

# SALT

## Salt Global Listed Infrastructure Fund Fact Sheet – September 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 30 September 2025

|                           |                                                     |
|---------------------------|-----------------------------------------------------|
| <b>Benchmark</b>          | FTSE Global Core Infrastructure 50/50 Net Tax Index |
| <b>Fund Assets</b>        | \$139.93 million                                    |
| <b>Inception Date</b>     | 18 August 2021                                      |
| <b>Underlying Manager</b> | Cohen & Steers                                      |

### Unit Price at 30 September 2025

|                    |        |
|--------------------|--------|
| <b>Application</b> | 1.1479 |
| <b>Redemption</b>  | 1.1432 |

### Investment Guidelines

The guidelines for the Global Listed Infrastructure Fund are:

|                        |            |
|------------------------|------------|
| <b>Global equities</b> | 95% – 100% |
| <b>Cash</b>            | 0% – 5%    |

### Target investment Mix

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

|                        |      |
|------------------------|------|
| <b>Global equities</b> | 100% |
|------------------------|------|

### Fund Allocation at 30 September 2025

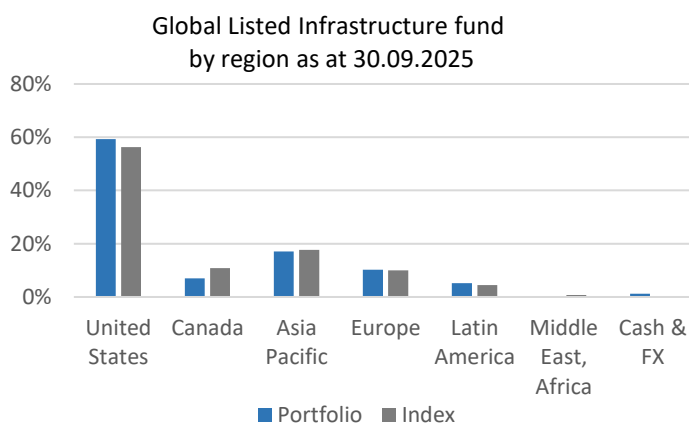
|                                                 |       |
|-------------------------------------------------|-------|
| <b>Global equities</b>                          | 98.7% |
| <b>Cash &amp; short-term, FX forwards (net)</b> | 1.3%  |

### Fund Performance to 30 September 2025

| Period                      | Fund Return | Active Return vs. benchmark |
|-----------------------------|-------------|-----------------------------|
| <b>1 month</b>              | 3.44%       | +1.47%                      |
| <b>3 month</b>              | 6.17%       | +2.17%                      |
| <b>6 month</b>              | 7.05%       | +1.09%                      |
| <b>1 year</b>               | 8.36%       | +1.87%                      |
| <b>2 years p.a.</b>         | 19.58%      | +3.25%                      |
| <b>3 years p.a.</b>         | 11.99%      | +2.05%                      |
| <b>Since inception p.a.</b> | 7.96%       | +2.26%                      |

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

### Fund regional weightings as at 30 September 2025\*



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

The fund's top 10 holdings comprise 40.07% of the portfolio.

Source: Cohen & Steers Monthly Investment Report, 30 September 2025

### SALT FUNDS MANAGEMENT

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### Sustainability metrics (for information only)

| Fund ESG Scores          | Portfolio | Index |
|--------------------------|-----------|-------|
| Cohen & Steers ESG score | 6.58      | 6.45  |
| MSCI ESG score           | 6.30      | 6.31  |

Source: Cohen & Steers Investment Report, 30 September 2025

### Market Review

**The Salt Global Infrastructure Fund rose 3.4% in September (before fees) and outperformed its benchmark. For the year, the fund has produced a robust 8.4% 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.**

- The September quarter saw positive returns across most global asset classes, fuelled by heightened expectations of interest rate cuts in the United States and an easing of trade tensions. However, bond markets were volatile through the quarter as fiscal sustainability concerns also became a focus.
- In the US, weak employment growth coincided with slower than expected pass-through of higher tariffs into consumer prices, resulting in a cautious 25bp cut in the Fed funds rate by the FOMC, the first rate cut this year. However, with the unemployment rate still low and a core PCE inflation rate that is knocking on the door of 3%, “Fed-speak” turned more cautious later in the quarter.
- In Europe, the economy is proving more resilient than expected to the changing global trade environment. The ECB left interest rates on hold at its most recent meeting, and with latest inflation data ticking higher, appear likely to keep interest rates unchanged for the time being.
- Fiscal sustainability issues are proving politically challenging everywhere, but France was the key focus over the quarter. In a continuation of the political instability that has dogged President Macron since his ill-fated decision to hold legislative elections last year, Prime Minister Francois Bayrou’s government lost a confidence vote in the French National Assembly in early September. This was quickly followed by a sovereign credit rating downgrade for France by Fitch Ratings.
- In Japan, equity markets continued to benefit from the better-than-expected trade deal with the US. However, there was a sell-off in JGB’s, fuelled by Japan’s own political instability and a hawkish September meeting of the Bank of Japan.
- 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 followed its August interest rate cut with a hold in September. Data since the August meeting has shown recovering growth, ongoing tightness in the labour market and upside surprises in most recent inflation data. The RBA appears to us to be on hold for the foreseeable future.
- In New Zealand, the RBNZ’s dovish pivot at its August meeting was justified by a weaker than expected June quarter GDP result. Markets have reacted by pricing in even further interest rate cuts. Risks are skewed to the downside.

