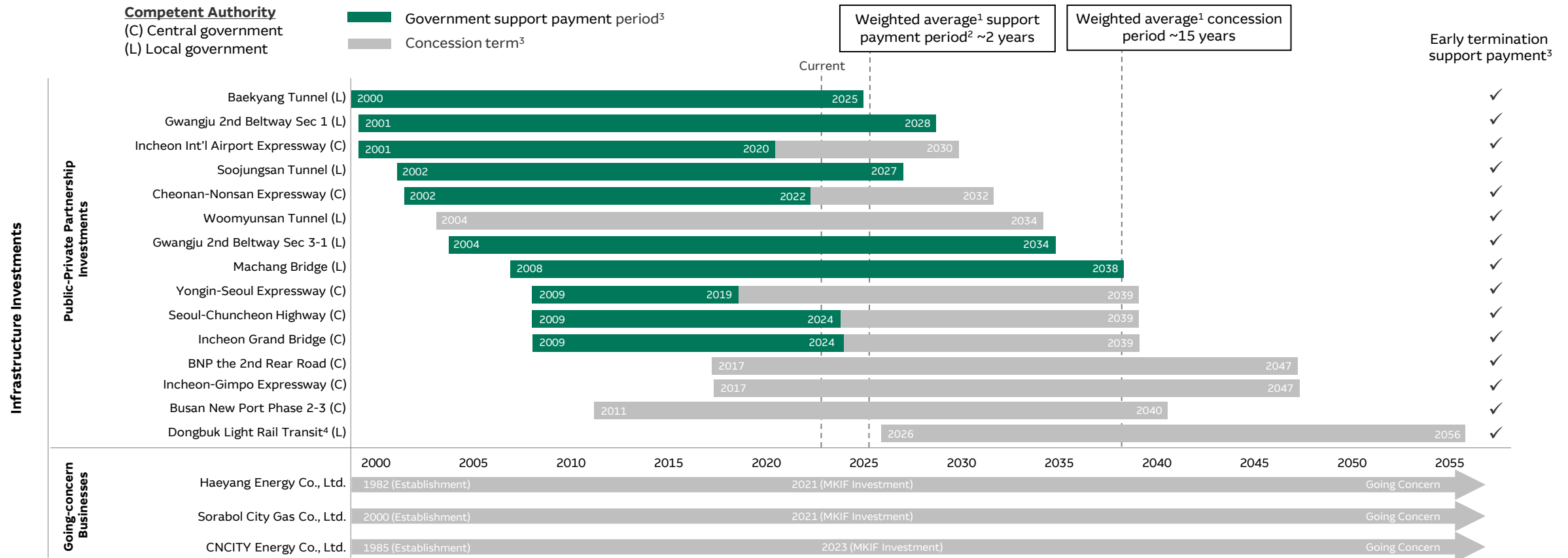
- 1.7km, 4-lane bridge
- MKIF investment: KRW 112.8bn (5%)

1. All amounts and percentages are based on MKIF's investment amounts (including investment commitments in Dongbuk Urban Railway Co., Ltd., Incheon-Gimpo Expressway Co., Ltd. and CNCITY Energy Co., Ltd.)

Concession/Operation Period

(As at 30 June 2023)

- MKIF invests in 18 project companies, of which 15 are public-private partnership investments with a fixed concession period defined under respective concession agreement with competent authority, while the remaining 3 are going-concern businesses.

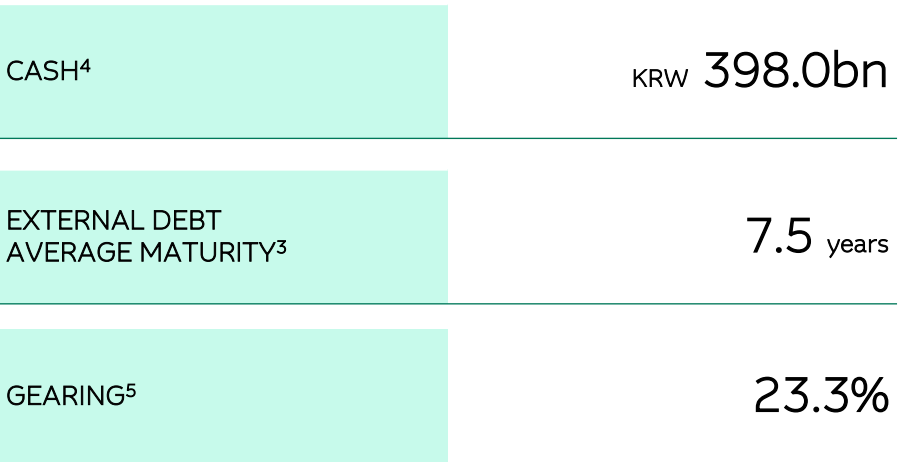


- Based on MKIF's investment amounts and investment commitment in Dongbuk Urban Railway Co., Ltd., Incheon-Gimpo Expressway Co., Ltd. and CNCITY Energy Co., Ltd.
- Revenue guarantee and cost compensation payments received from competent authorities, toll freeze compensations related to the CPI growth, 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

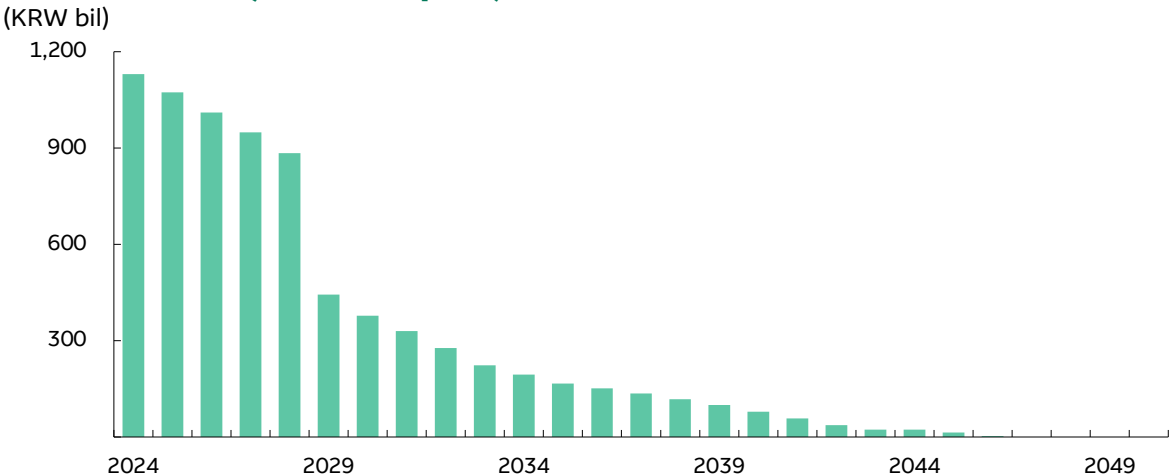
Financial Position

(As at 30 June 2023)

