

Russell Investments Emerging Markets Equity Fund

Article 8



Portfolio Manager
Kathrine Husvaeg

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 A Acc; USD

Dealing frequency; Cut off

Daily; 2.00pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 1,036.84m

ISIN; Bloomberg

IE0003507054; FRIEMEI ID

Fund launch date

31 December 1994

Share class launch date

31 December 1994

Management fee

1.30%

Share class NAV

USD 444.42

Fund objective

The Fund aims to achieve long term growth by investing in the shares of companies in emerging markets or companies that carry out a majority of their business in emerging markets. The Fund is actively managed with reference to the MSCI Emerging Markets 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 outperformed in a positive month for Emerging Markets. The Fund's growth exposure was positive although value and small cap stocks underperformed. Effective stock selection was a key relative performance driver. This was strongest within Taiwan (information technology), South Korea (information technology) and India (industrials). Positive selection effects within Brazil were outweighed by positioning (overweight). Positioning towards select stocks within China (underweight Li Auto, Meituan) weighed on further outperformance.

Performance review (%)

Performance to period end Returns shown in EUR	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class A Acc	5.8	5.6	3.1	5.5	-2.1	3.2	7.1
Return net of management fee Class A Acc	5.7	5.3	2.8	4.1	-3.4	1.9	5.7
MSCI Emerging Markets Index (USD) - Net Returns	5.2	4.7	2.0	6.6	-2.6	2.9	6.4

*Inception: 31 December 1994

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 gross of management fee Class A Acc	5.1	-16.1	8.1	6.6	23.6
Return net of management fee Class A Acc	3.8	-17.2	6.7	5.2	22.1
MSCI Emerging Markets Index (USD) - Net Returns	6.1	-14.9	4.9	8.5	20.6

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 gross of management fee Class A Acc	-12.7	19.7	18.6	-5.2	14.0
Return net of management fee Class A Acc	-13.8	18.2	17.1	-6.5	12.6
MSCI Emerging Markets Index (USD) - Net Returns	-10.3	19.7	13.5	-2.9	11.9

Past performance does not predict future returns.

The current benchmark is the MSCI Emerging Markets Index (USD) - Net Returns converted into the currency displayed in the performance table above where applicable. Prior to 1st January 2018 the benchmark was the Russell Emerging Markets NR Index. Prior to 1st April 2011 the benchmark was MSCI Emerging Markets Index NR, prior to 1st January 2009, it was gross. Prior to April 1999 it was ING Barings Extended EM Index. Between April 1999 & February 2003 the IFC Investable Index.

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Emerging Markets Equity Fund (continued)

Portfolio statistics

	Fund	Benchmark
Number of equity holdings	534	1440
Price/earnings	19.4	18.1
Dividend yield	1.5	2.0
Price to book	3.2	2.6

Data as at 31 January 2024
Source: Factset

3 years	Fund	Benchmark
Volatility	13.6	13.5
Tracking error	2.1%	-
Sharpe ratio	-0.2	-0.1
Information ratio	-0.3	-
3 year return (net)	-3.4%	-2.6%
3 year excess return (net)	-0.7%	-

Ten largest holdings by weight

Security	Fund	Benchmark
Taiwan Semiconductor Manufacturing Co., Ltd.	4.3%	7.3%
Samsung Electronics Co., Ltd.	3.6%	3.9%
Tencent Holdings Ltd.	2.7%	3.4%
SK Hynix Inc	2.0%	0.8%
Taiwan Semiconductor Manufacturing Co Ltd	1.8%	-
Alibaba Group Holding Ltd.	1.6%	2.1%
MediaTek, Inc.	1.4%	0.7%
Bank Rakyat Indonesia	1.2%	0.4%
Reliance Industries Ltd.	1.1%	1.6%
MercadoLibre Inc.	1.1%	-

Data as at 31 January 2024

Sector weights

	Fund	Benchmark
Financials	23.5%	23.1%
Information Technology	21.9%	22.2%
Consumer Discretionary	13.9%	12.1%
Communication Services	7.6%	8.7%
Materials	7.4%	7.3%
Industrials	7.4%	6.8%
Consumer Staples	5.4%	5.9%
Energy	4.1%	5.6%
Health Care	3.9%	3.6%
Real Estate	2.8%	1.6%
Utilities	1.9%	2.8%
Other	0.2%	0.1%

The numbers may not add up to 100% due to rounding
Data as at 31 January 2024

Country weight

	Fund	Benchmark
China	24.0%	24.9%
Taiwan	14.2%	16.5%
India	14.2%	18.0%
Korea, Republic of	11.1%	12.2%
Brazil	9.2%	5.7%
Thailand	3.0%	1.7%
Indonesia	2.9%	1.9%
Mexico	2.8%	2.8%
South Africa	2.4%	2.8%
Others	16.2%	13.4%

The numbers may not add up to 100% due to rounding
Data as at 31 January 2024

ESG data

	Fund	Benchmark
ESG Score	23.2	24.1
Carbon footprint	181.8	325.0

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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Emerging Markets Equity Fund (continued)

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Axiom	Focused on positive earnings revision with consistent growth characteristics	12.0%	14.6%
Barrow Hanley	Contrarian value opportunities with quality characteristics	12.0%	10.2%
Numeric	Value and momentum exposure delivered through a quantitative approach	18.0%	20.2%
Oaktree	Market-oriented, employing a mix of growth and valuation criteria	14.0%	13.7%
Russell Investments	Positioning strategy to align Fund characteristics with preferred positioning	13.0%	12.9%
Pzena	Deep value	10.0%	8.0%
Sands	Long-duration growth	8.0%	6.8%
Redwheel	Opportunistic approach, focusing on value and growth	8.0%	7.8%
Bin Yuan Capital	Pan China manager investing in quality companies trading at reasonable valuations	5.0%	4.0%
Russell Investments (cash & other)		-	1.9%

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.

Cash is equitized using MSCI Emerging Markets Equity Futures contracts.

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The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

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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