

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 facts

Share class; Dealing ccy

Class B Acc; USD

Dealing frequency; Cut off

Daily; 2.00pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 1,589.38m

ISIN; Bloomberg

IE0034343834; FRAWEQB ID

Fund launch date

23 June 2004

Share class launch date

23 June 2004

Management fee

0.90%

Share class NAV

USD 41.37

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 in a quarter when equities fell despite early gains. Hawkish comments from central banks prompted rising expectations that interest rates would stay higher for longer. The Fund's tilt to small caps was unrewarded in the market environment. At the sector level, stock selection within information technology (software & services, semiconductors) was detrimental to performance. This included off-benchmark positions in Sansan and Money Forward. In semiconductors, an overweight to Infineon Technologies and an underweight to Nvidia detracted although this was mitigated by an underweight to ASML Holding. Stock selection within consumer staples was also unrewarded, including overweights to Heineken and Carlsberg. However, underweight exposure to and stock selection within utilities was effective, notably an overweight to Centrica.

Performance review (%)

Performance to period end Returns shown in USD	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class B Acc	-4.4	-3.8	7.7	19.7	8.5	7.1	8.6
Return net of management fee Class B Acc	-4.4	-4.0	7.0	18.7	7.6	6.1	7.6
MSCI World Index (USD) - Net Returns	-4.3	-3.5	11.1	22.0	8.1	7.3	7.5

*Inception: 23 June 2004

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in USD	30/09/23 30/09/22	30/09/22 30/09/21	30/09/21 30/09/20	30/09/20 30/09/19	30/09/19 30/09/18
Return gross of management fee Class B Acc	19.7	-19.4	32.6	7.6	2.2
Return net of management fee Class B Acc	18.7	-20.1	31.4	6.7	1.3
MSCI World Index (USD) - Net Returns	22.0	-19.6	28.8	10.4	1.8

Returns shown in USD	30/09/18 30/09/17	30/09/17 30/09/16	30/09/16 30/09/15	30/09/15 30/09/14	30/09/14 30/09/13
Return gross of management fee Class B Acc	9.6	22.7	12.1	-1.5	10.4
Return net of management fee Class B Acc	8.6	21.6	11.1	-2.4	9.4
MSCI World Index (USD) - Net Returns	11.3	18.3	11.3	-4.8	12.4

Past performance does not predict future returns.

The current benchmark is the MSCI World 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 Developed Large Cap NR Index. Prior to 1st April 2011 the benchmark was MSCI World NR.

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World Equity Fund (continued)

Portfolio statistics

	Fund Benchmark	
Number of equity holdings	693	1513
Price/earnings	25.8	28.6
Dividend yield	1.7	1.5
Price to book	5.1	5.6
EPS growth (1 year)	3.4	3.4

Data as at 31 August 2023
Source: Factset

3 years	Fund Benchmark	
Volatility ratio	17.2	17.4
Tracking error	2.1%	-
Sharpe ratio	0.4	0.4
Information ratio	-0.2	-
3 year return (net)	7.6%	8.1%
3 year excess return (net)	-0.5%	-

Ten largest holdings by weight

Security	Fund	Benchmark
Microsoft Corp.	4.5%	4.1%
Apple Inc.	3.2%	5.2%
Alphabet Inc. Class C	2.1%	1.3%
Meta Platforms, Inc. Class A	1.8%	1.1%
Amazon.com, Inc.	1.6%	2.2%
Alphabet Inc. Class A	1.6%	1.4%
NVIDIA Corp.	1.5%	2.1%
Taiwan Semiconductor Manufacturing Co Ltd	1.4%	-
UnitedHealth Group, Inc.	1.3%	0.8%
MasterCard Inc.	1.1%	0.6%

Data as at 31 August 2023

Sector weights

	Fund	Benchmark
Information Technology	21.5%	22.2%
Financials	14.9%	14.7%
Health Care	13.9%	12.7%
Industrials	11.5%	10.9%
Consumer Discretionary	10.0%	11.0%
Communication Services	9.2%	7.3%
Consumer Staples	6.3%	7.3%
Energy	4.1%	4.9%
Materials	3.5%	4.1%
Utilities	1.9%	2.6%
Real Estate	1.9%	2.4%
Other	1.3%	-

Data as at 31 August 2023

Regional weights

	Fund	Benchmark
US & Canada	68.4%	72.5%
Europe ex United Kingdom	14.9%	14.1%
Japan	6.0%	6.1%
United Kingdom	5.0%	3.9%
Asia Pacific ex-Japan	2.9%	3.0%
Emerging Markets	1.4%	0.1%
Unclassified	1.3%	0.1%

Data as at 31 August 2023

ESG data

	Fund	Benchmark
ESG Score	21.1	21.3
Carbon footprint	77.4	113.1

Data as at 31 August 2023

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
J O Hambro	Specialist manager with market oriented expertise, focused on UK stocks	9.0%	9.1%
Nissay	All-cap strategy focused on contrarian value stocks in Japan	8.0%	6.8%
Numeric	Value and momentum exposure delivered through a quantitative approach	12.0%	14.2%
Sanders	Value approach focusing on out-of-favour companies	15.0%	17.7%
Chikara Investments	Concentrated, growth-focused approach, with a mid- and smaller-cap bias	5.0%	4.5%
Invesco	Market-oriented, employing a mix of quality, growth and valuation criteria	12.0%	11.1%
StonePine	Growth-oriented stock selection with a focus on quality	10.0%	10.1%
Russell Investments	Positioning strategy providing factor exposures	20.0%	12.1%
Wellington	Buys companies with strong earnings growth prospects and momentum	9.0%	9.9%
Russell Investments (cash & other)		-	4.5%

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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Past performance does not predict future returns.

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

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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