

SALT

Salt Global Listed Infrastructure Fund Fact Sheet – October 2025

Manager Profile

Salt is an active fund manager. Our investment philosophy centres on the belief that share markets have characteristics that lead to market inefficiencies that can be exploited over time to deliver superior risk-adjusted returns.

Fund Name Change

As of 13 June, the Salt Sustainable Global Listed Infrastructure Fund is being renamed the Salt Global Listed Infrastructure Fund. There is no change to investment disciplines or approach; however, this aligns the fund better with current global regulatory trends

Investment Strategy

The Fund's investment objective is to outperform (after fees and expenses but before NZ tax) the total return of its benchmark, the FTSE Global Core Infrastructure 50/50 Net Tax Index on a rolling three-year basis. The Fund targets a portfolio of global infrastructure companies with sustainable total return potential and superior Environmental, Social and Governance (ESG) credentials and factor scores with respect to the benchmark index.

Fund Facts at 31 October 2025

Benchmark	FTSE Global Core Infrastructure 50/50 Net Tax Index
Fund Assets	\$139.81 million
Inception Date	18 August 2021
Underlying Manager	Cohen & Steers

Unit Price at 31 October 2025

Application	1.1425
Redemption	1.1379

Investment Guidelines

The guidelines for the Global Listed Infrastructure Fund are:

Global equities	95% – 100%
Cash	0% – 5%

Target investment Mix

The target investment mix for the Global Listed Infrastructure Fund is:

Global equities	100%
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Fund Allocation at 31 October 2025

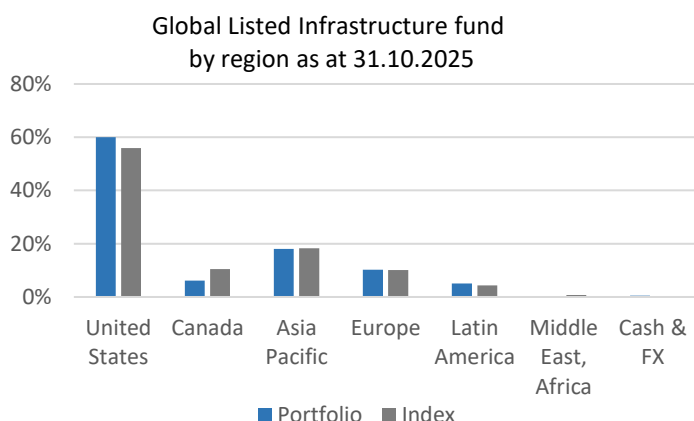
Global equities	99.5%
Cash & short-term, FX forwards (net)	0.5%

Fund Performance to 31 October 2025

Period	Fund Return	Active Return vs. benchmark
1 month	-0.35%	-0.04%
3 month	4.12%	+1.60%
6 month	7.86%	+2.40%
1 year	8.76%	+1.24%
2 years p.a.	19.11%	+2.29%
3 years p.a.	10.67%	+1.97%
Since inception p.a.	7.70%	+2.20%

Performance is before fees and PIE tax and adjusted for imputation credits. Benchmark performance is gross.

Fund regional weightings as at 31 October 2025*



Top 10 holdings		sector	
NextEra Energy	Electric	Sempra Energy	Gas Dist.
The Williams Companies	Midstream	Intl. Container Term Services	Marine Ports
TC Energy	Midstream	CSX	Freight Rail
Union Pacific	Freight Rail	CenterPoint Energy	Electric
Entergy	Electric	National Grid	Electric

The fund's top 10 holdings comprise 40.22% of the portfolio.

Source: Cohen & Steers Monthly Investment Report, 31 October 2025

SALT FUNDS MANAGEMENT

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Sustainability metrics (for information only)

Fund ESG Scores	Portfolio	Index
Cohen & Steers ESG score	6.58	6.43
MSCI ESG score	6.39	6.37

Source: Cohen & Steers Investment Report, 31 October 2025

Market Review

The Salt Global Infrastructure Fund declined modestly in October, by -0.35% (before fees) and performed in line with its benchmark. For the year, the fund has produced a robust 8.8% return and outperformed. Concern about increasing risks to economic growth and heightened volatility amid tariffs and other policy changes persist, but have not yet undermined broad equity markets, due to strong earnings. Infrastructure is resilient in times of slow-downs and is able to adjust to regulatory changes and shocks.

- Markets were mixed over October with developed market equities up +2.8% (in USD terms) over the month while the global aggregate bond index was down -0.3% (in USD). Highlights were initially rising followed by easing trade tensions between the US and China. Despite all the noise, we saw another strong US corporate earnings season.
- US-China trade tensions rose early in the month as China threatened controls on rare earth mineral exports. Later in the month President's Trump and Xi met and agreed to what is best described as a tactical truce in their trade conflict rather than a binding treaty. There is no signed deal, but there was a de-escalation tone to the meeting and channels for discussion have reopened.
- The US Federal Reserve cut interest rates by 25bp, taking the target range for the Fed funds rate to 3.75-4.00%. US inflation data continued to show modest pass through of tariffs into consumer prices, fueling the debate about the relative risks in the US between higher inflation and the weaker labour market. This was highlighted with two dissenters to the interest rate decision, one who would have preferred a deeper cut and one who would have preferred no cut at all. Chairman Powell added a hawkish tone to proceedings by stating further interest rate cuts were far from a foregone conclusion.
- The European Central Bank left interest rates unchanged at their October meeting. They are firmly in wait-and-see mode, retaining their data dependent, meeting by meeting approach. The Statement focused less on risks to the outlook than in September as data releases (PMI, GDP) over the past two weeks have been more positive than expected, supporting the resilience-to-tariffs narrative. The ECB is clearly on hold for the foreseeable future.
- In Japan, Sanae Takaichi succeeded in becoming Japan's first female Prime Minister. She is a firm supporter of the reflationary principles of "Abenomics" and has long advocated higher government spending to boost Japan's growth rate and has been critical of the Bank of Japan's recent tightening bias.