- MKIF debt capped at 30% of its capital under PPP Act¹, with the current outstanding debt of KRW 477.9 billion out of KRW 734.6 billion facility size under the existing loan agreements
 - KRW 112.6 billion is drawn from KRW 250 billion of credit facility limit (credit facility agreement maturity date of 28 January 2024)
 - KRW 200 billion fixed-rate bonds (KRW 100 billion, 5-year bond maturing on 12 June 2028 & KRW 100 billion, 7-year bond maturing on 11 June 2025)
 - KRW 165.3 billion has been issued from KRW 284.6 billion of short-term bond facility (underwriting agreement maturity date of 11 September 2023)
- Weighted average interest rate of MKIF debt is 4.5%, and remaining average maturity is 1.2 years
- Project company-level debt is expected to decline as senior debts are redeemed, and average remaining maturity² of external debt³ is 7.5 years



Project Company-level External Debt Balance⁶



1. Current MKIF debt ceiling under PPP Act is KRW 734.6bn (30% of current MKIF paid-in-capital of KRW 2,448.9bn; rounded down to the nearest tenth billion)

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 23.3bn)

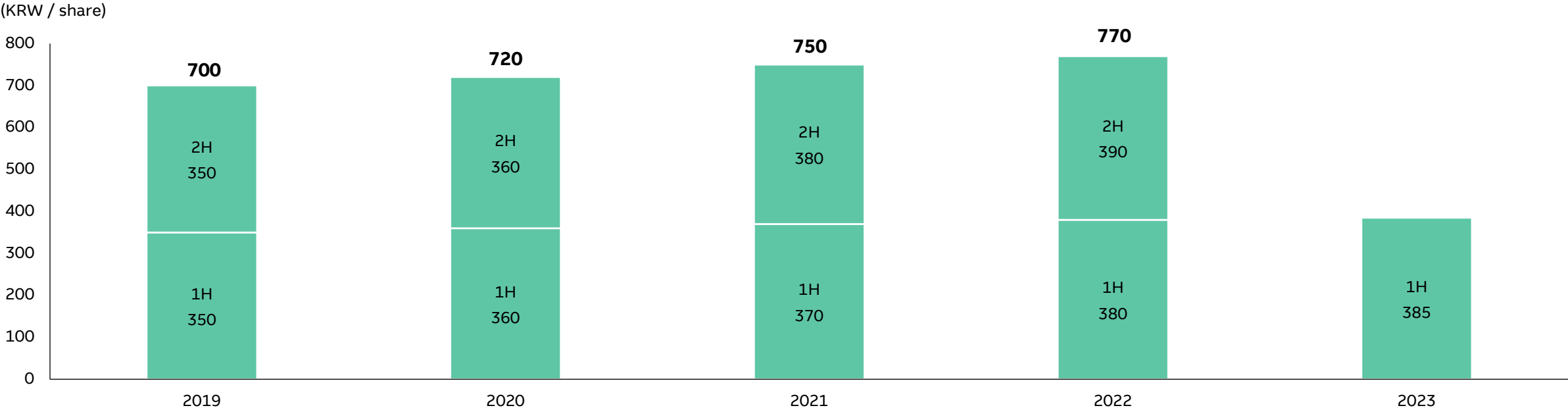
5. Proportionately consolidated MKIF net debt / (proportionately consolidated MKIF net debt + average MKIF market capitalization for the previous 3 months)

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 distributable accounting income to maintain tax exempt status
- 2023 first half distribution of KRW 385 per share¹ (total amount of KRW 155.9 billion) will be paid on 28 August 2023

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

02

1H 2023 Performance



Summary of Financial & Operating Results

MKIF revenue and net income (P15)

- MKIF recorded revenue of KRW 246.3 billion and net income of KRW 211.7 billion for 1H 2023 (the “Period”), increases of 4.2% and 2.8% respectively compared with the previous corresponding period (“pcp”). Revenue and net income increased due to higher interest income.

Performance of toll roads (P18)

- On a weighted average basis, 13 toll road assets delivered traffic volume and revenue growths of 10.6% and 12.4% for the Period over pcp. Traffic volume improved due to the increased number of drivers using toll roads to reach the airport and participate in outdoor activities following the easing of COVID-19 social distancing measures.

Performance of Busan New Port Phase 2-3 (“BNP 2-3”) (P19)

- BNP 2-3 handled 1.41 million TEUs during the Period, an increase of 2.5% over pcp. Revenue and EBITDA improved by 1.6% and 0.7% respectively over pcp to KRW 82.9 billion and KRW 41.4 billion.

Performance of City Gas Business (P21)

- Sales volume of Haeyang Energy Co., Ltd. (“HY”) decreased by 10.1% to 420 million m³ during the Period due to higher average temperature during winter (Jan-Feb) vs. pcp and the slowdown in economy.
- Revenue increased by 12.3% over pcp to KRW 415.1 billion because the increase in the average KOGAS wholesale tariff is passed through to HY’s revenue. EBITDA declined by 3.7% to KRW 28.9 billion.
- Sales volume of Sorabol City Gas Co., Ltd. (“SRB”) decreased by 7.1% to 108 million m³ during the Period due to higher average temperature during winter (Jan-Feb) vs. pcp and the slowdown in economy.
- Revenue increased by 15.8% to KRW 113.2 billion because the increase in the average KOGAS wholesale tariff is passed through to SRB’s revenue.
- EBITDA declined by 23.9% to KRW 7.4 billion, and the noticeable difference between volume & EBITDA change % is due to the one-off seasonal effect arising from the recent adjustment in the calculation method of cost of goods sold of SRB. On an annual basis, volume & EBITDA change % are expected to be similar.

Summary of Key Transactions

Investment in CNCITY Energy Co., Ltd. (P22)

- On 2 June 2023, MKIF signed (i) the share purchase agreement with the existing shareholders of CNCITY Energy Co., Ltd. (“CNCITY”) to purchase 957,437 shares of CNCITY and (ii) the share subscription agreement with CNCITY to acquire 1,250,000 new shares to be issued by CNCITY (together the “Investment”).
- On 25 July 2023, MKIF completed the financial closing of the Investment and as a result owns 48% of equity stake in CNCITY. MKIF utilized its debt to secure KRW 186.7 billion (includes transaction cost of KRW 3.5 billion) required to consummate the Investment and plans to repay the drawn debt upon receiving¹ the proceed of its follow-on offering on 9 August 2023.

