

# Russell Investments

## World Equity Fund

### Article 8



#### Portfolio Manager

Will Pearce

Russell Investments' Global Equity Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe.

The team manages a wide range of U.S., non-U.S. developed, emerging market, frontier market, and global equity mandates.

#### Fund objective

The Fund aims to achieve long term growth by investing at least 80% of its assets in the equities of companies worldwide. The Fund is broadly diversified across different countries worldwide and industry sectors. The Fund may also invest up to 20% of its assets in emerging markets. The Fund is actively managed with reference to the MSCI World Index (USD) - Net Returns (the "Index") which it seeks to outperform by 2% over the medium to long term. Russell Investments/ Money Managers have full discretion to select investments for the Fund.

This product is an Article 8 product, as defined under EU regulation - it promotes environmental or social characteristics and invests in companies that follow good governance practices. This product does not have sustainable investment as its objective

#### Fund update

The Fund underperformed the benchmark return. The Fund's tilt to small caps and value exposure was unrewarded in the market environment. In sectors, stock selection within health care was ineffective including overweights to UnitedHealth, Roche and Medtronic, and off-benchmark positions in HU Group Holdings and Nippon Shinyaku. Selection in industrials was also unhelpful, notably a position in JGC Holdings although an overweight to Uber contributed positively. In financials, benefits from an overweight to UniCredit were offset by overweights to BNP Paribas and ING. On the other hand, stock selection within communication services was rewarded. Although an overweight to Alphabet detracted, this was mitigated by an overweight to Meta. Elsewhere an underweight to Apple and overweight positions in chipmakers TSMC and ARM Holdings were beneficial.

#### Performance review (%)

Performance to period end Returns shown in EUR	1 month	3 months	Year to date	12 months	2 years	3 years	4 years	5 years	Since inception*
Return net of management fee Class EH-T Acc	3.8	9.1	4.9	17.4	5.0	6.5	10.6	8.7	6.0
MSCI World Index (EUR Hdg) - Net Returns	4.5	10.6	6.3	23.1	6.9	8.6	12.4	10.4	6.5

\*Inception: 21 February 2006  
All returns greater than 1 year are annualised

#### Discrete rolling 12 month performance (%)

Returns shown in EUR	31/12/23 31/12/22	31/12/22 31/12/21	31/12/21 31/12/20	31/12/20 31/12/19	31/12/19 31/12/18
Return net of management fee Class EH-T Acc	16.1	-16.4	22.9	8.3	24.2
MSCI World Index (EUR Hdg) - Net Returns	21.0	-17.9	23.3	11.9	24.6

  

Returns shown in EUR	31/12/18 31/12/17	31/12/17 31/12/16	31/12/16 31/12/15	31/12/15 31/12/14	31/12/14 31/12/13
Return net of management fee Class EH-T Acc	-11.6	19.6	7.1	3.4	8.2
MSCI World Index (EUR Hdg) - Net Returns	-9.4	17.0	8.0	1.7	9.6

Past performance does not predict future returns.

The current benchmark is the MSCI World Index (EUR Hdg) - Net Returns. Prior to 1st January 2018 the benchmark was the Russell Developed Large Cap NR Index EUR Hdg. Prior to 1st April 2011 the benchmark was MSCI World NR EUR Hdg.

Fund facts
<b>Share class; Dealing ccy</b>
Class EH-T Acc; EUR
<b>Dealing frequency; Cut off</b>
Daily; 2.00pm GMT
<b>Domicile; Category</b>
Ireland; UCITS
<b>Fund size</b>
USD 1,476.34m
<b>ISIN; Bloomberg</b>
IE00B0Z6XF88; FRAWEHT ID
<b>Fund launch date</b>
23 June 2004
<b>Share class launch date</b>
21 February 2006
<b>Management fee</b>
0.95%
<b>Share class NAV</b>
EUR 28.64

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## World Equity Fund (continued)

