

Russell Investments Japan Equity Fund



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Portfolio Manager

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 in the shares of Japanese companies. The Fund is broadly diversified across different Japanese companies and industry sectors. The Fund is actively managed with reference to the Topix Index (JPY) - Net Returns (the Index) which it seeks to outperform by 1.75% 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 the benchmark return in the fourth quarter. Stock selection was the key driver of outperformance. At the sector level, an overweight to and stock selection within information technology was a key positive contributor. This included overweight exposure to Kioxia Holdings and an overweight to Furuno Electric. Overweight to and selection within financials and energy was positive. Stock selection within consumer discretionary was also rewarded (overweight Sumitomo Electric Industries). Stock selection within industrials (underweight Mitsui & Co) and consumer staples (underweight AEON Co.) detracted, weighing on gains. Sompo, Asset Management One, M&G Investments, as well as the Active Positioning Strategy (an internal Russell strategy), were terminated, moreover Wellington and Sumitomo Mitsui DS Asset Management were hired as managers in the Fund.

Performance Review %

Performance to period end Returns shown in USD	1 month	3 months	6 months	Year to Date	1 year	3 years	5 years	10 years	Since inception
Return net of management fee Class I Accum	-0.2	3.0	13.2	26.2	26.2	16.1	5.3	7.4	6.3
Topix Index (JPY) - Net Returns	0.6	2.5	11.1	25.3	25.3	17.3	6.6	7.5	6.4

All returns greater than 1 year are annualised

Fund facts

Share Class; Dealing ccy

I Accum; USD

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

JPY 11,819.45m

Fund launch date

20 June 1995

Share class launch date

31 January 2002

Management fee

0.90%

ISIN; Bloomberg

IE0007966777; FRIJPIA ID

Share class NAV

USD 2.83m

Rolling 12 Month Performance (%)

Returns shown in USD	31/12/24 31/12/25	31/12/23 31/12/24	31/12/22 31/12/23	31/12/21 31/12/22	31/12/20 31/12/21
Return net of management fee Class I Accum	26.17	6.91	16.10	-17.16	-0.30
Topix Index (JPY) - Net Returns	25.32	7.66	19.59	-15.22	0.75

Returns shown in USD	31/12/19 31/12/20	31/12/18 31/12/19	31/12/17 31/12/18	31/12/16 31/12/17	31/12/15 31/12/16
Return net of management fee Class I Accum	12.53	19.54	-14.35	30.79	5.12
Topix Index (JPY) - Net Returns	12.62	18.79	-14.02	26.15	3.15

Past performance does not predict future returns.

The current benchmark is the Topix Index (JPY) - Net Returns converted in the currency displayed in the performance table above where applicable.

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	272	1664
Price/Earnings	15.7	17.4
Dividend Yield	2.2	2.2
Price to Book	1.5	1.8
EPS Growth (1 Year)	15.7	12.6

	Fund	Benchmark
3 years		
Volatility	10.2	10.2
Tracking error	2.4	2.4
Sharpe ratio	0.8	0.8
Information ratio	0.1	0.1
3 year return (net)	16.1%	17.3%
3 year excess return (net)	-1.2%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
Sony Group Corp	3.1%	2.9%
Mitsubishi UFJ Financial Group Inc	2.3%	3.2%
SoftBank Group Corp	2.3%	1.8%
Mizuho Financial Group Inc	2.1%	1.6%
ORIX Corp	1.8%	0.6%
Sumitomo Electric Industries Ltd	1.6%	0.5%
Hitachi Ltd	1.6%	2.6%
Toyota Motor Corp	1.6%	3.7%
Tokyo Electron Ltd	1.5%	1.5%
NTT Inc	1.4%	0.9%

Sector weights

	Fund	Benchmark
Industrials	22.8%	26.5%
Financials	20.6%	16.0%
Consumer Discretionary	18.6%	16.6%
Information Technology	11.8%	12.9%
Communication Services	7.2%	7.1%
Materials	6.9%	5.1%
Consumer Staples	4.4%	5.5%
Health Care	3.0%	5.9%
Real Estate	2.5%	2.1%
Energy	1.5%	1.0%
Utilities	0.7%	1.4%
Other	0.0%	0.0%

ESG Data

	Fund	Benchmark
ESG Score	23.5	23.3
Carbon Footprint	58.8	75.8

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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Fund structure

Manager/Strategy	Strategy	Target	Actual
Polymer Capital Japan Limited	Growth	24.2%	19.7%
SPARX Asset Management Co., Ltd.	Growth	9.7%	9.5%
Sumitomo Mitsui DS Asset Management Company, Limited	Value	34.0%	32.5%
Wellington Management Company LLP	Value	19.4%	19.5%
Russell Investments	Positioning Strategies	12.7%	18.8%

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.

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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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