SPRING 2026

INFRASTRUCTURE PULSE

NORTH AMERICA AND EUROPE

GIIA

ALVAREZ & MARSAL

LEADERSHIP. ACTION. RESULTS.℠

INTRODUCTION

The Infrastructure Pulse survey, compiled by Alvarez & Marsal in collaboration with the Global Infrastructure Investor Association (GIIA), offers a unique insight into market sentiment among the world's leading infrastructure investors.

Launched in 2020, it provides a six-monthly 'temperature check' of the sentiment of investors towards the environment for fundraising, the outlook and prospects for markets and industry sectors, the impact of barriers to investment, and emerging investment trends.

Investor members of GIIA are asked to respond to an online survey that contains a series of closed-ended questions. Interviews are also conducted with selected respondents to secure additional qualitative insights and capture anonymised quotes, which further build a picture of the investor mood.

In its role as the global voice of infrastructure investors, GIIA shares the findings with governments, regulators, policy makers and industry stakeholders. This intelligence aims to enable better decision-making, that in turn leads to policy and regulatory environments in which private investors can better help to close the world's infrastructure funding gaps.

FOREWORD

JON PHILLIPS
Chief Executive Officer
Global Infrastructure Investor Association

The latest edition of our Pulse Survey offers an insight into how investors are reading the current investment landscape through a period of macroeconomic and geopolitical uncertainty.

It rightly recognises geopolitical risk as an increasingly important lens through which decisions on deploying capital must be made, with investors navigating supply chain challenges, energy crises, elections and conflict.

And yet the dichotomy is that, despite this challenging landscape, infrastructure funds raised a record sum of nearly $300 billion in 2025, with fundraising sentiment only improving in comparison to Q4 last year. The indication from many LPs is even that they plan to increase allocations to the asset class in 2026 and beyond.

To benefit from this, governments must deliver clear and credible policy to signal where investors should be confident in making longer-term plays. This is seen in this survey's overall Q2 global outlook, in which countries like Canada or Germany have ranked in first and second place respectively for the attractiveness of current and upcoming opportunities. The two markets have benefitted from initiatives such as Germany's €500bn Infrastructure Special Fund and efforts to improve planning processes. Canada's new administration and its 'Nation Building' program have also powered the market into top place for overall attractiveness for the first time since our surveys began in 2020 – surpassing its North American neighbour.

America's fall behind both Canada and Germany in its attractiveness is also testament to the unpredictable political environment and federal gridlock with which investors are faced. Meanwhile, the UK continues to slowly rebound from the doldrums - largely through growing confidence in efforts to reset the water sector - even against a tricky backdrop of rising political instability and wider regulatory concerns. Europe has also strengthened as a bloc, with the EU and individual markets setting the right early direction in areas such as energy grids and high speed rail. The big question our latest rankings pose is whether the world will continue to capitalize on the current, and perhaps only temporary, dip in US attractiveness.

Data centre deployment, grids, and battery storage are the hot topics to watch this year. Although we know policymakers and the public are rightly scrutinizing these sectors, there continues to be real growth. For example, last year batteries for storage surpassed car manufacturing for the first time ever as the leading driver of US battery supply investments. This comes despite the US market not yet creating batteries at the scale seen in many Asian markets. And one of the well-publicised challenges we're also seeing around the rapid expansion of data centres is their environmental impact – something that industry must reassure policymakers and the public they will mitigate against.

With GIIA marking its 10th anniversary this year, our experience tells us that the asset class will certainly adapt and respond to this shifting landscape. In acting as the global voice of investors over the past decade, our work has sought to highlight to governments just how private infrastructure investment can help them achieve sustainability and net zero goals, support national resilience and security, and ultimately drive economic growth. The expertise of our members is already supporting governments through this new world, as investors plot the future of the asset class and navigate the 'new normal' of global geopolitics.