Issuance a Corporate Bond of KRW 100 billion

- On 12 June 2023, MKIF completed the issuance of a KRW 100 billion, 5-year, fixed rate, unsecured bond at an annual interest rate of 4.406% (the “Issuance”).
- MKIF used the proceed of KRW 100 billion received from the Issuance to repay the existing KRW 100 billion, 5-year, fixed-rate, unsecured bond which matured on 12 June 2023.

Follow-on Offering (P25)

- On 13 June 2023, the Board of MKIF approved the issuance of 30,935,808 new common shares (7.64% of current outstanding shares) (the “New Shares”) (the “Offering”). In order to pursue the Offering, MKIF signed underwriting agreements with five co-lead managers and submitted the securities registration statement to the Financial Supervisory Service.
- MKIF plans to use the net Offering proceed of KRW 358.5 billion, calculated based on the Offering proceed of KRW 361.0 billion (the “Offering Proceed”) net of the expected issuance costs of KRW 2.5 billion, on the following:
 - KRW 128.0 billion²: investment in the Incheon-Gimpo Expressway project, as disclosed by MKIF on 14 March 2022
 - KRW 186.7 billion²: investment in CNCITY Energy Co., Ltd., as disclosed by MKIF on 2 June 2023
 - KRW 43.8 billion: restoration of liquidity for potential future investments by MKIF
- The final offer price was determined on 27 July 2023 as KRW 11,670 per share, and MKIF expects¹ to receive the Offering Proceed on 9 August 2023, and the New Shares are expected¹ to be listed on 21 August 2023.

1. Schedule may vary based on the results of the review of the registration statement by the Financial Supervisory Service

2. MKIF utilized its debt to secure the funding required for the investment, and will repay the debt with the Offering Proceed expected to be received on 9 August 2023

Financial Results (Cumulative)¹

- 1H 2023 revenue and net income increased by 4.2% and 2.8% respectively compared with the pcp.
- The increase in revenue and net income was mainly due to higher interest income.

(Unit: KRW million)

	1H 2023	1H 2022	% Change
Revenue	246,329	236,506	4.2%
Interest income	142,344	130,824	
Dividend income ²	103,871	105,621	
Other income	114	61	
Expenses	34,603	30,641	12.9%
Management fee	21,873	23,621	
Interest expense	10,974	5,320	
Other fees and expenses	1,756	1,700	
Net income	211,726	205,865	2.8%
Normalised net income³	211,726	205,865	2.8%
EPS (KRW per share)	523	509	
Normalised EPS (KRW per share)³	523	509	

1. Unaudited, non-consolidated

2. 1H 2023: KRW 16.9bn from New Airport Hiway Co., Ltd.; KRW 60bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 13.5bn from Soojungsan Investment Co., Ltd.; KRW 12.0bn from Kwangju Ring Road Company, Ltd., KRW 1.5bn from Woomyunsan Infraway Co., Ltd.

1H 2022: KRW 16.9bn from New Airport Hiway Co., Ltd.; KRW 60.0bn from Cheonan-Nonsan Expressway Co., Ltd.; KRW 17.5bn from Soojungsan Investment Co., Ltd.; KRW 11.2bn from Kwangju Ring Road Company, Ltd.

3. Excludes one-off items

1H 2023 and 1H 2022: no one-off item

Financial Results (Quarterly)¹

- 2Q 2023 revenue and net income increased by 8.2% and 6.5% respectively compared with the pcq.
- The increase in revenue and net income was mainly due to higher interest income.

(Unit: KRW million)

	2Q 2023	2Q 2022	% Change
Revenue	72,692	67,203	8.2%
Interest income	72,643	67,170	
Dividend income	-	-	
Other income	49	33	
Expenses	17,797	15,649	13.7%
Management fee	11,484	11,911	
Interest expense	5,423	2,941	
Other fees and expenses	890	797	
Net income	54,895	51,554	6.5%
Normalised net income²	54,895	51,554	6.5%
EPS (KRW per share)	136	127	
Normalised EPS (KRW per share)²	136	127	

1. Unaudited, non-consolidated
2. 2Q 2023 and 2Q 2022: no one-off item
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Statement of Financial Position

(Unit: KRW million)

	30 June 2023	31 December 2022
Assets		
Invested Assets	2,314,090	2,305,832
Cash & deposits	23,269	27,547
Loans	1,709,508	1,707,253
Equity securities	581,313	571,032
Others	778,323	742,258
Interest receivable	772,206	735,892
Other receivables	2,349	2,350
Deferred costs, net	1,632	1,895
Prepayment	2,136	2,121
Total Assets	3,092,413	3,048,090
Liabilities		
Bonds	363,215	348,915
Long-term debt	112,636	137,151
Management fee payable	11,484	9,898
Other liabilities	10,234	11,119
Total Liabilities	497,569	507,083
Shareholders' Equity		
Share capital	2,448,937	2,448,937
Retained earnings	145,907	92,070
Total Shareholders' Equity	2,594,844	2,541,007
Total Liabilities and Shareholders' Equity	3,092,413	3,048,090

Change in Investment

(Unit: KRW million)

Project Company	Item	2023
KBICL	Senior Debt	(7,000)
SCH	Equity	3,640
DBR	Equity	6,640
	Subordinated Debt	7,000
IGEX	Junior Subordinated Debt	2,279
Total*		12,559

* Excludes loan amortization of KRW 23 million from Baekyang Tunnel Ltd.

1. Unaudited, non-consolidated for 30 June 2023; audited, non-consolidated for 31 December 2022; Pursuant to the Financial Investment Services and Capital Markets Act and the resolution by the internal appraisal committee of MKAM, MKIF reports all its unlisted equity investments at acquisition cost

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Toll Roads Performance

- Highlights for the Period include:
 - Incheon International Airport Expressway and Incheon Grand Bridge, two assets which traffic performance was negatively impacted by the outbreak of COVID-19 in 2020, are showing steady recovery. Incheon International Airport Expressway showed a huge improvement in revenue due to the increased number of vehicles using the main airport section, which charges a higher tariff than other sections of the road.
 - Traffic revenue increase % was higher than volume increase % for Cheonan-Nonsan Expressway because the asset reclassified the compensation on holiday toll exemption from government support payment revenue to toll fare reduction compensation revenue (which is part of traffic revenue) upon expiration of minimum revenue guarantee in Dec 2022.

