Salt Global Listed Infrastructure Fund Fact Sheet – August 2025

Manager Profile

Salt Funds Management is a boutique investment management firm wholly owned by its employees which specialises in actively seeking to maximise returns while managing the risks of the investment. Salt examines investments for their environmental and social impact as well as the quality of their governance.

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 August 2025

Benchmark	FTSE Global Core Infrastructure 50/50 Net Tax Index
Fund Assets	$117.48 million
Inception Date	18 August 2021
Underlying Manager	Cohen & Steers

Unit Price at 31 August 2025

Application	1.1114
Redemption	1.1068

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%

Fund Allocation at 31 August 2025

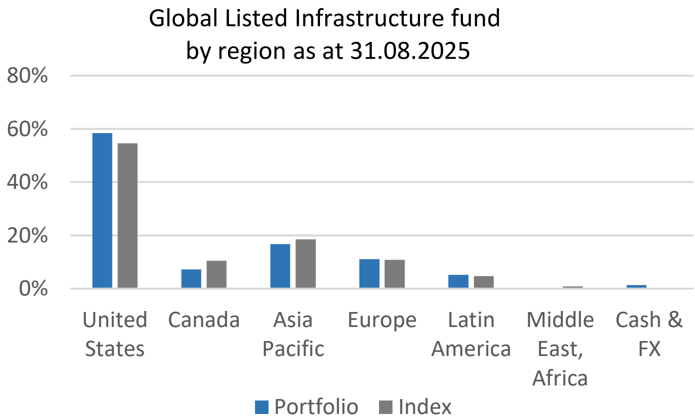
Global equities	98.7%
Cash & short-term, FX forwards (net)	1.3%

Fund Performance to 31 August 2025

Period	Fund Return	Active Return vs. benchmark
1 month	1.01%	+0.16%
3 month	2.94%	+0.79%
6 month	4.97%	-0.51%
1 year	7.94%	+1.22%
2 years p.a.	14.74%	+1.87%
3 years p.a.	6.94%	+1.87%
Since inception p.a.	7.24%	+1.92%

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

Fund regional weightings as at 31 August 2025*



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

The fund's top 10 holdings comprise 37.73% of the portfolio.

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

SALT FUNDS MANAGEMENT
Level 3, The Imperial Buildings, 44 Queen Street | PO Box 106-587, Auckland 1143
P: +64 9 967 7276 | E: info@saltfunds.co.nz | www.saltfunds.co.nz

Sustainability metrics (for information only)

Fund ESG Scores	Portfolio	Index
Cohen & Steers ESG score	6.67	6.45
MSCI ESG score	6.26	6.28

Source: Cohen & Steers Investment Report, 31 August 2025

Market Review

The Salt Global Infrastructure Fund rose 1.0% in August (before fees) and slightly outperformed its benchmark. For the year, the fund has produced a robust 7.9% 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 often resilient in times of slow-downs.

- August saw good returns across most major asset classes. The US second quarter earnings season continued with corporate earnings beating subdued expectations in aggregate. The biggest market-moving event was the release of weaker-than-expected July US labour market data. This stoked expectations of Fed rate cuts ahead.
- In this environment developed market equities rose 2.6% over the month while the global aggregate bond index rose 1.5%, both in US dollar terms.
- In the US the weak labour market data was followed by a dovish speech by Federal Reserve Chair Jerome Powell at the annual Economic Symposium in Jackson Hole, in which he indicated the balance of risks had shifted from upside tariff-induced risks to inflation to downside risks in the labour market. This saw interest rate markets increasing bets on the likelihood of a cut in US interest rates in September.
- Lack of progress on fiscal consolidation continues to heap pressure on politicians across Europe. In France the Prime Minister has called a no confidence vote for September 8th as he struggles to build support for budget cuts. At the same time, activity data across the region is proving resilient as the composite PMI rose to 51.1 in August.
- Japan's TOPIX was the best performing market in local currency terms over the month, helped by the trade deal secured with the US at the end of July that was on more favourable terms than earlier indications. Also, the economy grew by a better-than-expect +0.3% in the June quarter.
- China's share market benefitted from a further extension to their fragile trade truce until November. The government also announced its intention to triple chip supply by 2026, supporting the technology sector. Economic activity was generally soft, supporting calls for further stimulus.
- The Reserve Bank of Australia cut its cash rate by 25bps to 3.6%, as widely anticipated. Governor Bullock intimated a further two cuts were still to come, and the Bank's forecasts were predicated on such an outcome.