RAISING CAPITAL

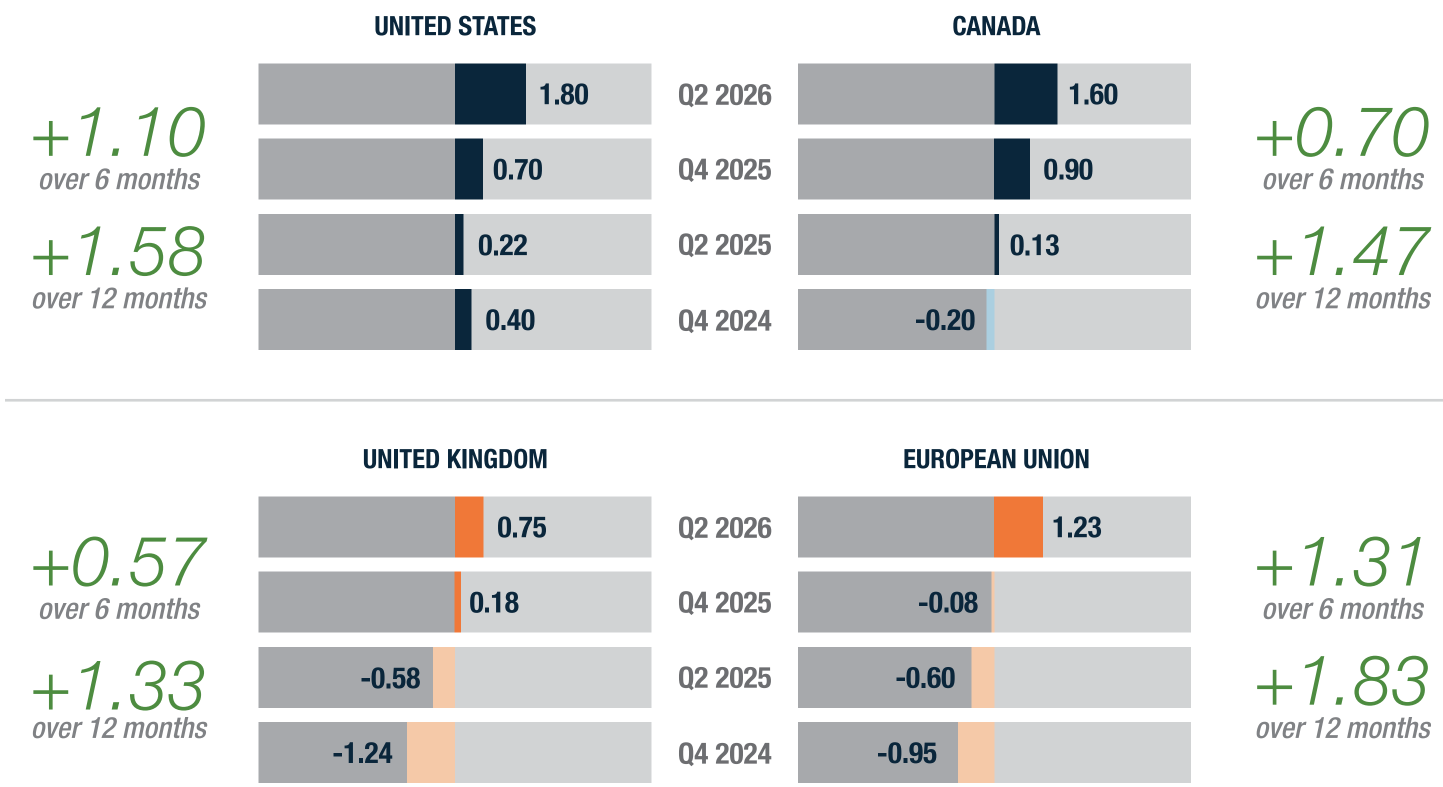
Closed-end infrastructure funds raised nearly US$ 289 billion in 2025, reflecting improved fundraising sentiment among survey respondents compared to Q4 2025 across each of the US, Canada, EU, and UK.

More capital is being raised for diversified super core, core plus, and value added strategies, whilst fundraising remains highly competitive and relatively concentrated, with the top 10 managers receiving about 40% of total commitments.

Despite longer fundraising periods in 2025, higher expected LP allocations to private infrastructure for performance and diversification purposes signals a promising development for the asset class.

The Pulse Survey results suggest that capital remains available but is being directed more selectively toward managers and assets that can demonstrate execution discipline and clearer routes to liquidity. Larger platforms continue to benefit from this dynamic, while secondaries, open-ended strategies and parts of the middle market are attracting attention where they offer flexibility and more varied exit options.

If fundraising, how favourable is the current equity fundraising environment?
(-5: extremely unfavourable, 0: neutral, 5: extremely favourable)