	1H 2023				2Q 2023			
	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	72,428	1.6%	60,276	1.4%	73,418	(0.7%)	61,096	(0.7%)
Gwangju 2nd Beltway, Section 1	67,910	5.8%	71,466	5.5%	70,716	3.6%	74,363	3.3%
Incheon International Airport Expressway	99,791	38.5%	415,186	46.4%	104,851	31.3%	447,452	40.1%
Soojungsan Tunnel	46,673	3.4%	43,214	3.2%	47,513	1.6%	44,006	1.7%
Cheonan-Nonsan Expressway	59,013	3.9%	558,100	12.1%	60,864	1.8%	594,762	13.0%
Woomyunsan Tunnel	29,167	1.9%	64,158	2.0%	29,730	(1.2%)	65,410	(1.1%)
Gwangju 2nd Beltway, Section 3-1	63,435	5.6%	68,058	5.4%	65,807	2.6%	70,645	2.3%
Machang Bridge	44,676	5.5%	96,766	3.1%	46,028	3.4%	102,153	4.0%
Yongin-Seoul Expressway	92,618	1.1%	144,442	(1.4%)	95,303	(1.4%)	151,126	(2.1%)
Seoul-Chuncheon Highway	58,480	(3.1%)	248,874	(5.7%)	61,977	(7.9%)	270,823	(7.6%)
Incheon Grand Bridge	65,206	36.7%	285,346	32.0%	67,997	28.9%	304,586	27.8%
BNP 2nd Rear Road	21,555	7.1%	41,696	6.3%	22,032	7.0%	42,547	6.1%
Incheon-Gimpo Expressway	55,729	2.3%	164,991	1.1%	52,960	(1.8%)	159,580	(1.1%)
Weighted average growth rate²		10.6%		12.4%		7.2%		11.1%

1. Does not include government support payments; Baekyang Tunnel, Gwangju 2nd Beltway Section 1 & 3-1, Soojungsan Tunnel, 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

2. On a weighted average basis based on the revenue size and MKIF equity ownership in each project company (assumed full investment of committed amounts)

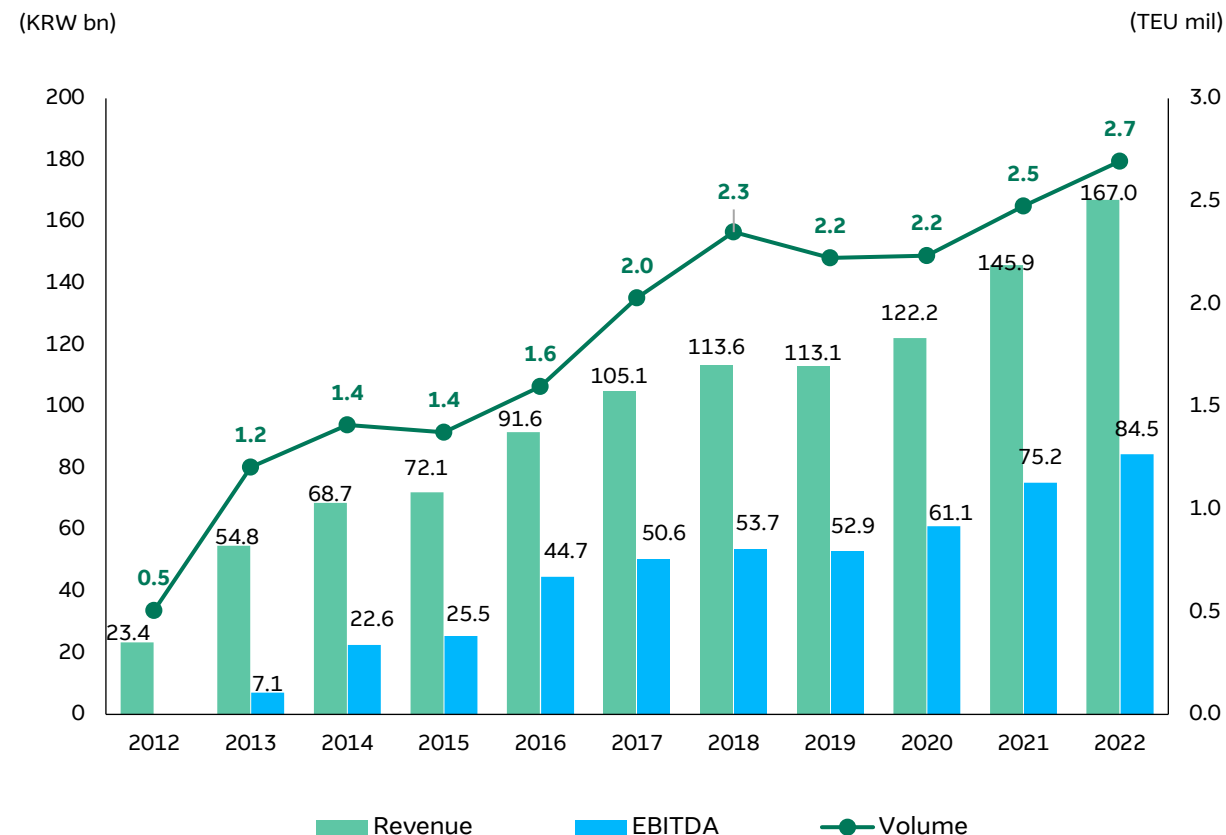
Port Performance

BNCT 1H 2023 Performance

	1H 2023	1H 2022	Change over pcg	2Q 2023	2Q 2022	Change over pcg
Volume (TEU million)	1.41	1.37	2.5%	0.70	0.70	(0.7%)
Revenue (KRW billion)	82.9	81.6	1.6%	41.0	42.9	(4.5%)
EBITDA (KRW billion)	41.4	41.1	0.7%	20.8	22.0	(5.7%)
EBITDA margin	50.0%	50.4%	(0.4%p)	50.7%	51.3%	(0.6%p)

- BNP 2-3 handled 1.41 million TEUs during the Period, an increase of 2.5% over pcg.
- Revenue improved by 1.6% over pcg to KRW 82.9 billion.
- EBITDA improved by 0.7% over pcg to KRW 41.4 billion, recording an EBITDA margin of 50%.

