Salt Global Listed Infrastructure Fund Fact Sheet – July 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 July 2025

Benchmark	FTSE Global Core Infrastructure 50/50 Net Tax Index
Fund Assets	$111.41 million
Inception Date	18 August 2021
Underlying Manager	Cohen & Steers

Unit Price at 31 July 2025

Application	1.1014
Redemption	1.0969

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 July 2025

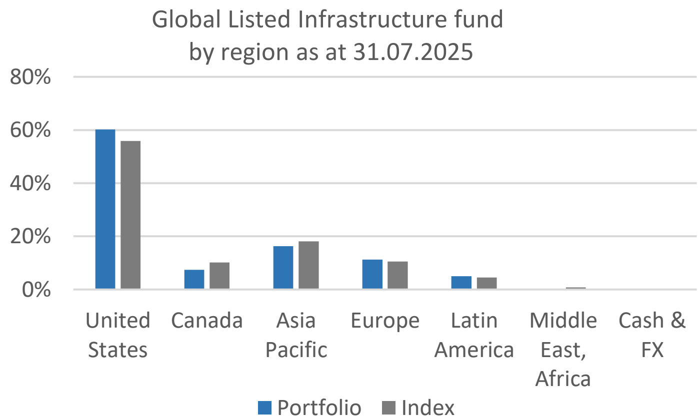
Global equities	100%
Cash & short-term, FX forwards (net)	0%

Fund Performance to 31 July 2025

Period	Fund Return	Benchmark Return
1 month	1.61%	1.13%
3 month	3.60%	2.87%
6 month	6.54%	6.45%
1 year	10.34%	8.90%
2 years p.a.	11.49%	9.77%
3 years p.a.	5.99%	4.46%
Since inception p.a.	7.11%	5.20%

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

Fund regional weightings as at 31 July 2025*



Source: Cohen & Steers *data to 31 July 2025

Top 10 holdings	sector		sector
NextEra Energy	Electric	CSX	Freight Rail
TC Energy	Midstream	Intl. Container Term Services	Marine Ports
Entergy	Electric	Sempra Energy	Gas Distrib.
The Williams Companies	Midstream	PPL	Electric
Union Pacific	Freight Rail	Evergy	Electric

The fund's top 10 holdings comprise 37.87% of the portfolio.

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

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Sustainability metrics (for information only)

Fund ESG Scores	Portfolio	Index
Cohen & Steers ESG score	6.59	6.40
MSCI ESG score	6.22	6.26

Source: Cohen & Steers Investment Report, 31 July 2025

Market Review

The Salt Global Infrastructure Fund rose 1.6% in July (before fees) and outperformed its benchmark. For the year, the fund has produced a strong 10% 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 gains in broad equity markets, due to strong earnings.

- Highlights during the month of July included a further postponement in the finalisation of President Trump's reciprocal tariffs. Several agreements were announced during the month and culminated in the release of the president's "further modification" of all tariffs at the end of the month. Also, the One Big Beautiful Bill Act (OBBBA) passed through congress and was more stimulatory than the initial version of the bill.
- The reduction of policy uncertainty saw developed market equities up 1.3% (in USD) in the month, marking an all-time high. In NZ dollar terms, the world equity index rose 4.2% as the NZD/USD weakened. Concerns about fiscal sustainability were a headwind for bond markets over the month. The global aggregate bond index lost 1.5% in USD; 0.2% hedged in NZD.
- In the US, second quarter earnings reports showed companies generally beating consensus earnings and revenue growth. This indicates the recent political turmoil and policy flip-flopping has thus far not impacted earnings.
- The US June CPI report came in slightly better than expected, though early signs of the impact of tariffs are beginning to emerge. Incipient inflation concern also held bond returns down.
- The Federal Reserve left interest rates unchanged, waiting for further clarity on the tariff impact on consumer prices. The political pressure for Chair Jay Powell to cut rates is intense.
- In Europe the June CPI came in at 2% y/y. After eight interest rate cuts, the European Central Bank left rates unchanged in July with ECB President Christine Lagarde saying they were well placed to wait and see the impact of tariffs.
- Japan was struck with fresh political uncertainty during the month as the ruling LDP lost its majority in the upper house elections. This has raised concerns about the political commitment to fiscal consolidation. Inflation remains well above target and with the final tariff rate being set at a lower than expected 15%, mitigating some of the downside risk to the economy, markets are starting to price in the possibility of another hike in interest rates this year.
- Against unanimous expectations from economists and a 25bp cut being almost fully priced (96%) by interest rate markets, the Reserve Bank of Australia left interest rate unchanged in July. The bank still articulated a bias to reduce interest rates with markets expecting a cut in August.
- Likewise in New Zealand the RBNZ left the Official Cash Rate unchanged in July, though after 225bp of cuts, this was widely expected. Ongoing soft activity data has markets expecting further interest rate reductions, though we are close to the bottom of the cycle.