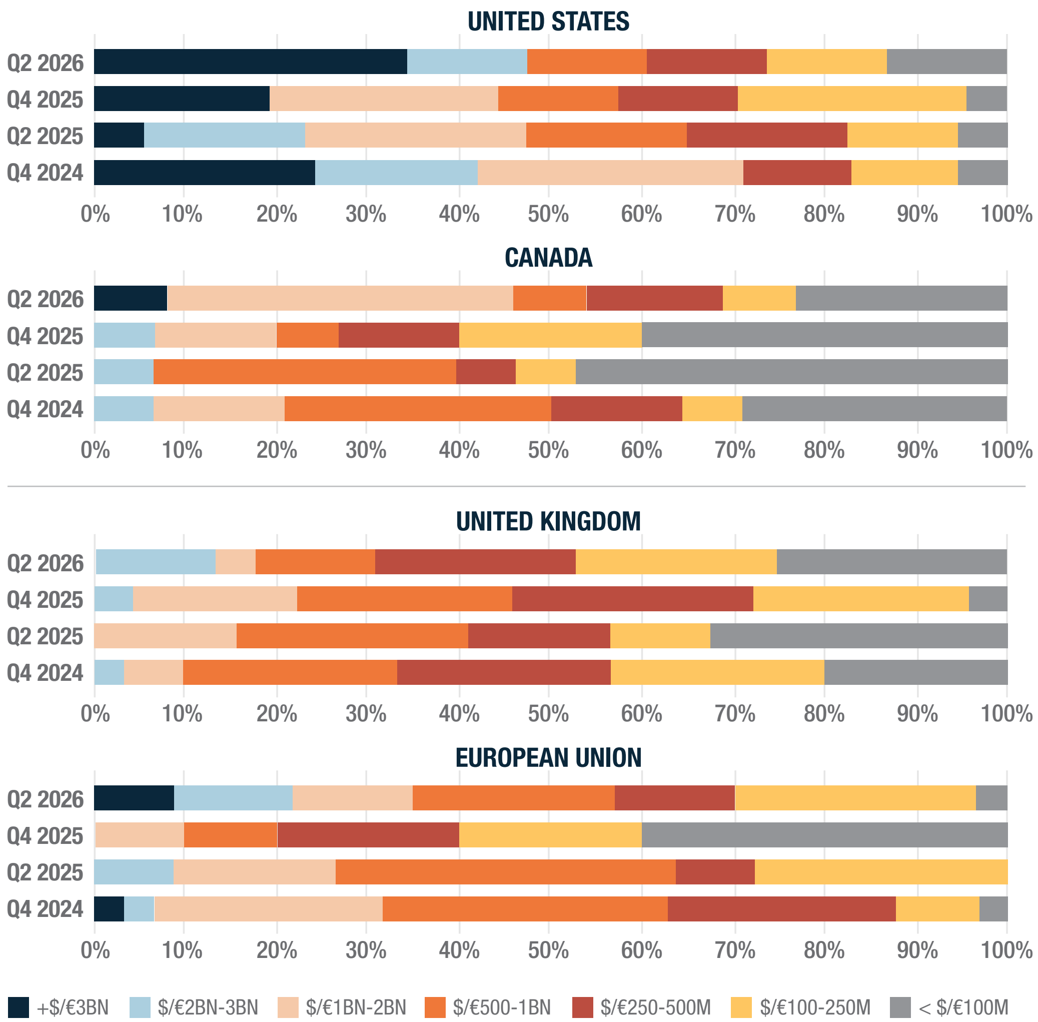
DEPLOYING CAPITAL

Respondents indicated an intention to increase deployment levels across all major markets, with the most notable rise in anticipated commitments exceeding US$ 2 billion compared to Q4 2025.

This increase reflects an improving deal environment, supported by narrowing valuation gaps (as sellers adjust pricing expectations), and a reduction in tariff-related uncertainty relative to 2025. However, respondents noted that transaction timelines are lengthening due to the time taken to convert 'interest' into 'transactions.'

Geopolitical risk has become a more prominent lens through which deployment decisions are made and is becoming the new normal. Many of the survey responses were submitted during the onset of heightened Middle East tensions, and flagged that uncertainties around inflation, energy prices and supply chains have increased downside risk, whilst instability in private credit markets might make it harder to finance deals going forward.

If deploying capital, how much equity do you anticipate deploying in the next 12 months?



DELIVERING NET ZERO AND ENERGY SECURITY

Renewable energy investment was the sector where outlook improved the most in North America between Q4 2025 and Q2 2026.

