Salt Global Listed Property Fund Fact Sheet – June 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 Property Fund is being renamed the Salt Global Listed Property 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 EPRA Nareit Developed Real Estate Index Hedged in NZD on a rolling three-year basis. The Fund targets a portfolio of global listed real estate 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 30 June 2025

Benchmark	FTSE EPRA Nareit Developed Real Estate Index hedged into NZD
Fund Assets	$39.52 million
Inception Date	16 September 2021
Underlying Manager	Cohen & Steers

Unit Price at 30 June 2025

Application	0.8647
Redemption	0.8612

Investment Guidelines

The guidelines for the Global Listed Property Fund are:

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

Target Investment Mix

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

Global equities	100%

Fund Allocation at 30 June 2025

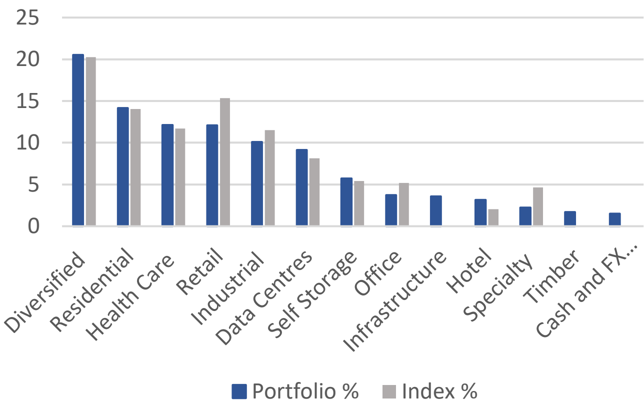
Global equities	98.5%
Cash & short-term, FX forwards	1.5%

Fund Performance to 30 June 2025

Period	Fund Return	Benchmark Return
1 month	0.88%	0.34%
3 months	4.05%	2.41%
6 months	5.05%	3.05%
1 year	10.79%	8.39%
2 years p.a.	8.96%	7.06%
3 years p.a.	5.09%	2.81%
Since inception p.a.	1.07%	-1.52%

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

Fund Sectoral Weightings in % as at 30 June 2025



Source: Cohen & Steers 30 June 2025

Top 10 holdings as at 30 June 2025	
Welltower	Extra Space Storage
Digital Realty Trust	Host Hotels & Resorts
Prologis	Sun Communities
Invitation Homes	Crown Castle
Goodman Group	Simon Property Group

The fund's top 10 holdings comprise 39.77% of the portfolio

Source: Cohen & Steers Monthly Report 30 June 2025

Sustainability metrics (for information only)

Fund ESG Scores	Portfolio	Index
Cohen & Steers ESG score	6.89	6.68
MSCI ESG score	6.09	6.01

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Market Review

The Salt Global Property Fund rose for the June month, gaining 0.88% (before fees) and outperforming its benchmark which rose 0.34% for the month, against a backdrop of continuing market volatility and uncertainty despite equity market gains. For the second quarter, the fund gained 4.05% (before fees) and outperformed its benchmark, which rose by 2.41%.

- The second quarter of 2025 saw considerable volatility in markets as investors reacted to the rapidly evolving tariff policy environment and war in the Middle East.
- The Liberation Day announcement saw far more punitive tariffs than were expect, though the Trump administration moved quickly to soften its policy position in response to the volatility, particularly in bond markets. By the end of the quarter the major asset classes were back in positive territory.
- The war between Israel and Iran added to geopolitical uncertainty, though markets largely took it in their stride. A fragile ceasefire emerged following US intervention.
- The US Federal Reserve remained on hold during the quarter. Tariff policy uncertainty remained elevated, but solid activity data, a still tight labour market and some areas of inflation persistence meant the Fed remains in wait and see mode.
- The European Central Bank cut interest rates in April and June on the back of easing inflation, though at the June meeting ECB President Christine Lagarde indicated they were nearing the end of the rate cutting cycle.
- In Japan market sentiment weakened following the Trump administration's tariff announcement, but steadily improved given positive developments in trade negotiations with China and other key trading partners, contributing to an easing of recession fears.
- The labour market remains tight in Australia. Despite this and on the back of perceived favourable inflation dynamics, the RBA cut interest rates for a second time in May. Market pricing has the RBA cutting interest rates by a further 75bp, though cuts of this magnitude will require some labour market weakening.
- The New Zealand economy is bouncing along the bottom of the cycle. March quarter GDP data was stronger than expected but June data has softened. At the same time, inflation appears headed back to the top end of the RBNZ's target range. After having eased a total of 225bp so far, a pause in the rate cutting cycle appears likely.