### Portfolio statistics

	Fund Benchmark	
Number of equity holdings	643	1480
Price/earnings	26.7	29.1
Dividend yield	1.5	1.4
Price to book	5.6	5.7
EPS growth (1 year)	9.3	9.3

Data as at 31 January 2024  
Source: Factset

3 years	Fund Benchmark	
Volatility ratio	15.0	15.5
Tracking error	1.9%	-
Sharpe ratio	0.5	0.6
Information ratio	-1.1	-
3 year return (net)	6.5%	8.6%
3 year excess return (net)	-2.0%	-

### Ten largest holdings by weight

Security	Fund	Benchmark
Microsoft Corp.	5.1%	4.6%
Apple Inc.	2.7%	4.7%
Meta Platforms, Inc. Class A	2.3%	1.4%
Alphabet Inc. Class C	2.1%	1.2%
NVIDIA Corp.	1.9%	2.5%
Amazon.com, Inc.	1.8%	2.4%
Taiwan Semiconductor Manufacturing Co Ltd	1.6%	-
Alphabet Inc. Class A	1.5%	1.4%
MasterCard Inc.	1.2%	0.6%
UnitedHealth Group, Inc.	1.1%	0.8%

Data as at 31 January 2024

### Sector weights

	Fund	Benchmark
Information Technology	22.7%	23.7%
Financials	14.6%	15.2%
Health Care	13.8%	12.3%
Industrials	11.3%	11.0%
Consumer Discretionary	10.0%	10.6%
Communication Services	9.8%	7.4%
Consumer Staples	6.5%	6.8%
Energy	3.7%	4.4%
Materials	3.3%	3.9%
Utilities	1.8%	2.5%
Real Estate	1.5%	2.3%
Other	1.0%	-

Data as at 31 January 2024

### Regional weights

	Fund	Benchmark
US & Canada	69.3%	72.7%
Europe ex United Kingdom	15.1%	14.2%
Japan	6.2%	6.2%
United Kingdom	4.3%	3.8%
Asia Pacific ex-Japan	2.6%	2.9%
Emerging Markets	1.5%	0.1%
Unclassified	1.0%	-

Data as at 31 January 2024

### ESG data

	Fund	Benchmark
ESG Score	21.0	21.2
Carbon footprint	73.4	99.3

Data as at 31 January 2024

Source: The portfolio-level ESG Risk Rating is the weighted average of the Sustainalytics' Risk Rating for securities in the portfolio. The Sustainalytics Risk Rating details are available at <https://www.sustainalytics.com/esg-data>. Carbon footprint is the weighted average carbon intensity of the Scope 1 and 2 carbon emission intensity of companies in the portfolio. It is measured in tonnes of CO2e divided by revenue (USD \$M).

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## World Equity Fund (continued)

### Fund structure

Manager/Strategy	Role in fund	Target	Actual
Nissay	All-cap strategy focused on contrarian value stocks in Japan	8.0%	6.5%
Numeric	Value and momentum exposure delivered through a quantitative approach	12.0%	15.8%
Sanders	Value approach focusing on out-of-favour companies	15.0%	16.0%
Invesco	Market-oriented, employing a mix of quality, growth and valuation criteria	12.0%	9.2%
Berenberg	European all cap quality growth	6.0%	2.8%
Brandywine	US large cap value	7.0%	2.8%
PineStone	Growth-oriented stock selection with a focus on quality	10.0%	9.8%
Russell Investments	Positioning strategy providing factor exposures	20.0%	17.7%
Wellington	Buys companies with strong earnings growth prospects and momentum	10.0%	12.5%
Russell Investments (cash & other)		-	6.8%

Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

Any reference to specific money managers should not be taken as a recommendation. Money managers are subject to change.

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**Past performance does not predict future returns.**

**The net assets of the fund are likely to have high volatility.**

**Potential investors in Emerging Markets should be aware that investment in these markets can involve a higher degree of risk.**

**Any reference to returns linked to currencies may increase or decrease as a result of currency fluctuations. Tax treatments depend on the circumstances of the individual client and may be subject to change in the future.**

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KvK number 67296386

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