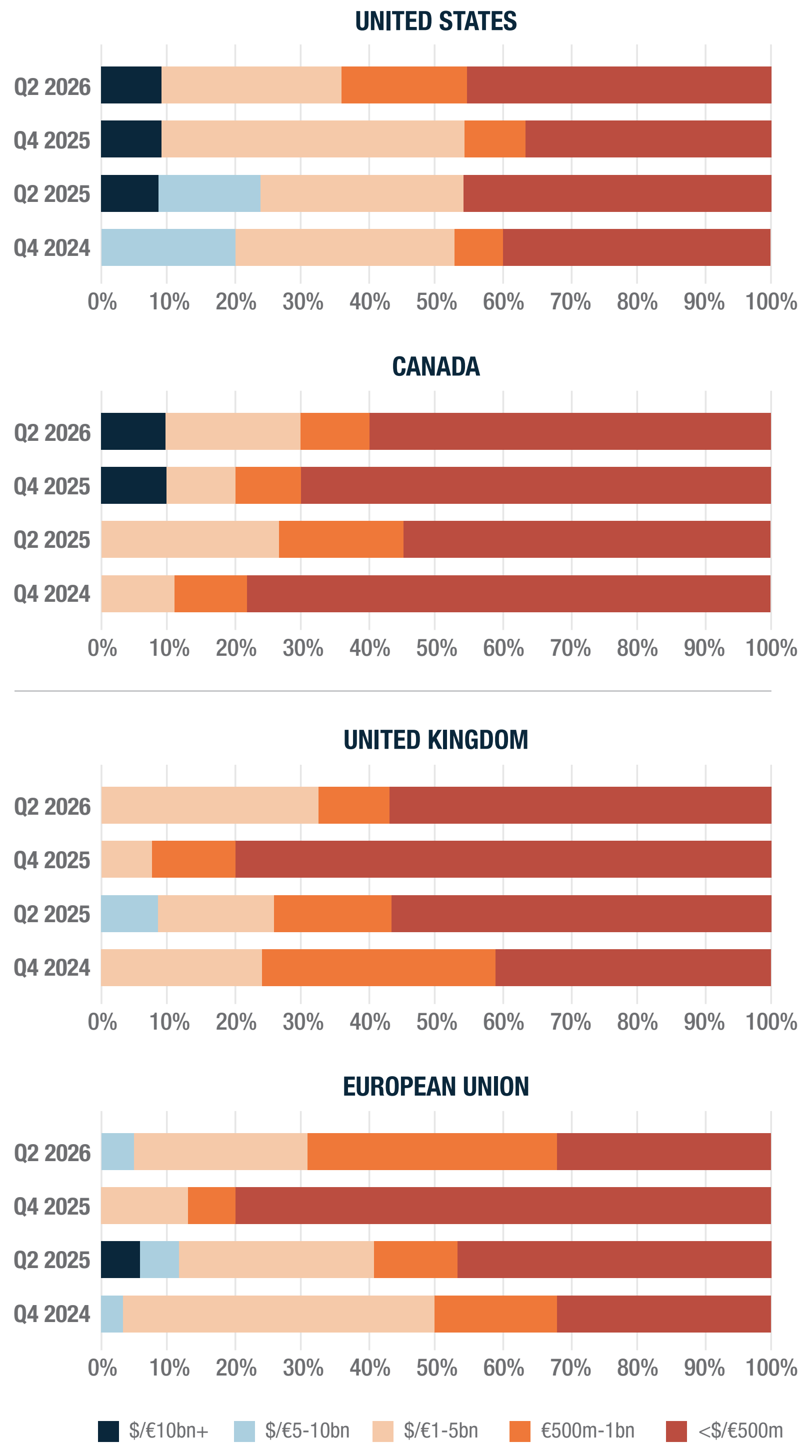
Solar and battery storage have delivered record levels of new capacity to the US grid in recent years, and this trend is expected to continue in 2026, with the US Energy Information Administration forecasting that solar and storage will contribute 51% and 28% respectively to planned 2026 capacity additions. Utilities and independent power producers are investing heavily in these technologies due to significant energy demand, and storage input costs have decreased because of overcapacity in battery manufacturing.

US policy presents a challenge for offshore wind, while presenting opportunities in other areas of the energy stack. In December 2025, the leases of all major offshore wind projects under construction in the US were cancelled on the grounds of national security concerns, although this was subsequently revoked by the courts. Most recently, the US administration has attempted to encourage companies to pivot from offshore wind to fossil generation. UK policy is substantially different to the US from an offshore wind perspective, with record subsidy contracts recently awarded for offshore wind projects. The UK government increased the guaranteed electricity prices under its contracts-for-difference scheme, as part of its ambition to decarbonise the power system by 2030.

Renewable energy investment in Europe has accounted for a large portion of transaction volumes in recent years. This is likely to continue as energy demand scales with new data centre deployment and AI adoption. Hyperscalers are increasingly looking to firm their need for renewable energy supply with modular battery storage solutions. This approach aims to provide a fast, cost-effective alternative to traditional grid power without sacrificing the 24/7 reliability required for data centre operations.

Irrespective of policy, delivery still depends on interconnection, permitting and equipment availability. In many cases, the differentiator is no longer whether demand exists, but whether projects can secure grid access, supply agreements and counterparties moving quickly enough to capture it.

How much investment do you expect to make in existing or new infrastructure assets over the next 5 years to achieve zero carbon emissions in your portfolio?



REGIONAL OUTLOOK

This Pulse Survey suggests an overall positive but differentiated regional outlook.

