



2024 Annual General Meeting Managing Director's Address

Delivered by Mr. Jason Beddow at the eighth Annual General Meeting of Argo Global Listed Infrastructure Limited (Argo Infrastructure or Company) held at the Adelaide Convention Centre on Monday 21 October 2024 at 12.30pm.

Falling interest rates and the asset class

At last year's Annual General Meeting, we focused on the impact of higher interest rates on global listed infrastructure following the rapid monetary policy tightening of the preceding 12 to 18 months.

Utilities are particularly sensitive to rate rises because they can carry considerable levels of debt due to their reliable income streams. As Electricity, Gas, and Water Utilities account for around half of the infrastructure benchmark index, their underperformance in this period has dragged on the overall performance of the asset class.

However, the monetary policy cycle has continued to mature in the period following our 2023 AGM. Over the last year, speculation continued to mount that the US Federal Reserve would begin lowering interest rates. After much anticipation, last month, the central bank cut rates by a larger-than-expected 50 basis points.

The new phase of monetary policy easing by the world's largest economy is a significant tailwind for global listed infrastructure, particularly as more than half of the infrastructure index consists of US stocks. Most other major developed and emerging economies have also begun cutting interest rates or are expected to in the near-term. As the Chairman noted, in recent months the asset class has responded positively, posting solid gains and outperforming broader global equity markets.

Portfolio Manager Cohen & Steers

When we established Argo Infrastructure approximately a decade ago, we recognised that the complexity and diversity of the asset class required a specialist portfolio manager with a truly global presence. After careful consideration, we decided on Cohen & Steers.

Founded in 1986 and listed on the New York Stock Exchange, Cohen & Steers has people and operations in offices worldwide, 'on the ground' close to infrastructure assets, and we believe this provides a distinct competitive advantage. Their local presence provides valuable insights and connections with key industry participants and facilitates relationships with regulators.

This, together with Cohen and Steers' process and expertise, has continued to generate outperformance relative to the benchmark across all time periods of ALI's history.

Tyler Rosenlicht from Cohen & Steers joined us on our investor roadshow earlier this year to share his insights into the asset class and its outlook. We look forward to having another member of the Cohen & Steers team present when we visit various capital cities in May 2025. In the meantime, lead portfolio manager Ben Morton, will share Cohen & Steers' latest views on global listed infrastructure in a video we will play shortly.

Thank you

Before we play that video, I would like to acknowledge the ongoing efforts of all the team at Argo, Argo Infrastructure's Manager.

I also thank the Chairman and Non-executive Directors, particularly, I welcome Sarah Brennan, who recently joined the Board. I look forward to working with the Board over the year ahead.

I wish all our shareholders well for the remainder of the year. We thank you for your continued support and I look forward to seeing you for our roadshow in 2025.