Portfolio Review June 2025

Global real estate securities advanced in the quarter, despite U.S. weakness, amid a tariff pause and lower bond yields in various markets. Investors followed along closely as global trade discussions escalated in response to the new U.S. presidential administration's April 2 "Liberation Day," when sweeping global tariffs were announced. Relief arrived during the quarter as a mutual pause was reached between the U.S. and key trading partners, including China and the European Union.

The U.S. Federal Reserve held its benchmark interest rate steady, despite progress on the inflation front, citing heightened economic uncertainty stemming from U.S. trade policy. The European Central Bank cut its benchmark interest rate as inflation dipped below its 2% target. The 10-year U.S. Treasury yield fluctuated but was little changed on the quarter.

U.S. real estate securities declined in the second quarter as investors and policymakers considered the potential economic fallout from the U.S.'s rapidly evolving trade policy. Data centres advanced, with commentary from a recent data centre conference suggesting that demand, capital, pricing, depth of the buyer pool, and power constraints place the sector on positive footing, with 2025 leasing expected to exceed the prior year.

Some of the more cyclical sectors were weighed down on tariff-related concerns but then found favour amid some evidence of progress in various trade negotiations. Hotel landlords outperformed, supported by international travel data that have stabilized following earlier weakness. Office REITs rose; management commentaries indicated that recent economic volatility has had minimal effect on leasing decisions.

Among retail-oriented property types, shopping centres and regional malls fell as retail sales faltered. Retail sales had come in ahead of consensus expectations for several months, possibly benefiting from a pull forward in demand due to tariff concerns (in addition to lower gas prices). However, May retail sales fell, coming in weaker than consensus expectations.

Health care companies lagged following strong first-quarter outperformance, with mixed results among senior housing REITs. The relatively defensive sector had been a strong outperformer earlier in the year amid heightened economic uncertainty.

Residential property types trailed following first-quarter outperformance. The single-family homes for rent sector, while appearing to benefit from solid demand, slightly faltered on the fear of a lower mortgage rate environment, which could spur a pickup in move-outs (to buy). The apartment sector reported earnings results in late April suggesting weaker-than-expected leasing. The sector was weighed down on sluggish job creation and the lingering effects of elevated supply. Industrial REITs trailed, despite strong earnings, on tariff and trade slowdown concerns.

European real estate securities rose amid declining bond yields in the region and as the U.S. extended the deadline for tariffs on the EU. In Germany, large residential company Vonovia rose as bond yields tightened, and results indicated a recovery in non-rental segments. Spain outperformed, supported by economic strength and gains from diversified landlord Merlin Properties, which reported an encouraging update on its data centre leasing momentum. In Belgium, a health care property operator was targeted for acquisition by a peer, and it outperformed as the two companies reached a compromise on merger terms in early June.

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Sweden considered a relatively interest rate–sensitive market, also advanced.

U.K. real estate securities rose, with REIT earnings results generally in line with expectations. Landsec (Land Securities) reported an acceleration in same-store revenue growth and occupancy gains across the London office market and major retail assets. Some of the more economically sensitive sectors, including retail and industrial/office landlords, outperformed. Pure industrial names trailed. France gained on strong performance among retail and office companies.

Mall operator Unibail-Rodamco-Westfield held its investor day, which was confident in tone, and the company issues a dividend payout outlook above consensus expectations.

The Asia Pacific region advanced on a more risk-on sentiment, with progress in the de-escalation of the trade war. Hong Kong markets surged as the weaker U.S. dollar drove liquidity inflow into the region and amid some de-escalation in the U.S.-China trade war. The inflow drove the 3-month HIBOR (the interbank rate) sharply lower, aiding performance of the interest rate¬–sensitive property sector.

Following first-quarter underperformance, Australia was among the best performers this quarter, supported by the Reserve Bank of Australia (RBA) interest rate cut and a stronger Australian dollar. The rebound was led by previous losers, including the data centre sector. An interest rate-sensitive fund manager also outperformed, while office landlords trailed.