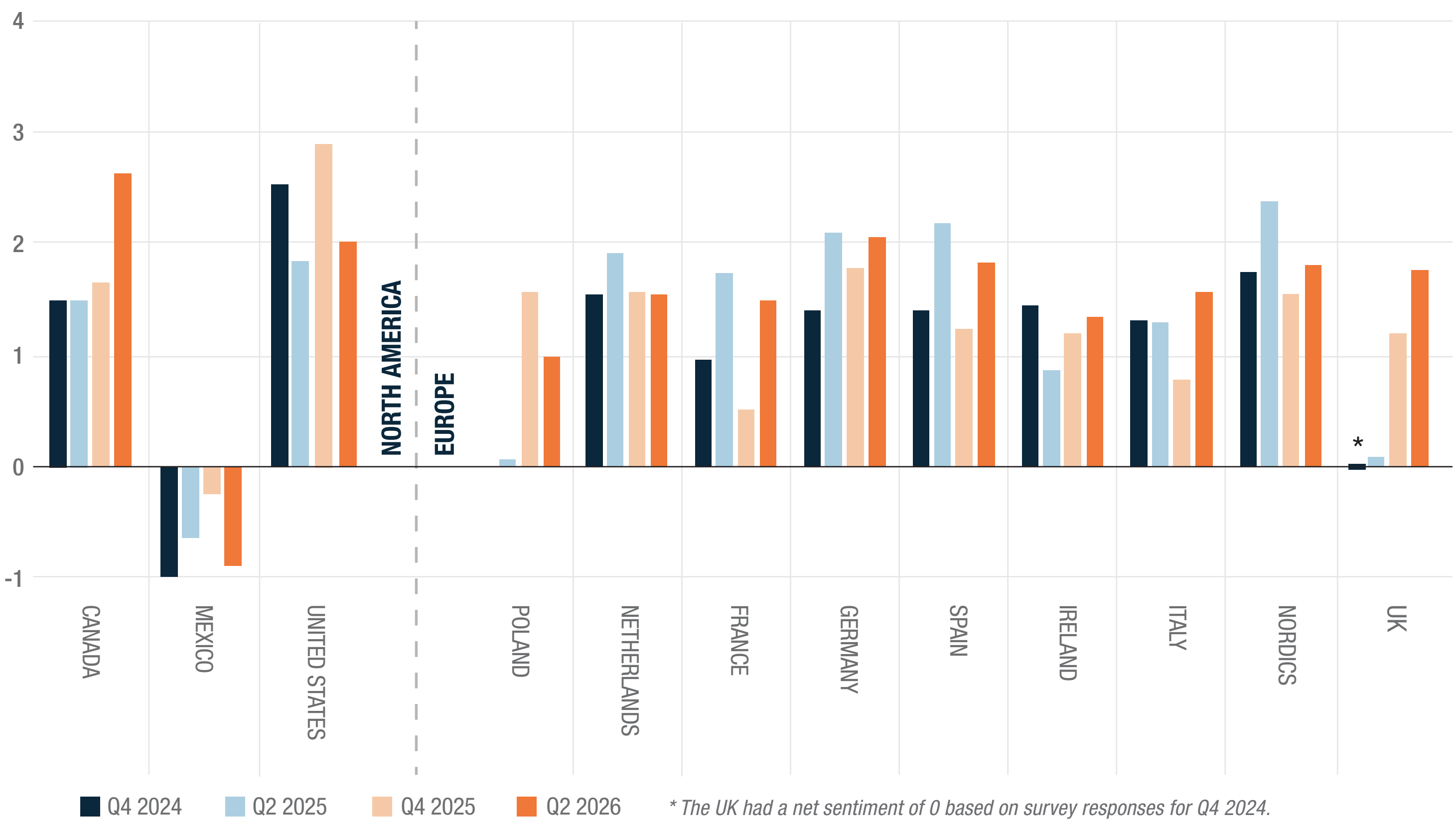
Canada's outlook improved materially, taking the top spot in the survey for the first time. This shift is supported by investor reaction to the government's 'Nation Building' program, which signals a move to infrastructure-led economic development. Initiatives including the establishment of a Major Projects Office to oversee and fast-track national interest projects, coupled with CA$115 billion of federal infrastructure investment alongside renewed provincial commitments, has supported the improved outlook for institutional investors.

Investor sentiment toward the US has softened moderately since Q4 2025. This shift reflects rising political uncertainty tied to US involvement in the Middle East, a 0.9% month-over-month increase in inflation in March 2026, and reduced scope for additional interest rate cuts this year. The upcoming US midterm elections in late 2026 also add further uncertainty.

The UK and almost all major European countries demonstrated an improved outlook in Q2 2026, with reduced differentiation between major countries compared to prior surveys. Europe benefited from a stabilising macroeconomic backdrop, with regard to growth, inflation and monetary policy, and strong demand tied to grids, renewables, digital infrastructure and defence.

Germany was viewed as offering the most attractive investment climate in Europe for the second consecutive quarter and described as a "top priority" market by several respondents. Favourable government sentiment through the €500bn Infrastructure Special Fund, the €30bn Germany Fund, a commitment to climate neutrality by 2045, and efforts to reduce bureaucracy in the planning and approval processes, coupled with a backlog of investment needs, means Germany is seen increasingly as an attractive, safe, and investor-friendly market.