BNCT Historical Results



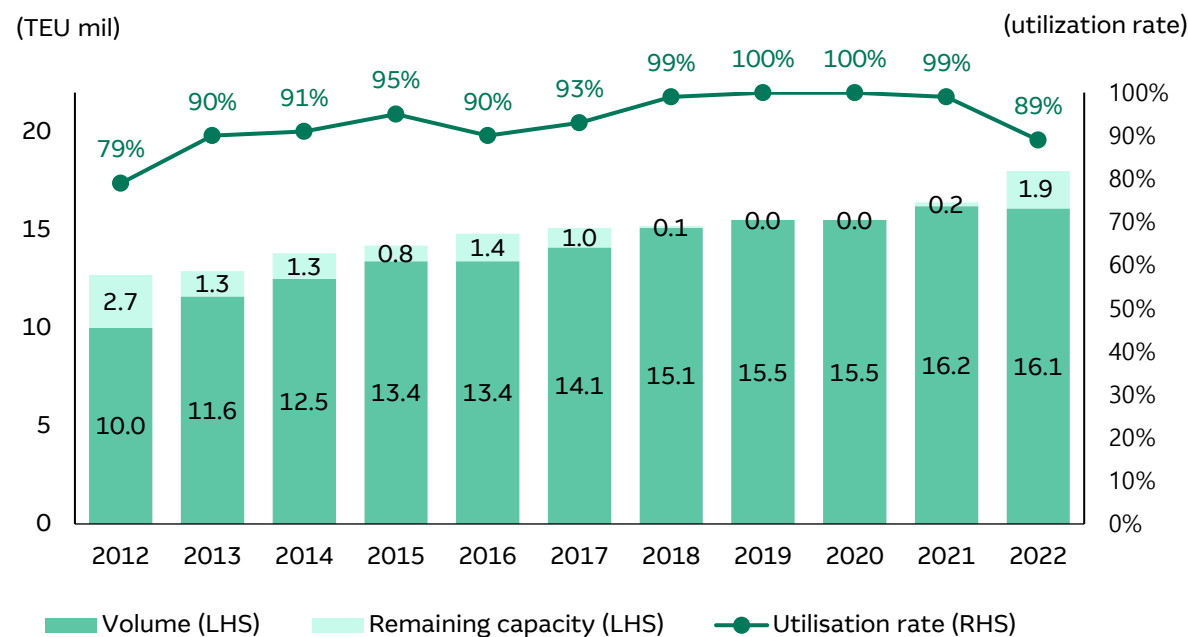
Busan Port¹

- Busan Port is comprised of Busan New Port (the “New Port”) and Busan North Port (the “North Port”).
- Busan Port handled 22.7 million TEUs of container volume in 2022, of which the New Port handled 71% or 16.1 million TEUs.
- The New Port’s market share within Busan has been on a growing trend over the last 10 years mainly due to (i) container volume growth in Busan Port overall and (ii) migration of vessel services from the North Port to the New Port.

Busan Port Highlights

	BNP 2-3	New Port	North Port
Number of Terminals in Operation	(Part of New Port)	6 Terminals	3 Terminals
Capacity (TEUs p.a.)	3.0 mil	18.0 mil	7.3 mil
Handling Volume (TEUs)	2.7 mil	16.1 mil	6.6 mil
Volume Growth (over pcg)	8.8%	(1.1%)	(4.3%)
Utilisation Rate	90%	89% ²	90%
Market Share ³ within Busan Port	12%	71%	29%

Historical Performance of the New Port



1. Source: terminal operators
 2. Adjusted in accordance with the operational commencement of Busan New Port Phase 2-4 in June 2022
 3. Based on 2022 handling volume
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City Gas Business Performance

HY 1H 2023 Performance

	1H 2023	1H 2022	Change over pcg	2Q 2023	2Q 2022	Change over pcg
Volume (million m ³)	420	467	(10.1%)	140	148	(5.5%)
Revenue ¹ (KRW billion)	415.1	369.7	12.3%	122.9	121.8	0.9%
EBITDA (KRW billion)	28.9	30.0	(3.7%)	13.2	11.9	8.2%
EBITDA margin	7.0%	8.1%	(1.1%p)	10.7%	10.0%	0.7%p
Pipeline length ²	2,507km	2,446km	2.5%	2,507km	2,446km	2.5%
Penetration rate ²	83.4%	82.5%	0.9%p	83.4%	82.5%	0.9%p

- Sales volume decreased by 10.1% to 420 million m³ during the Period due to higher average temperature during winter (Jan-Feb) vs. pcg and the slowdown in economy.
- Revenue increased by 12.3% over pcg to KRW 415.1 billion because the increase in the average KOGAS wholesale tariff is passed through to HY's revenue.
- EBITDA declined by 3.7% to KRW 28.9 billion.

SRB 1H 2023 Performance

	1H 2023	1H 2022	Change over pcg	2Q 2023	2Q 2022	Change over pcg
Volume (million m ³)	108	116	(7.1%)	40	42	(3.3%)
Revenue ¹ (KRW billion)	113.2	97.8	15.8%	37.8	36.2	4.2%
EBITDA (KRW billion)	7.4	9.7	(23.9%)	3.5	4.0	(12.6%)
EBITDA margin	6.5%	10.0%	(3.5%p)	9.2%	11.0%	(1.8%p)
Pipeline length ²	564km	535km	5.4%	564km	535km	5.4%
Penetration rate ²	71.8%	70.6%	1.2%p	71.8%	70.6%	1.2%p

- Sales volume decreased by 7.1% to 108 million m³ during the Period due to higher average temperature during winter (Jan-Feb) vs. pcg and the slowdown in economy.
- Revenue increased by 15.8% to KRW 113.2 billion because the increase in the average KOGAS wholesale tariff is passed through to SRB's revenue.
- EBITDA declined by 23.9% to KRW 7.4 billion, and the noticeable difference between volume & EBITDA change % is due to the one-off seasonal effect arising from the recent adjustment in the calculation method of cost of goods sold of SRB. On an annual basis, volume & EBITDA change % are expected to be similar.

1. Revenue is mostly impacted by sales volume, KOGAS wholesale tariff and retail distribution tariff. Average wholesale tariff has been increasing due to a rise in the natural gas price, and such increase has impacted both revenue & cost of goods sold

2. As at the end of each period; penetration rate is for residential

3

Investment in
CNCITY Energy Co., Ltd.



Company & Business Overview¹

Company Overview

Company Name	CNCITY Energy Co., Ltd. ("CNCITY")
Establishment	1985
Business Areas	Retail distribution of city gas / heat & electricity generation
Total Assets / Revenue ²	KRW 734.9 billion / KRW 897.2 billion (city gas 87%, heat & electricity 13%)

Business Overview: City Gas

Distribution Area (penetration rate ³)	Daejeon City and Gyeryong City (95%)
Pipeline Length	Total 1,748km
No. of Users	683,796
Amount of Gas Distributed	739 million m ³
Gas Distribution by User Type	Residential: 55% / General & Commercial: 21% / Industrial: 13% / Others: 11%

Business Overview: Heat & Electricity

Facility Capacity	113 MW capacity combined heat & power plants
Products & Users	- Electricity: customers in Daejeon City & Korea Power Exchange - Heat/steam: ~60k users across 11 regions in Daejeon City (heat) and 24 industrial users (steam)
Volume Sold	- Electricity: 160,077 MWh - Heat/steam: 987,819 gcal

1. Source: Korea City Gas Association and the audit report of CNCITY; all figures are as at 31 Dec 2022 or on a 2022 annual basis

