



Delft Partners Global Infrastructure is a global listed equity strategy.

We select between 40 and 60 stocks that possess a superior combination of preferred characteristics from a universe of over 400 securities.

- ESG is a key component of our fundamental research.
- We do not invest in companies where we believe poor Governance is likely to penalise shareholders.
- We do consider investing where our ESG assessment is likely to improve.
- Where possible we verify our portfolio ESG exposure relative to benchmarks with a quantitative score.

### BENEFITS

- A high quality investment approach that provides access to attractively valued stocks in the strategy universe with a proven ESG compliant process.
- Above market and peer group performance

For additional information please visit [www.delftpartners.com](http://www.delftpartners.com)

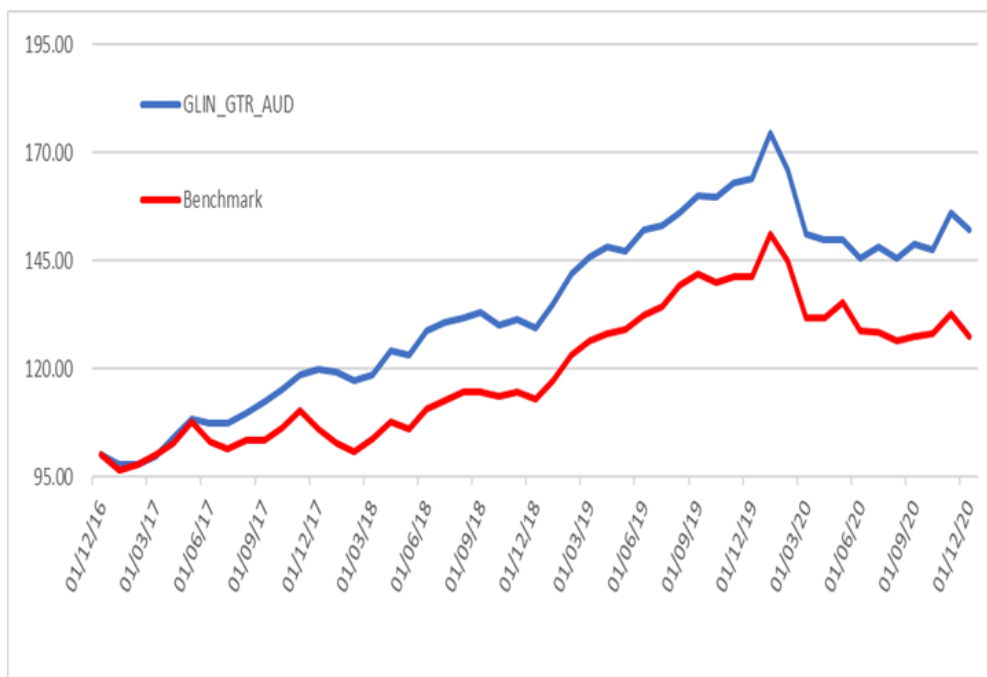
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### PERFORMANCE\* Value of AUD 100 since inception



Periods ended 31 Dec 2020	1 Month	3 Months	1 Year	2 Years	Since Inception
Portfolio*	-2.5%	2.3%	-7.2%	8.5%	11.1%
Benchmark^	-3.9%	0.0%	-9.7%	6.3%	6.2%
Active	1.4%	2.3%	2.7%	2.1%	4.6%

\*Model Portfolio total return net of Interest Withholding Tax in AUD, gross of fees

^Strategic Benchmark is 50% MSCI World Core Infrastructure, 50% MSCI World Infrastructure, Inception Date: 30 December 2016, Returns over 1 year are pa

### PORTFOLIO REVIEW & MARKET UPDATE

- The strategy returned +2.4% in US\$ and -2.5% in A\$ as the A\$ rose against a generally weak US\$.
- The backdrop to infrastructure order books and opportunities remains positive. Infrastructure spending will be a key focus. Equity dividend yields from listed infrastructure companies, are very attractive since government bonds are now less of a risk free return and more of a return free risk.
- Promising signs for vaccination to counter Covid-19 and a clean sweep for the Democrats with resulting expectations for unencumbered fiscal policy were the main drivers of risk asset prices.
- Strong performers during the period were North American renewable energy companies TransAlta and AES and Kunlun Energy and Zhejiang Expressway in China. We anticipate a continued push toward renewable energy deployment in the US grid which is now matched by a promise from China to reach a 20% of total output target by 2030. Renewable energy companies remain key and significant parts of the portfolio.
- Economic activity appears most robust in Asia and we remain invested in logistics and transport companies there such as Kintetsu World Express, Mitsubishi Logistics, in Japan and Kerry Logistics and SITC International in Hong Kong. We anticipate a continued shift away from 'single source' supply chains as National Industrial Policy implementation will require secondary or 'plan B' strategies to counter the likelihood of surprise tariffs and embargoes.
- Investors are starved of yield. Listed Infrastructure companies represent an attractive way to obtain yield from businesses which are fundamental and vital to world economic growth.
- The portfolio remains well diversified across sectors and geographies and unhedged for AUD

As at 31 Dec 2020	Portfolio
No. of securities	51
Wtd Avg Market cap	USD 51.2 bn
Price/Earnings	16.1x
Prosp. Sales Growth	5.8%
Dividend Yield	4.2%
Return on Equity	17.6%
Active Risk (vs Bmk)	5.1% pa



The Strategy seeks diversified income sources and long-term capital appreciation through a broad range of infrastructure companies listed on global market exchanges.