What is your outlook for the attractiveness of, and opportunities for, your fund(s) infrastructure investment in the following countries in the next 6 months? (-5: extremely unfavourable, 0: neutral, 5: extremely favourable)



** The UK had a net sentiment of 0 based on survey responses for Q4 2024.*

SECTOR OUTLOOK

Survey respondents have continued to show the strongest conviction in sectors tied to rising power demand, digitalisation and the energy transition, particularly where assets play an enabling role in the wider system.

There is a significant need for power in the US market, with energy demand forecast to grow 25 per cent by 2030. This is driven by a combination of factors, including data centres (where a doubling of energy demand is forecast) and onshoring of manufacturing and electrification (electric vehicles and heat pumps). All this is reinforcing demand for power generation, storage, grid-linked infrastructure, and power-secure digital assets, all of which showed strong positive and improving sentiment compared to Q4 2025. For the first time, respondents identified Battery Energy Storage Systems (BESS) as the most attractive sector in North America.

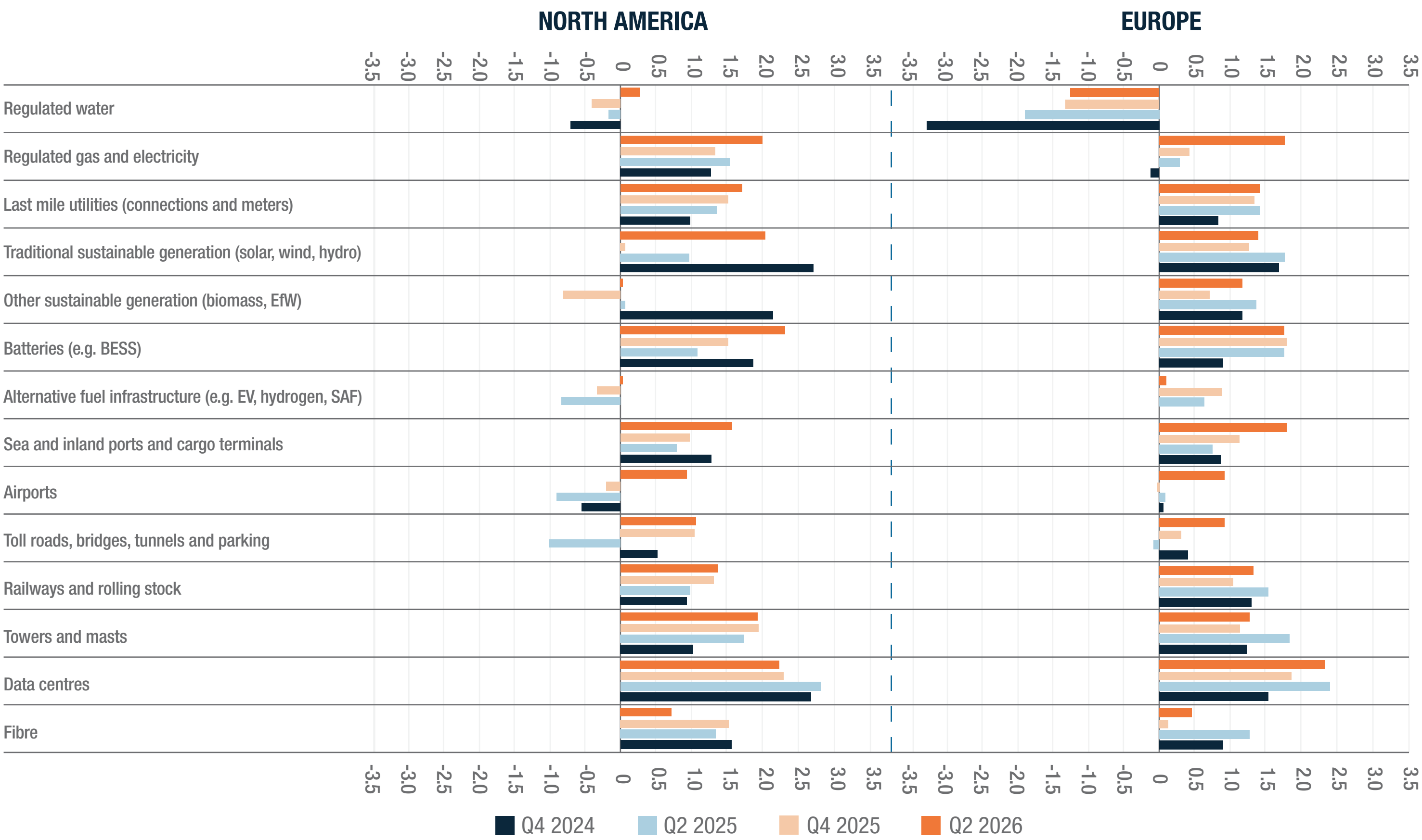
Within the digital infrastructure sector, data centre demand is outstripping supply, with the US serving as the primary driver of global growth and data centres remaining the most attractive investment class in Europe. However, the construction and funding of data centres is becoming increasingly political, most notably in the US, and this trend (and its impact on investor sentiment) will be interesting to monitor in future Pulse Surveys.