- Encouragingly, during her Japan LDP leadership campaign she also acknowledged the need for fiscal consolidation and pledged to respect the Bank of Japan's independence.
- China's share market benefitted from the extended trade truce. Economic data was also supportive with GDP data coming in better than expected, suggesting the government's goal of a calendar year GDP result of "close to 5%" will be achieved. The star emerging economy share market performance, however, was Argentina with a 64% gain in the month following the overwhelming victory of President Milei's party in the mid-term election.
- There was a soft tone to Australia's September month labour market data with the unemployment rate rising to a high for this cycle of 4.5%. That soft tone was overwhelmed later in the month by a significantly higher CPI print than was expected by the market or the RBA. Any chance of a rate cut at the November meeting was priced out.
- In New Zealand the RBNZ cut the Official Cash Rate by 50bp, taking the Official Cash Rate to 2.5%. Activity data is improving, but in only very modest fashion. Markets are pricing in a further 25bp interest rate cut in November and around a 40% chance of another one in February.

Portfolio Review October 2025

Listed infrastructure posted a modest decline in October. The US Federal Reserve lowered its benchmark lending rate a quarter percentage point, as expected, but signalled that another cut at its next policy setting meeting in December was not a foregone conclusion and would instead be data dependent. Investors consequently reduced their expectations for the number and size of rate cuts in 2026, which weighed on certain infrastructure sectors.

Global equity markets advanced, however, buoyed by stronger-than-expected corporate earnings and easing trade tensions for the time being.

Passenger transportation sectors delivered mixed results, driven by stock-specific factors. Toll roads performed well, as shares of an Australia-based company—the largest subsector constituent—benefited from positively received cost-cutting measures. In contrast, airports declined due to disappointing earnings from Mexican operators, which were impacted by higher costs than expected.

Performance in commercial infrastructure varied significantly, largely influenced by quarterly earnings updates. Marine ports posted the strongest gains, supported by a favourable court ruling for a Philippines-based operator, as well as strength in Indian markets following signs of easing trade tensions, which boosted the stock of a major Indian port operator. Railways lagged significantly, weighed down by soft earnings and subdued outlooks. Midstream energy was the weakest-performing sector, affected by mixed earnings and increased competition for data centre solutions.

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Regulated utilities experienced divergent performance amid evolving macroeconomic conditions and sector fundamentals. Gas distribution outperformed on strong earnings results from key sector constituents, while electric utilities benefited from upward revisions to growth forecasts by several U.S. firms. Water utilities underperformed, pressured by cautious Fed commentary and overshadowed by the strength in electric utilities.

The communications sector also posted negative returns, largely due to weakness in tower companies amid litigation risks tied to a major customer undergoing restructuring and potentially avoiding payment obligations.

Portfolio performance

The portfolio had a negative total return for the month and performed in line with its benchmark index over the period

Key contributors

- **Overweight allocation and stock selection in gas distribution:** An overweight investment in the sector outperformed, led by a position in Italgas, an Italian natural gas company. The company's shares rose following a solid quarterly performance update and an enhanced long-term outlook, highlighting strong growth potential supported by operational efficiencies and a committed investment strategy.
- **Stock selection in marine ports:** An overweight position in Philippines-based International Container Terminal Services contributed to relative performance, as the stock surged after a favourable South African court ruling upheld its 25-year joint venture to operate Durban Container Terminal Pier 2, enhancing long-term revenue prospects and expanding its global port footprint.
- **Stock selection in airports:** The portfolio held an overweight position in GMR Infrastructure, a leading Indian airport operator that announced plans to expand its annual passenger capacity. Broader strength in Indian markets further supported performance.

Key detractors

- **Stock selection in midstream energy:** Detractors included an out-of-benchmark investment in U.S.-based liquefied natural gas exporter Venture Global, whose shares declined following a significant arbitration loss over a breached long-term LNG supply contract, intensifying investor concerns about additional claims.
- **Stock selection in railways:** An overweight position in Central Japan Railway underperformed despite strong first-half results and guidance. The stock declined following an increase in its projected spending for its Maglev project—which exceeded market expectations—though potential for near-term share buybacks offered some support.
- **Security selection in communications:** The portfolio had no investment in a pair of small-capitalization satellite companies that rose on speculation of asset sales.

Investment Outlook (Cohen & Steers commentary)

We seek to maintain a generally balanced portfolio in the current turbulent market environment and elevated level of geopolitical tension.

The uncertainty premium being priced into the market is beneficial for infrastructure as an asset class, which provides predictability in an environment of weaker economic growth and sticky inflation.

Given the many global crosscurrents, we favour higher-quality businesses that we believe can perform relatively well in this challenging growth environment.

We believe that we are at a positive inflection point for power demand, driven by the growing relationship between power generation, grid reliability and rapid data centre expansion. Electric and gas infrastructure will be critical to support this demand, presenting significant investment opportunities within the asset class. However, we are also closely monitoring customer affordability and potential regulatory risks tied to elevated electricity prices.

As active investors, we believe we are well positioned to identify and capitalize on the diverse investment opportunities arising from macro uncertainty. We continue to evaluate a wide range of economic outcomes, currency fluctuations, rate outlooks and growth trajectories that may result from country-specific policy actions.

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