In Japan, shares within the property sector rose broadly. A large developer outperformed as management committed to raising shareholder returns in its latest results briefing. J-REITs were supported by relatively stable Japanese government bond yields, buyback announcements and solid unitholder distributions.

Shares of real estate securities in Singapore rose but trailed within the region. The Singapore economy is slowing following several years of strong growth. Despite this, the country is in a strong fiscal position, which is driving inflows and lower interest rates. Data centre REITs and retail-oriented companies outperformed, while hotel and industrial landlords declined.

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Portfolio Performance

The portfolio had a positive total return in the month and quarter, and outperformed its benchmark.

Key contributors

• **Stock selection in the U.S.:** Our overweight in data centre REIT Digital Realty Trust rose following strong first-quarter earnings results; the company reported its second-strongest leasing quarter in history. Our non-investment in life sciences specialist Alexandria Real Estate Equities was beneficial, as its shares declined sharply; leasing demand in its major markets remains especially weak. Our non-investment in health care REIT Ventas, which reported weaker occupancy and move-ins, also contributed.

• **Stock selection and an overweight in Hong Kong:** Our overweight in Wharf REIC aided performance, as the discretionary retail company outperformed (alongside other landlords with greater amounts of floating-rate debt).

• **Selection and an overweight in Australia:** An overweight in residential developer Stockland benefited from expectations for further cash rate cuts from the Reserve Bank of Australia, with a cut occurring in May. An overweight in Goodman Group advanced amid incrementally positive technology commentary and moderating U.S. trade concerns pertaining to the data centre industry.

Key detractors

• **No allocation to Israel**: Our non-investment in Israel detracted; Israeli stocks surged in June after the U.S. struck

Iranian nuclear facilities.

• **Underweight in Switzerland:** Our underweight in Switzerland, which is widely viewed as a safe-haven country, reflects our view that there are better value opportunities elsewhere.

• **Underweight in Sweden:** Our underweight in Sweden, which tends to be interest rate sensitive, hindered performance. The country posted a significant gain along with the European region broadly.

Investment Outlook (Cohen & Steers commentary)

As we move forward in an environment shaped by tariffs and trade uncertainty, we believe real estate stocks are relatively insulated from the resulting headwinds. REITs' long-term performance has been underpinned by their stable business models, which focus on acquiring and developing high-quality assets that generate recurring (and largely domestic) income tied to leases with creditworthy tenants.

This business is less exposed to global trade flows, meaning real estate should be less affected by tariffs—though some sectors, such as industrial and retail, may face more direct risks.

We maintain a positive view of U.S. REITs, with a preference for assets with strong secular growth profiles and pricing power. Data centres should continue to benefit from strong demand for cloud computing and artificial intelligence.

The single-family rental sector has benefited from affordability issues in the for-sale market, which have led to higher demand for rental housing. Within health care, we have a positive outlook on senior housing, where accelerating occupancy and pricing power are driving revenue growth higher.

We have become more positive on self-storage, anticipating a turn in sector fundamentals. In retail, we favour landlords with high-quality properties and strong external growth profiles that can support long-term market share gains. However, we are mindful of potential retailer bankruptcies, as well as the impact of elevated inflation and a possible consumer slowdown.

We remain cautious toward offices in most markets as businesses reassess their future needs, but we are finding opportunities in select gateway markets.

In Europe, we see value opportunities but remain watchful of rising geopolitical risks. Our current positioning is based more on property sector and company-specific factors than country-level exposure, reflecting shared themes across the region. We favour logistics and self-storage for their defensive qualities and structural growth characteristics. We also like select high-quality continental retail property owners.

In Asia Pacific, we prefer countries with stronger economic backdrops. In Australia, we favour industrial, self-storage and residential developers, and we remain cautious on retail and offices.

In Singapore, we have a positive view on hospital fundamentals and continue to favour retail, where sales remain above pre-pandemic levels—supporting the potential for higher rents. We have reduced our weighting in Japan; however, we favour developers with strong shareholder return potential. We continue to like hotels.

We have grown more positive on Hong Kong due to compelling valuations and a stabilizing macro backdrop in China.