Regulated gas and electricity assets have seen a further improvement in sentiment, reflecting the need for an acceleration in investment in power grids to meet rising demand and a changing generation mix, but also – and more importantly – a renewed perception of gas as a core component of the medium term energy mix and as part of the energy transition in an increasingly energy constrained environment.

Sentiment towards transport assets continues to improve following 2025's tariff disruptions, with moderate GDP growth supporting the sector, albeit respondents noted the potential impact on GDP of any prolonged war in the Middle East and its likely impact on future transport asset sentiment.

In the fibre sector, sentiment in both Europe and the US is muted. In Europe, and particularly the UK, the focus is on consolidation of a fragmented market, particularly amongst the smaller operators, rather than significant new market expansion, due to the risk of overbuilding and the tougher economic environment, including rising build costs and greater difficulty acquiring customers.

What is your / your fund(s) outlook for overall infrastructure opportunities for your fund(s) in the following sectors in the next 6 months? (-5: extremely unfavourable, 0: neutral, 5: extremely favourable)



BARRIERS TO INVESTMENT

The survey highlights political instability, funding-model uncertainty and regulation as key barriers to investment, with deteriorations in each of US, Canada and the UK between Q4 2025 and Q2 2026. More stability is noted in EU comparators.

Political instability remains one of the most prominent barriers to investment, especially in the US and UK. The last quarter saw increased geopolitical tension from the conflict in the Middle East. The US has the highest concerns of any region for political instability in 4 out of the last 5 semi-annual surveys. This barrier reflects uncertainty ahead of the US midterms in November 2026 as well as the wider impact of the US campaign in the Middle East.

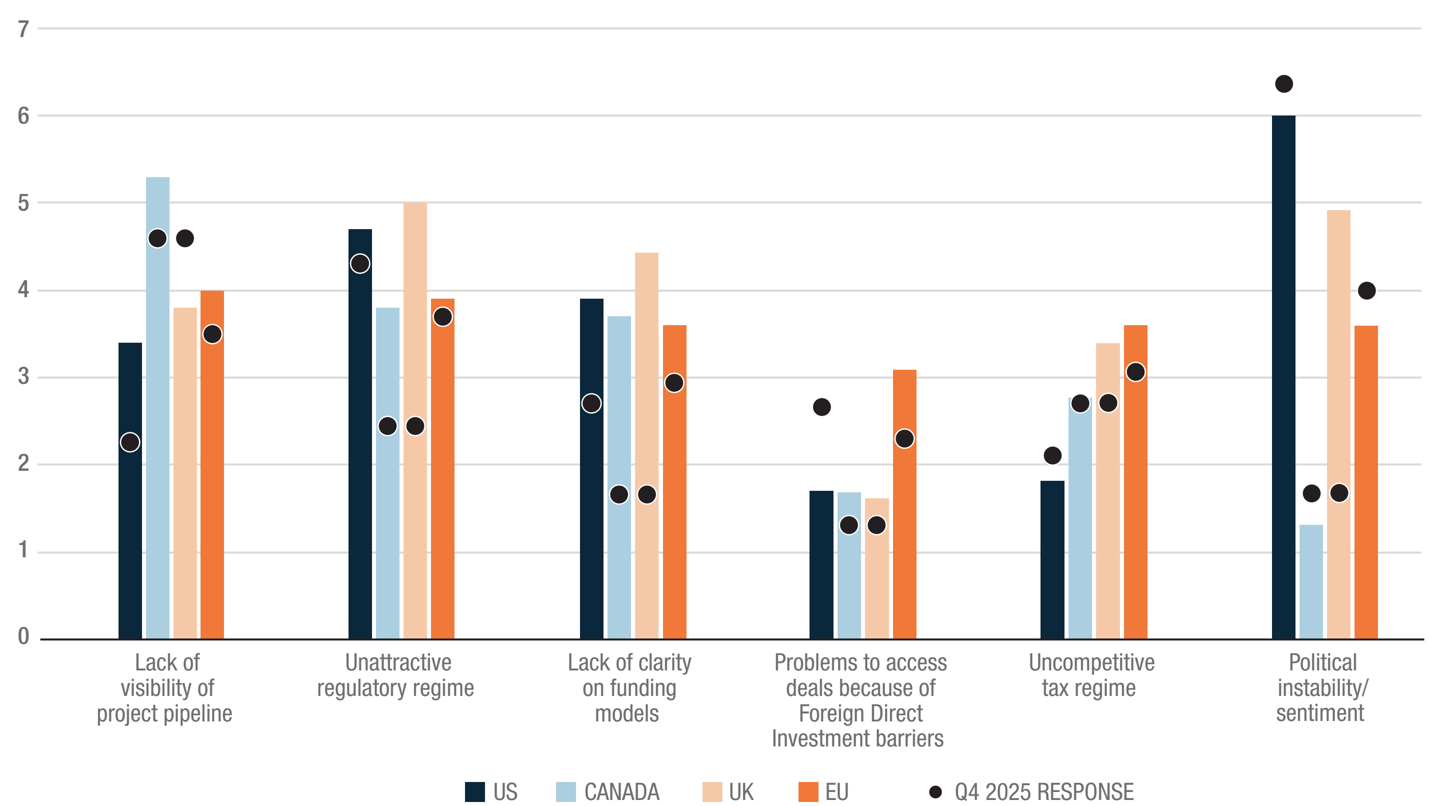
The lack of clarity on funding models is noted most strongly within UK and Canada. For example, the UK is currently considering changing its pricing structure for renewable energy, decoupling it from natural gas prices with implications for both new renewable projects and cash flows from merchant exposed existing projects.

