Factsheet - as of 30 April 2021
infra300® index

The most representative view of global unlisted infrastructure equity investment performance.

DESCRIPTION

The objective of the infra300® index is to replicate a broad market exposure to the different TICCS® segments of the unlisted infrastructure reference universe in the most active markets in the world. It provides a genuine view of how the broad infrastructure asset class performs across strategies and styles gross of fees or other costs. The index is calculated monthly as total return index and adjusted annually.
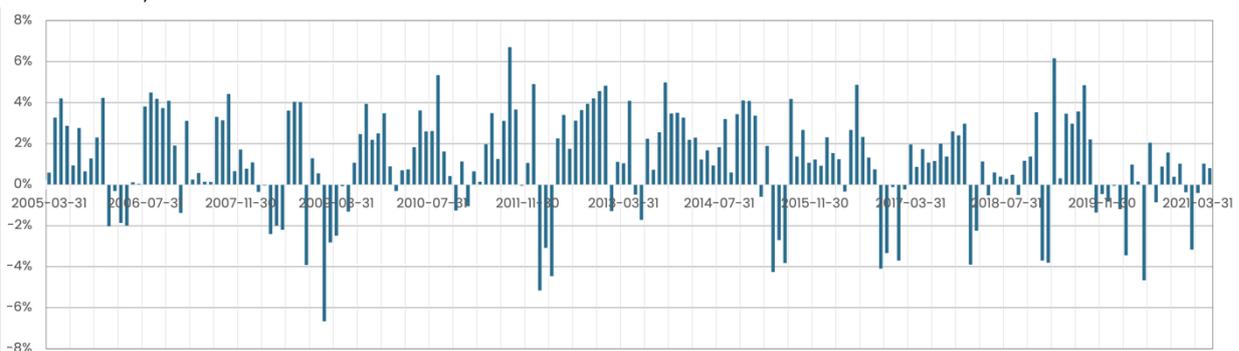
HISTORICAL PERFORMANCE

Local currency returns

MONTHLY TOTAL RETURNS

Local currency returns

INDEX CHARACTERISTICS

Index code	ed833c2c		Base value / date	1000 / 2005-03-01
Bloomberg	infra300*		Last price	7912
Index calculator	Scientific Infra		Dividend yield	7.80%
Index type	Global		Calculation	2021-04-30
Index currencies	Local/USD/EUR/GBP/AUD/hedged		Index launch	2019-06-31
Index constituents	300		History	available back to 2000-03-01
Market cap (USD)	247.3bn			

* only available as quarterly time series in Bloomberg

Infra300® ANALYTICS

GROSS EXPECTED RETURNS (mean and quartiles) as of 31 March 2021

	1st Quartile	Median	Mean	3rd Quartile
Last 6 quarters	6.63	8.11	8.25	9.52
Last 5 years	6.48	8.16	8.14	9.54
Last 10 years	7.36	9.16	9.27	10.85

REALISED PERFORMANCE** as of 31 May 2021

	1M	6M	YTD	1YR	3YR*	5YR*
Total returns	0.81%	-1.15%	-2.15%	-1.93%	4.69%	4.93%

* Annualised, ** Local currency returns, data available in USD, EUR, GBP, AUD, JPY and hedged

YOY CASH YIELD as of 31 March 2021

	1YR	3YR	5YR	10YR
Income return*	7.1%	8.1%	8.1%	8.9%
Capital return*	-10.9%	-2.9%	-0.9%	5.5%

* Annualised

RISK as of 31 March 2021

SHARPE RATIO			MAX DRAWDOWN			99.5% VaR*		
3YR	5YR	10YR	3YR	5YR	10YR	3YR	5YR	10YR
0.37	0.44	0.99	-10.3	-10.5	-11.7	17.1	19.7	21.2

* Cornish-Fisher

TICCS® ALLOCATIONS

FIVE FAQs ABOUT THE infra300 INDEX (find out more at docs.edhecinfra.com)

How can I use this index to prepare a request for proposals (RFP)?