2. Total assets are based on FY2022 consolidated basis financial statements of CNCITY and revenue is the sum of CNCITY's FY2022 revenue and FY2022 revenue of an affiliate which CNCITY acquired in 2022

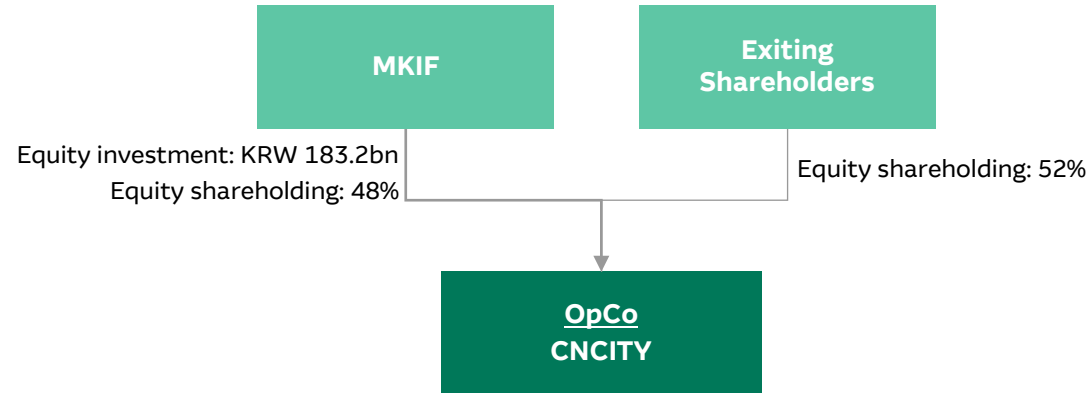
3. For residential

City Gas Distribution Area



Investment Structure

Investment Structure¹



Class of Stocks

(Unit: number of shares)

	Class 1 Preferred Stock ("Class 1 PS")	Class 2 Preferred Stock ² ("Class 2 PS")	Common Stock ²	Total (shareholding %)
MKIF	2,207,437	-	-	2,207,437 (48%)
Existing shareholders	-	45,000	2,343,695	2,388,695 (52%)
Total	2,207,437 (48%)	45,000 (1%)	2,343,695 (51%)	4,596,132 (100%)

1. Post investment by MKIF; MKIF's equity investment amount excludes transaction cost
2. 45,000 Class 2 PS shares do not have voting rights; Common stockholders have the right to convert part of their common shares to Class 3 Preferred Stock ("Class 3 PS")
3. Dividends for all preferred stocks (Class 1, 2, 3) are calculated by applying the respective dividend rate to the per-share price equivalent to MKIF's per-share acquisition price of CNCITY's shares
4. Year 0 = the year which the closing of the Investment is completed (2023)
5. If the dividend payment obligation is not met in a certain year, 6% penalty interest rate is applied to any unpaid dividend amount and such penalty is added onto the dividend obligation in the following year; the penalty interest rate is simple interest during years 1 - 5, and compounded interest since year 6
6. The difference between the sum of actual dividend payments made to Class 1 PS and Class 2 PS shareholders and the total amount of dividend payments supposedly made to Class 1 PS and Class 2 PS shareholders if an annual dividend rate of 6% is applied; an additional interest rate of 6% is applied to the remaining 50% of dividend shortfall payable in year 7

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Dividend Payment Policy³

Year* since MKIF Investment ⁴	Class 1 PS & Class 2 PS (cumulative ⁵ , participating)	Class 3 PS ² (cumulative, participating)	Common stock ²
Years 1 - 5	Annual dividend rate of 6% - Pay annual dividend of 4.5% for years 1 - 5 - Pay dividend shortfall ⁶ during years 6 - 7	Pay annual dividend of 1.5% only after meeting the dividend payment obligations of Class 1 PS & Class 2 PS	Additional Dividends are payable upon (i) meeting the dividend payment obligations of all classes of preferred stocks (Class 1, 2, 3) and (ii) relevant shareholder resolution is passed
Year 6	- Pay annual dividend of 6% - Pay 50% of dividend shortfall ⁶		
Year 7	- Pay annual dividend of 6% - Pay 50% of dividend shortfall ⁶		
Year 8+	Pay annual dividend of 6%	After meeting the dividend payment obligations of Class 1 PS & Class 2 PS, Catch up until the accumulated dividend rate of Class 3 PS becomes equivalent to that of Class 1 PS & Class 2 PS	Additional Dividends must be paid to all shareholders (Class 1 PS, Class 2 PS, Class 3 PS and common stock) pro-rata to their shareholding

4

Follow-On Offering



2023 Follow-on Offering

- **Offer Size:** 30,935,808 new common shares (7.64% of previous outstanding shares) (the “New Shares”) / KRW 361.0 billion
- **Use of Offering Proceed¹:**
 - KRW 128.0 billion: investment in the Incheon-Gimpo Expressway project, as disclosed by MKIF on 14 March 2022
 - KRW 186.7 billion: investment in CNCITY Energy Co., Ltd., as disclosed by MKIF on 2 June 2023
 - KRW 43.8 billion: restoration of liquidity for potential future investments by MKIF
- **Offer Type:** a rights offering followed by a public offering of forfeited shares
 - Shareholders registered to MKIF’s shareholders’ registry on 29 Jun 2023 (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 18 Jul 2023 to 24 Jul 2023
 - 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 11,670 per share (determined by applying the pre-determined discount rate of 3.5% to the reference price²)
- **Subscription:**
 - Warrant holder subscription: 1 Aug 2023 to 2 Aug 2023
 - Public offering subscription: 4 Aug 2023 to 7 Aug 2023
- **Offering Proceed and Listing:** MKIF expects to receive the proceed on 9 August 2023, and the New Shares are expected to be listed on the Korea Exchange on 21 Aug 2023
- **MKIF Impact:**
 - MKIF’s share capital will increase to KRW 2,807.4 billion (KRW 358.5 billion¹ increase from the previous share capital of KRW 2,448.9 billion)
 - MKIF debt ceiling will increase to KRW 842.2 billion⁴ (KRW 107.6 billion increase from the previous debt ceiling of KRW 734.6 billion⁴).

1. Based on net offering proceed of KRW 358.5bn, calculated by subtracting the issuance costs of KRW 2.5bn from the offering proceed of KRW 361.0bn

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

3. Schedule may vary based on the results of the review of the registration statement by the Financial Supervisory Service

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

A

Appendix



Management Fee

(As at 30 June 2023)



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 195.4 billion¹ outstanding as at the quarter.
- Management Fee is calculated and paid on a quarterly basis.