Respondents highlighted unattractive elements of the UK's regulatory regime as the biggest barriers to investment. Comprehensive reforms are pending with the objective of creating clearer accountability, predictability and a proactive maintenance approach, as well as replacing the Office for Water Regulation (Ofwat) and modernising the Office for Gas and Electricity Markets (Ofgem). However, until these reforms are implemented, regulatory uncertainty will continue.

These risks are increasingly showing up inside transactions rather than only in the macro backdrop. Investors are spending more time on policy durability, pass-through mechanisms, and counterparty strength, rather than relying on structural demand alone.

Assets with regulated or contracted revenues, strategic relevance, and clearer delivery paths are therefore likely to retain an advantage. This helps explain why infrastructure is still viewed as a relatively safe haven, even as processes become more complex and risk tolerance narrows.

Which of the following do you view as the key barriers when looking to invest? (0: Not important, 5: Somewhat important, 10: Most important)



ABOUT THE GLOBAL INFRASTRUCTURE INVESTOR ASSOCIATION (GIIA)

GIIA brings together the strength of the world's leading infrastructure investors and advisors into one powerful, global voice.

In the 10 years since our launch in 2016, GIIA has grown from 19 founding organisations to more than 130 investors and advisors, representing $2.2 trillion of infrastructure assets under management across 68 countries.

We have delivered a decade of impact: influencing policy and regulation across the world's leading markets for privately financed infrastructure, championing investors' interests, and shaping the creation of new opportunities for investment through evidence-based arguments and constructive dialogue. For a decade we have sought to 'future proof' the growing infrastructure asset class, working with governments to change mindsets; promoting policy consistency and regulatory clarity; and encouraging transparent, bankable pipelines of investment opportunities.

We help policymakers better understand and reduce obstacles to investment, so that plans for economic growth, sustainability and resilience can be delivered. By influencing policy, we enable opportunities for private investors to own, modernise and maintain essential infrastructure. And in doing so, we highlight how our members are benefitting society, not just through new and improved infrastructure but also through delivering returns to the ultimate beneficiaries of these investments – pension savers and the general public.

www.giia.net

ABOUT ALVAREZ & MARSAL GLOBALINFRASTRUCTURE INVESTORS GROUP

A&M's Global Infrastructure Investors Group helps infrastructure funds, corporates, private equity, sovereign wealth funds, and family offices with comprehensive infrastructure support to deliver strategic and practical bottom lines for maximizing the utilization and value of assets. From inception of fund structuring to deal execution, portfolio optimization, through project delivery and asset disposal, our unrivalled team of transaction experts is dedicated to providing an integrated breadth of service and senior leadership across the entire infrastructure investment lifecycle.

Our deep-rooted projects expertise, combined with reputable due diligence capabilities and operational excellence, are unparalleled within the transaction services market. We offer guidance on clients' most critical project challenges and drive performance in all areas of infrastructure investments, including acquisition and vendor due diligence, risk mitigation, capital efficiency, project execution, financial modelling and cost rationalization. With a global network of more than 3,000 private equity and capital projects professionals across the U.S., Europe, Latin America and Asia, our robust team is comprised of transaction advisory specialists, tax and accounting experts, engineers, former industry operators and C-suite executives, all armed with next-level infrastructure insights to guide you in your next deal.

www.alvarezandmarsal.com

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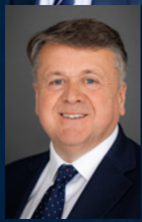

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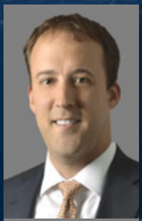

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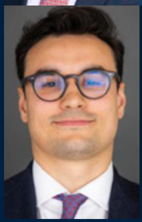

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