Portfolio Review August 2025

Listed infrastructure stocks rose in August but lagged the broader equity markets, which advanced on strong corporate earnings and favourable revisions to initial tariff proposals. Risk sentiment improved after the July passage of the One Big Beautiful Bill Act generally supported near-term growth through targeted tax relief. Signs of a cooling labour market from the most recent U.S. nonfarm payrolls data led investors to price in a higher likelihood of a rate cut in September, following the annual meeting of central bankers in Jackson Hole. In anticipation of this, the 10-year U.S. Treasury yield fell to 4.23%. Continued political tensions surrounding the Federal Reserve's independence and the announcement of additional tariffs on India added to market volatility.

Passenger transportation–related sectors outperformed during the month, buoyed by positive earnings momentum. Toll roads posted the strongest gains, although there was a wide dispersion within the subsector. Shares of Australia-based Transurban—the largest constituent in the sector—rose due to solid earnings and effective cost-cutting measures. Brazilian toll road operators rose in anticipation of rate cuts, while European operators experienced some volatility due to political uncertainty in France. Airports also performed well, driven by strong earnings results from European and Mexican operators.

Regulated utilities saw mixed performance, driven by sector-specific catalysts. Rate-sensitive water utilities outperformed on the prospect of monetary easing. Gas distribution companies advanced, primarily driven by strong performance in Japan, where favourable market conditions and solid earnings reports significantly boosted sector momentum.

Conversely, electric utilities lagged despite solid earnings and data centre growth, as the cancellation of a U.S. offshore wind project added pressure. However, improved safe harbour rules for U.S. onshore renewables offered a somewhat positive offset. Communications was the weakest-performing subsector, as tower companies declined following the sale of spectrum by a satellite operator to a major network operator, which increased customer concentration risks and raised concerns over spending cuts and churn.

Commercial infrastructure sectors broadly underperformed due to mixed earnings and evolving macroeconomic conditions. Midstream energy posted modestly positive returns, although performance was impacted early in the month by falling natural gas prices and mixed earnings results. Natural gas–focused operators underperformed, as the data centre trade pulled back amid high earnings expectations. Railways also lagged, as sentiment weakened due to fading prospects of consolidation involving a major U.S. subsector constituent. Marine ports declined, primarily due to weakness in Indian markets following rising U.S.–India trade tensions.

Portfolio performance

The portfolio had a positive total return for the month and outperformed its benchmark over the period.

Key contributors

- **Stock selection in marine ports:** The portfolio had no exposure to Adani Ports, an Indian port and logistics operator that fell amid broader weakness in the Indian markets. We continue to believe more attractive opportunities exist elsewhere in the infrastructure asset class.

Stock selection in electric utilities: Having no exposure to The Southern Company, a U.S.-based gas and electric utility holding company, helped relative performance, as the stock declined following weaker-than-expected earnings for the second quarter. While it is a high-quality company, we believe current valuations suggest limited upside return potential in the near term.

• **Stock selection in airports:** Contributors included an overweight investment in Grupo Aeroportuario del Sureste, a Mexico-based airport operator that rose on optimism around passenger traffic volumes in the second half of the year.

Also, the portfolio had no investment in Airports of Thailand, which declined as weak international traffic weighed on revenue, and operating expenses were higher than expected.

Key detractors

• **Stock selection in railways:** An overweight position in North American freight railway CSX underperformed after the company announced a strategic partnership with another freight railway, dampening expectations for a long-anticipated merge**r.**

• **Underweight allocation and stock selection in toll roads**: The portfolio had no exposure to Motiva Infrastruture de Mobil, a thinly traded Brazil-based company that outperformed following an earnings release that surpassed market expectations; the stock also benefited from positive domestic market momentum.

• **Stock selection in water utilities**: Having no exposure to a Brazilian water and waste management company Sabesp detracted from relative returns; the stock rose after the company reported strong quarterly financial results, driven by regulated service tariff adjustments, volume growth and cost efficiencies.

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 more 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 still believe that we are at a positive inflection point for power demand, as we see an increasingly important relationship between power generation, grid reliability and rapid data centre growth. The need for electric and gas infrastructure to support data centre demand is expected to drive significant investment opportunities within the asset class. However, we are also closely monitoring customer affordability.

We are likewise keeping an eye on companies making major capital spending decisions in the current environment.

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