

# Russell Investments

## Global High Dividend Equity Fund



**Portfolio Manager**  
Patrick Egan

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 facts

#### Share class; Dealing ccy

Class N Acc; EUR

#### Dealing frequency; Cut off

Daily; 2.00pm GMT

#### Domicile; Category

Ireland; UCITS

#### Fund size

USD 345.32m

#### ISIN; Bloomberg

IE00BLF9WW41; RUHDENE ID

#### Fund launch date

19 February 2010

#### Share class launch date

17 July 2020

#### Management fee

0.60%

#### Share class NAV

EUR 1,428.58

### Fund objective

The Fund aims to achieve long-term growth on your investment by investing at least 80% of its assets in the equities of companies worldwide, at least two-thirds of which are issued by or in respect of high dividend companies. In addition, the Fund focuses on companies that pay above-average income to their shareholders in the form of a dividend (a share of profits). The Fund is actively managed with reference to the MSCI ACWI (USD) - Net Returns (the "Index") which it seeks to outperform by 1.25% over the medium to long term. Russell Investments have full discretion to select investments for the Fund.

### Fund update

The Fund underperformed the strong benchmark return. Equity markets continued to rally and benchmark indices in the US, Europe and Japan reached new highs, boosted by strong fourth quarter corporate earnings in the US. Growth stocks led the market higher while high dividend yielding stocks underperformed amid high investor confidence. Positioning and negative selection within the consumer staples (overweight) and information technology (underweight) sectors were key drivers of underperformance. An underweight to utilities contributed positively.

### Performance review (%)

| Performance to period end<br>Returns shown in EUR | 1<br>month | 3<br>months | Year<br>to date | 12<br>months | 3<br>years | 5<br>years | Since<br>inception* |
|---|------------|-------------|-----------------|--------------|------------|------------|---------------------|
| Return gross of management fee<br>Class N Acc     | 1.5        | 6.9         | 3.5             | 8.4          | 8.8        | -          | 11.0                |
| Return net of management fee<br>Class N Acc       | 1.5        | 6.7         | 3.4             | 7.8          | 8.2        | -          | 10.4                |
| MSCI ACWI (USD) - Net Returns                     | 4.7        | 10.9        | 7.1             | 20.7         | 11.0       | -          | 12.9                |

\*Inception: 17 July 2020

All returns greater than 1 year are annualised

### Discrete rolling 12 month performance (%)

| Returns shown in EUR                          | 31/12/23<br>31/12/22 | 31/12/22<br>31/12/21 | 31/12/21<br>31/12/20 | 31/12/20<br>31/12/19 | 31/12/19<br>31/12/18 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return gross of management fee<br>Class N Acc | 8.0                  | -5.2                 | 25.4                 | -                    | -                    |
| Return net of management fee<br>Class N Acc   | 7.4                  | -5.8                 | 24.7                 | -                    | -                    |
| MSCI ACWI (USD) - Net Returns                 | 18.1                 | -13.0                | 27.5                 | -                    | -                    |

Past performance does not predict future returns.

The current benchmark is the MSCI ACWI (USD) - Net Returns converted into the currency displayed in the performance table above where applicable. Prior to 1st July 2018 the benchmark was Russel Global Index NR TR.

# Russell Investments

## Global High Dividend Equity Fund (continued)

### Portfolio statistics

|                           | Fund Benchmark |      |
|---------------------------|----------------|------|
| Number of equity holdings | 220            | 2920 |
| Price/earnings            | 22.8           | 27.5 |
| Dividend yield            | 2.7            | 1.4  |
| Price to book             | 4.0            | 5.3  |
| EPS growth (1 year)       | 0.3            | 8.9  |

Data as at 31 January 2024  
Source: Factset

### Ten largest holdings by weight

| Security                                 | Fund | Benchmark |
|--|------|-----------|
| Medtronic Plc                            | 2.6% | 0.2%      |
| Reckitt Benckiser Group plc              | 1.9% | 0.1%      |
| Microsoft Corp.                          | 1.9% | 4.1%      |
| Roche Holding AG                         | 1.3% | 0.3%      |
| Procter & Gamble Co/The                  | 1.3% | 0.5%      |
| McDonald's Corp.                         | 1.3% | 0.3%      |
| Gen Digital Inc                          | 1.2% | 0.0%      |
| International Flavors & Fragrances, Inc. | 1.2% | 0.0%      |
| Johnson & Johnson                        | 1.1% | 0.6%      |
| PepsiCo, Inc.                            | 1.1% | 0.3%      |

Data as at 31 January 2024

### Regional weights

|                          | Fund  | Benchmark |
|--------------------------|-------|-----------|
| US & Canada              | 62.1% | 65.5%     |
| Europe ex United Kingdom | 13.3% | 12.8%     |
| Emerging Markets         | 12.0% | 10.0%     |
| Japan                    | 6.7%  | 5.6%      |
| United Kingdom           | 3.7%  | 3.4%      |
| Asia Pacific ex-Japan    | 1.6%  | 2.6%      |
| Unclassified             | 0.6%  | -         |

Data as at 31 January 2024

| 3 years                    | Fund Benchmark |       |
|----------------------------|----------------|-------|
| Volatility ratio           | 12.0           | 13.4  |
| Tracking error             | 5.1%           | -     |
| Sharpe ratio               | 0.7            | 0.9   |
| Information ratio          | -0.5           | -     |
| 3 year return (net)        | 8.2%           | 11.0% |
| 3 year excess return (net) | -2.8%          | -     |

### Sector weights

|                        | Fund  | Benchmark |
|------------------------|-------|-----------|
| Information Technology | 18.4% | 23.5%     |
| Financials             | 17.8% | 16.0%     |
| Health Care            | 14.7% | 11.4%     |
| Consumer Staples       | 12.3% | 6.7%      |
| Industrials            | 12.2% | 10.5%     |
| Consumer Discretionary | 7.2%  | 10.7%     |
| Materials              | 6.4%  | 4.2%      |
| Energy                 | 3.6%  | 4.5%      |
| Communication Services | 3.1%  | 7.5%      |
| Real Estate            | 2.2%  | 2.3%      |
| Utilities              | 1.4%  | 2.5%      |
| Other                  | 0.6%  | 0.0%      |

Data as at 31 January 2024

### ESG data

|                  | Fund | Benchmark |
|------------------|------|-----------|
| ESG Score        | 20.3 | 21.5      |
| Carbon footprint | 82.3 | 121.8     |

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).

# Russell Investments

## Global High Dividend Equity Fund (continued)

### Fund structure

| Manager/Strategy                   | Role in fund   | Target | Actual |
|------------------------------------|--|--------|--------|
| Wellington                         | Invests in companies with high returns on capital and growing dividends          | 30.0%  | 31.9%  |
| Pzena                              | Seeks opportunities amongst the most deeply discounted stocks in the market      | 25.0%  | 26.6%  |
| Russell Investments                | Systematic process, invests in companies with high sustainable dividend yields   | 20.0%  | 20.5%  |
| Panarchy Partners                  | Process focuses on high quality companies with superior sustainability practices | 25.0%  | 17.4%  |
| Russell Investments (cash & other) |  | -      | 3.6%   |

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.

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