### Portfolio Review September 2025

Listed infrastructure stocks rose in the third quarter but underperformed broader equity markets, as growth stocks rallied on enthusiasm around artificial intelligence. Concerns over a deeper tariff-related slowdown eased, with the actual impact generally proving milder than expected. The momentum was further supported by strong corporate earnings and rising expectations for further near-term interest rate cuts from the U.S. Federal Reserve. In September, the Fed delivered its first rate cut in a year, lowering the federal funds rate by 25 basis points in response to signs of a softening labour market. Expectations for further monetary easing pushed the 10-year U.S. Treasury yield lower to 4.16%.

Regulated utilities delivered mixed results, shaped by distinct sector dynamics. Gas distribution posted the strongest gains, buoyed by Sempra Energy, a large index constituent whose asset sale surpassed market expectations.

The sector also gained from strong earnings and favourable market conditions in Japan. Electric utilities performed well, supported by optimism around power demand from AI-driven data centre growth. In contrast, water utilities lagged as investors rotated into more growth-oriented sectors. Communications was the weakest-performing sector, as tower companies declined amid concerns over customer concentration and potential churn following recent spectrum acquisitions, as well as potential disruption from satellites.

Passenger transportation-related sectors saw varied performance, reflecting evolving macroeconomic conditions. Airports outperformed, led by Mexican operators that announced strong passenger traffic volumes amid steady air travel demand. Conversely, toll roads posted negative returns as investors rotated away from defensive sectors.

Commercial infrastructure was impacted by subsector-specific developments. Railways performed in line with the broader asset class, supported by optimism around ongoing and potential mergers & acquisitions activity. Midstream energy rose but underperformed the broader asset class, as oil-focused operators were pressured by weak crude oil prices. Natural gas-focused operators declined early in the quarter amid seasonal softness in natural gas prices and elevated earnings expectations, but they rebounded in September on renewed optimism around rising energy demand from data centre growth. Marine ports lagged, primarily due to tariff-related uncertainties, which weighed on sentiment.

### Portfolio performance

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

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### Key contributors

- **Stock selection in electric utilities:** An overweight position in Louisiana-based Entergy rose after the company announced plans to power Google's new data centre development in Arkansas. We believe the stock remains attractive given strong AI-driven demand, constrained power supply and the potential for new infrastructure investments.
- **Stock selection and overweight allocation to gas distribution:** An overweight position in Sempra Energy, a Southern California-based utility, surged after the company sold a 45% stake in Sempra Infrastructure Partners for \$10 billion—exceeding market expectations. The company also announced a significant expansion of a liquefied natural gas (LNG) project in Texas. The stock continued to rebound meaningfully during the quarter following its guidance cut in the first quarter.
- **Stock selection in midstream energy:** An overweight investment in TC Energy, a North American energy infrastructure company, performed well, supported by better-than-expected second-quarter financial results, as well as expected growth in energy demand from new AI-related data centre infrastructure.

### Key detractors

- **Stock selection in airports:** A lack of exposure to Airports of Thailand detracted; the stock rebounded on steady progress in contract negotiations with its major duty-free concessionaire King Power and hopes that King Power will be able to navigate its financial challenges.
- **Stock selection in toll roads:** Detractors included having no investment in PINFRA, a thinly traded Mexican company that rose strongly after announcing the sale of its port terminal subsidiary and reporting better-than-expected earnings. However, the adverse stock selection was partially offset by a favourable underweight allocation to the sector.
- **Stock selection in water utilities:** The portfolio had no investment in Brazil-based SABESP, which rose on strong earnings fuelled by tariff increases and cost efficiencies, and macroeconomic tailwinds including falling interest rates and a strengthening Brazilian real. However, the negative selection effect in water utilities was partially offset by a favourable underweight allocation to the sector.

### 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 growth. 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 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.