Portfolio Review July 2025

Listed infrastructure stocks rose in July but lagged the broader equity markets, which advanced on strong corporate earnings and favourable revisions to initial tariff proposals. Risk sentiment improved after the Trump administration announced several trade agreements, offering greater clarity on tariffs. Additionally, the passage of the One Big Beautiful Bill Act generally supported near-term growth through targeted tax relief.

The 10-year U.S. Treasury yield moved higher to 4.37%, reflecting an improved growth outlook. Meanwhile, the Federal Reserve held its benchmark interest rate steady and maintained a data-dependent stance.

Regulated utilities saw mixed performance, driven by sector-specific catalysts and investor preference for growth-oriented segments. Gas distribution was the strongest-performing sector, driven by a recovery in Sempra Energy, a major constituent, following a guidance reduction earlier in the year. Electric utilities also outperformed, buoyed by optimism around power demand from data centres and strong earnings reports. In contrast, communications and water utilities declined, reflecting a shift away from defensive sectors and mixed earnings results.

Performance in passenger transportation–related sectors varied. Airports outperformed overall, although there was wide dispersion within the sector. Shares of Airports of Thailand rebounded significantly from earlier weakness, while Mexican operators underperformed due to slowing traffic and weaker earnings. Toll roads also declined as investors rotated away from defensive sectors.

Commercial infrastructure sectors underperformed, weighed down by softening fundamentals and macroeconomic volatility. Marine ports lagged due to weakness in emerging markets, as shares of Adani Ports, a leading Indian port operator, fell amid rising U.S.-India trade tensions.

Railways declined despite optimism around potential mergers & acquisitions, owing to mixed earnings from some of the largest constituents in the subsector.

Midstream energy posted negative returns, especially gas–focused operators, reflecting low gas prices and elevated volatility around quarterly results.

Portfolio performance

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

Key contributors

• **Stock selection in railways:** An overweight investment in CSX, a U.S.-based freight railway, performed well on speculation about its potential acquisition, driven by broader consolidation trends in the freight rail industry. No deal had been announced at month-end, but we believe the speculation is warranted.

• **Security selection in marine ports**: The portfolio held an overweight investment in International Container Terminal Services, which reported better-than-expected quarterly results, driven by rising volumes and operational efficiencies.

• **Stock selection in gas distribution**: An overweight position in Indiana-based NiSource benefited from growing investor optimism around data centre growth, supported by progress on a regulatory proposal in Indiana that would potentially grant the company a higher return for serving data centre customers.

Key detractors

• **Stock selection in airports:** A lack of exposure to Airports of Thailand detracted as the stock rebounded sharply on improved sentiment following progress in the negotiation of the contract with its major duty-free concessionaire.

• **Stock selection in midstream energy:** The portfolio held an overweight position in The Williams Companies, an Oklahoma-based natural gas processing and transportation company that declined due to broader weakness among natural gas–focused midstream operators. We believe the company remains an attractive opportunity, with potential to capitalize on several secular trends, such as liquefied natural gas (LNG) demand, AI demand and coal switching.

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.