* NIV for any quarter equals:

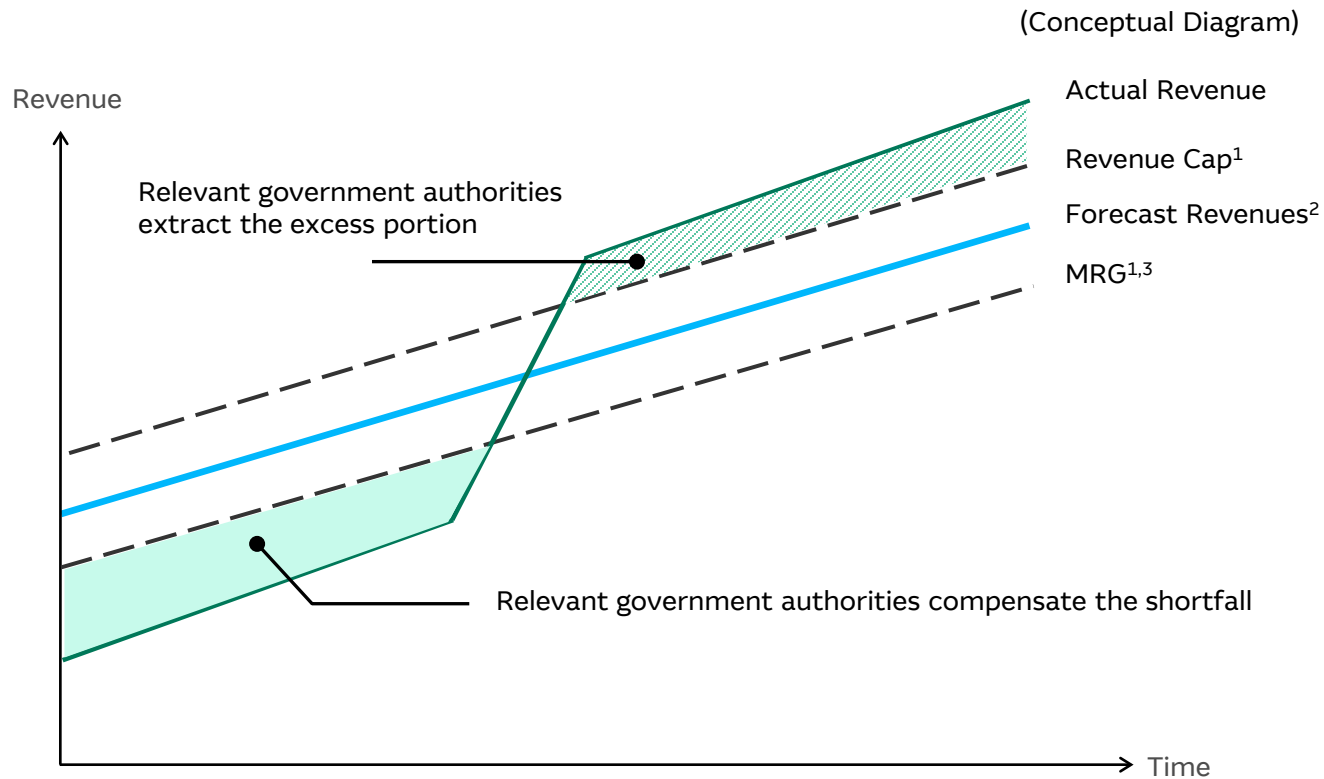
- The average market capitalisation² of MKIF over all trading days in the quarter
- NIV is adjusted down by MKIF net debt (debt minus cash & cash equivalents) when net debt is a negative figure.

1. Investment commitments in Dongbuk Urban Railway Co., Ltd. (KRW 9.0bn), Incheon-Gimpo Expressway Co., Ltd. (KRW 3.2bn) and CNCITY Energy Co., Ltd. (KRW 183.2bn); the entire commitment of KRW 183.2bn for CNCITY Energy Co., Ltd. was invested on 25 July 2023

2. Based on volume weighted average trading price for the quarter

Minimum Revenue Guarantee (MRG)

(As at 30 June 2023)



- 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
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Performance of the Project Companies in Operation¹

(Unit: KRW mil)

Project Company	2022						2021					
	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.	29,578	(4,770)	24,808	25,984	84%	1.0x	27,864	(4,494)	23,370	40,512	84%	1.7x
Kwangju Beltway Investment Co., Ltd. ⁴	46,349	(8,757)	37,592	(2,549)	81%	(0.1x)	45,308	(8,957)	36,351	(3,529)	80%	(0.1x)
New Airport Hiway Co., Ltd.	165,005	(32,187)	132,818	(126,474)	80%	(1.0x)	139,345	(32,998)	106,347	(131,065)	76%	(1.2x)
Soojongsan Investment Co., Ltd.	25,987	(4,984)	21,003	(13,597)	81%	(0.6x)	25,117	(5,043)	20,074	(17,104)	80%	(0.9x)
Cheonan Nonsan Expressway Co., Ltd.	279,750	(38,391)	241,359	(363,328)	86%	(1.5x)	264,696	(37,738)	226,959	(335,033)	86%	(1.5x)
Woomyunsan Infraway Co., Ltd. ⁴	23,431	(5,008)	18,423	(23,578)	79%	(1.3x)	26,048	(4,795)	21,253	(17,838)	82%	(0.8x)
Kwangju Ring Road Company Ltd.	26,476	(8,315)	18,160	(16,761)	69%	(0.9x)	25,247	(6,991)	18,256	(17,738)	72%	(1.0x)
MCB Co., Ltd. ⁴	39,849	(6,984)	32,865	(3,251)	82%	(0.1x)	37,182	(5,975)	31,208	(3,854)	84%	(0.1x)
Gyeongsu Highway Co., Ltd.	61,213	(16,861)	44,352	315,562	72%	7.1x	62,748	(15,384)	47,364	326,891	75%	6.9x
Seoul-Chuncheon Highway Co., Ltd. ⁴	170,356	(27,340)	143,017	235,314	84%	1.6x	181,687	(27,267)	154,420	295,898	85%	1.9x
Incheon Bridge Co., Ltd.	109,515	(18,150)	91,365	201,645	83%	2.2x	101,199	(16,163)	85,035	261,398	84%	3.1x
Busan New Port the 2nd Rear Road Co., Ltd.	15,401	(6,896)	8,505	282,221	55%	33.2x	13,972	(6,796)	7,176	269,864	51%	37.6x
Incheon-Gimpo Expressway Co., Ltd. ⁵	59,630	(10,439)	49,191	616,679	82%	12.5x	57,098	(9,518)	47,580	627,292	83%	13.2x
BNCT Co., Ltd.	167,046	(82,505)	84,540	520,366	51%	6.2x	145,949	(70,703)	75,247	557,985	52%	7.4x
Haeyang Energy Co., Ltd.	743,710	(688,797)	54,913	(41,466)	7%	(0.8x)	534,324	(483,066)	51,259	(54,002)	10%	(1.1x)
Sorabol City Gas Co., Ltd.	207,107	(191,248)	15,859	(28,776)	8%	(1.8x)	134,906	(121,824)	13,083	(26,328)	10%	(2.0x)
Proportionate sum & average⁶	1,515,430	(996,654)	518,775	408,677	34%	0.8x	1,202,972	(713,778)	489,194	487,470	41%	1.0x