When preparing a new RFP for a private infrastructure equity mandate, the infra300® index provides a representative market index that captures the evolution of the asset class over time and informs forward looking returns. With the infra300 index you can design your RFP and benchmark responses relative to a broad index tracking 300 investments in 22 countries. If you want to issue an RFP for a global mandate, the infra300® index is a good starting point. You may receive responses that are in line with this benchmark. If they are significantly higher, they are likely to be driven by backward-looking exit hypotheses, or not really be pure infrastructure investments.

What happened to unlisted infrastructure equity returns since 2000?

Unlisted infrastructure equity investments have become more in demand amongst investors for the past two decades. While these investments are risky, higher demand has led to a significant repricing over time, especially between 2009 and 2017. Lower risk premia led to significant capital gains. In recent years, expected returns have stabilised at around 8% for the infra300® universe. Recently, realized returns have underperformed expected returns because of Covid 19 and increasing interest rates in late 2019 and early 2021. The cash yield of infrastructure companies remains one of its most attractive features at 7-8% year-on-year.

How is the infra300 index designed?

The infra300® index is designed as a representation of a broader universe of c.6,800 investible unlisted infrastructure companies identified in 25 key markets. The objective of the index is to match the TICCS® allocations of the universe i.e. to represent the range of business models (regulated, merchant, contracted), industrial activities (Transport, Data, Network Utilities, Renewables, etc.) and corporate structures (project finance vs. corporates) that have been available to investors over time since 2000.

Where does the data come from?

Constituent-level data is hand collected, updated, and analysed each quarter based on the latest available financials and market information. Secondary market transaction price data is used to calibrate an asset valuation model (see below). Risk-free rate data is sourced from Bloomberg.

How is index performance computed?

The infra300® is a calculated index (as opposed to a contributed one). Each month, the market value of its constituents is re-estimated using a DCF method based on revised expected cash flows, changes in the risk-free rate term structure and changes in each constituent's risk premia. The risk premia of each constituent is the result of a linear combination of risk factor exposures and premia which are re-estimated on each quarter-end date based on recent secondary market transactions. Between quarters, the risk premia is linearly interpolated and risk-free data updated to obtain discount rates.

APPENDIX: Compliance of the infra300® index with the 2013 IOSCO principles for financial benchmarks

Governance
Appropriate governance arrangements are in place to protect the integrity of the Benchmark determination process and to address conflicts of interest:
- A single entity is responsible for all aspects of the benchmark determination process.
- No activities related to the benchmark determination are undertaken by third parties.
- There are no conflicts of interests related to the entity responsible for the benchmark determination process.
- A control framework is in place to monitor and validate the inputs and outputs of the benchmark determination process.

Quality and transparency of the Benchmark
- The data used to construct the infra300 is based on prices formed by the competitive forces of supply and demand in the 25 most active markets and are anchored by hundreds of observable transactions entered at arm's length between buyers and sellers in the market for unlisted infrastructure equity.
- The benchmark is built based on clear rules regarding the hierarchy of data inputs and the exercise of expert judgment used for the determination of infra300 index.
- Each publication of the infra300 index is the object of a concise explanation sufficient to facilitate a subscriber's or market authority's ability to understand how the index determination was developed, as well as a concise explanation of the extent to which and the basis upon which judgment, if any, was used in establishing a determination. This data is published on the EDHECinfra website each quarter.
- EDHECinfra conducts periodic reviews (annual and bi-annual) of the conditions in the underlying market for unlisted infrastructure equity to determine whether it has undergone structural changes that might require changes to the design of the methodology.

Quality of the Methodology
- Detailed methodology and technical documentation of the approach and methods used to make infra300 determinations, with sufficient detail to allow stakeholders to understand how the infra300 is derived and to assess its representativeness, its relevance to Stakeholders, and its appropriateness as a reference for financial instruments are available on the EDHECinfra website (docs.edhecinfra.com).
- The rationale of any proposed material change in the infra300 methodology and procedures for making such changes are made available on the same website.
- Guidelines for data submitters (Data Contributor Code of Conduct) is available on the EDHECinfra website.

Accountability
- Stakeholders may submit complaints concerning about specific infra300 determinations.
- EDHECinfra preserves an audit trail and cooperates with regulators at their demand.