Our investment process selects stocks and builds portfolios by combining our quantitative stock analysis model with the team's extensive fundamental equity and market knowledge.

Our value-oriented approach pays careful attention to position sizes, sectoral and country weights.

We ensure that the strategy pays equal attention to risk as to return. It is an actively managed strategy that is meaningfully different from the index.

### Benchmark(s):

50% MSCI World Core  
Infrastructure 50% MSCI World  
Infrastructure

**Investment Objective:** Outperform the Benchmark by 3-5% pa over rolling 5 year time periods.

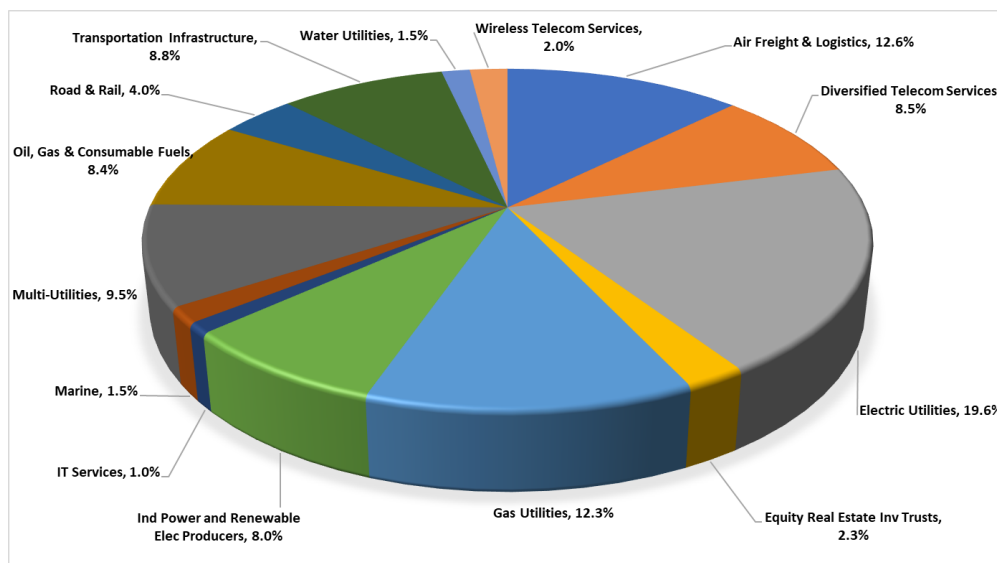
### Portfolio Manager(s):

Robert Swift  
Kevin Smith  
Dugald Ross

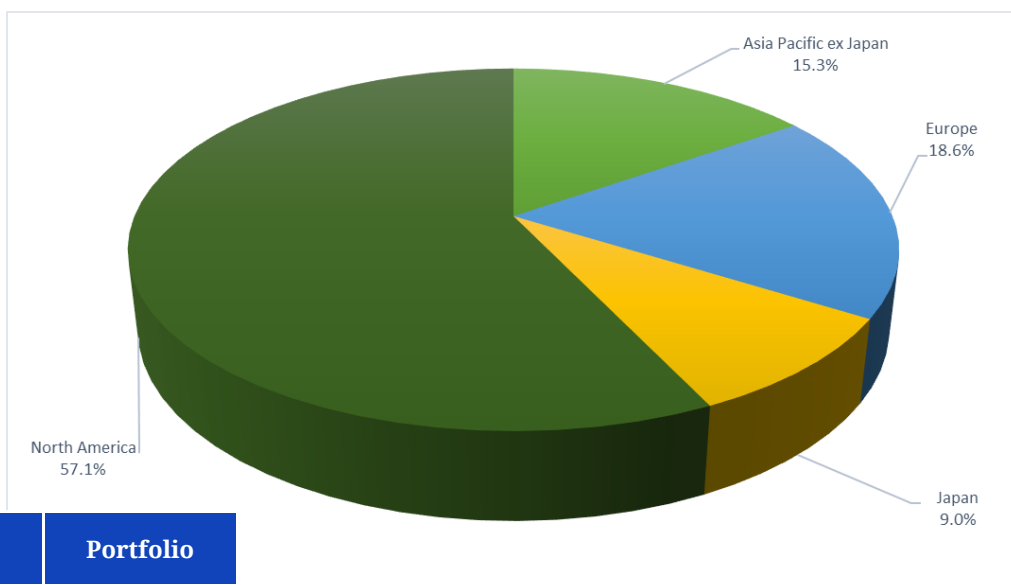
### TEN LARGEST HOLDINGS

Company Name	Region	Portfolio
Verizon Communications	North America	4.5%
Enel S.p.A.	Europe	3.0%
Iberdrola S.A.	Europe	3.0%
Enagas S.A.	Europe	3.0%
TC Energy Corporation	North America	3.0%
Union Pacific Corporation	North America	3.0%
United Parcel Service	North America	2.7%
Deutsche Post AG	Europe	2.5%
FedEx Corporation	North America	2.5%
PPL Corporation	North America	2.5%
<b>TOTAL</b>		<b>29.7%</b>

### SECTOR ALLOCATION



### REGION ALLOCATION



Important note: Performance results are gross of fees and portfolio holdings shown in this fact sheet are based on the model portfolio which is currently offered through Delft Partners Model Portfolio Service. Contact us for further information. Delft tile images are provided by Regts Antique Tiles <https://www.antiquetileshop.com>

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