1. Based 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 loans backed by the relevant authority were excluded and the cash balance of Surplus Income Account (which is overseen by the relevant authority) were excluded

5. As MKIF invested in the subordinated debt of Incheon-Gimpo Expressway Co., Ltd. on 14 Mar 2022, the subordinated debt was excluded from net debt calculation for 2021

6. On a proportionate average basis based on MKIF's equity interest in each project company on 30 Jun 2023 (margin and multiple are averages, other figures are sums)

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MKIF Investment Details¹

(As at 30 June 2023)

(Unit: KRW bn)

Project Company	Asset Abbrev.	Equity	Ownership (%)	Subordinated Debt	Senior Debt	Total
Baekyang Tunnel Ltd.	BYTL	1.2	100%	-	1.0	2.2
Kwangju Beltway Investment Co., Ltd.	KBICL	33.1	100%	85.2 ²	38.3	156.6
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	4.2	18.16%	161.8	-	166.0
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
Incheon-Gimpo Expressway Co., Ltd.	IGEX	43.7	22.8%	84.3	-	128.0
BNCT Co., Ltd.	BNP 2-3	66.4	30%	193.0	-	259.4
Dongbuk Urban Railway 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
CNCITY Energy Co., Ltd.	CNCITY	183.2	48%	-	-	183.2
Total		782.1		1,663.0	54.3	2,499.4
Percentage (%)		31.3%		66.5%	2.2%	100%

1. Based on MKIF's investment amounts (including investment commitment in Dongbuk Urban Railway Co., Ltd., Incheon-Gimpo Expressway Co., Ltd. and CNCITY Energy Co., Ltd.)

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

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Government Support Payment Provisions¹

(As at 30 June 2023)

(Unit : year, %)

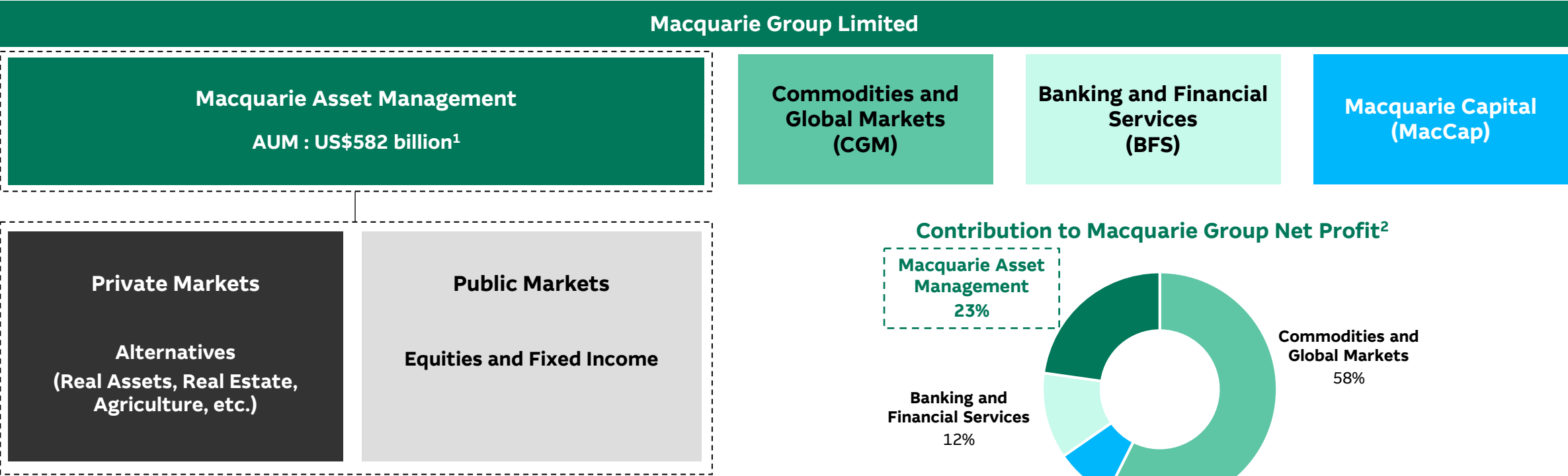
Asset	Competent Authority	Concession Term	Remaining Concession Term	Support Payment Duration	Remaining Support Payment Duration	Revenue Guarantee Threshold ²	Revenue Cap Threshold ^{2,3}	Remarks
Baekyang Tunnel	Busan Metropolitan City	25.0	1.5	25.0	1.5	90%	110%	
Gwangju 2nd Beltway, Section 1	Gwangju Metropolitan City	28.0	5.5	28.0	5.5	Investment cost compensation		Competent authority provides agreed cashflow to concessionaire to guarantee MKIF investment return
Soojungsan Tunnel	Busan Metropolitan City	25.0	3.8	25.0	3.8	90%	110%	For toll revenue below 90%, Busan Metropolitan City is obligated to compensate 91.5% of the shortfall amount
Gwangju 2nd Beltway, Section 3-1	Gwangju Metropolitan City	30.0	11.4	30.0	11.4	90%	110%	
Machang Bridge	GSND ⁴	30.0	15.0	30.0	15.0	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	16.1	15.0	1.1	60%	140%	
Incheon Grand Bridge	MOLIT ⁴	30.0	16.3	15.0	1.3	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 MAM Real Assets

MAM Real Assets is a division under Macquarie Asset Management (MAM) within Macquarie Group and has a 27-year track record in global infrastructure investment and management.

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



1. As at 31 Mar 2023
2. Based on FY2023 (1 Apr 2022 – 31 Mar 2023) net profit
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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 Asset Management (MAM) applies to its fund management activities to the extent relevant and possible. MAM aims to improve the sustainability performance of its portfolio companies by addressing material ESG issues and opportunities to enhance long-term value for our investors. MAM 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. MAM also regularly collect a range of ESG data from portfolio companies, allowing us to track and support improvement of their ESG performance. 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, we take our responsibility to address climate change risks seriously. As stewards of these vital businesses, we 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) announced a commitment to investing and managing our 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.

We look forward to working with our investors, portfolio companies, regulators and other stakeholders to achieve these transformational objectives for the benefit of all. We remain grateful for these partnerships and we welcome continued engagement as we 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.