

Russell Investments

Global Small Cap Equity Fund



Portfolio Manager
Megan Roach

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 27.20m

ISIN; Bloomberg

IE0003512708; FRUSSCA ID

Fund launch date

13 June 1997

Share class launch date

16 June 1997

Management fee

0.90%

Share class NAV

USD 67.65

Fund objective

The Fund aims to achieve capital appreciation by investing in equity securities worldwide, with a focus on investments in small and medium sized companies. The Fund is actively managed with reference to the MSCI World Small Cap Index (USD) - Net Returns (the "Index") which it seeks to outperform by 2% over the medium to long term. Russell Investments has full discretion to select investments for the Fund.

Fund update

Russell Investments, as the Investment Manager, adopts and executes the ideas of the selected third-party specialist investment managers through our in-house implementation team. The Fund is dynamically managed in alignment with our cycle, valuation, sentiment framework to take advantage of tactical opportunities within each manager's excess return cycle. The Fund maintains exposure to both growth and value factors and holds a tilt towards quality, momentum and low volatility factors. In alignment with Russell Investments' strategic equity beliefs, stock selection of the underlying active managers, based on their long-term assessment of each individual company, continues to be the primary driver of the Fund's expected risk and return.

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 A Acc	-3.8	9.6	9.6	7.7	13.5	4.9	8.5
Return net of management fee Class A Acc	-3.9	9.3	9.0	6.7	12.5	4.0	7.6
MSCI World Small Cap Index (USD) - Net Returns	-3.8	10.3	10.0	5.5	8.2	3.0	8.1

*Inception: 16 June 1997

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in USD	30/06/23 30/06/22	30/06/22 30/06/21	30/06/21 30/06/20	30/06/20 30/06/19	30/06/19 30/06/18
Return gross of management fee Class A Acc	13.6	-19.3	70.3	-11.3	-3.4
Return net of management fee Class A Acc	12.5	-20.1	68.8	-12.1	-4.2
MSCI World Small Cap Index (USD) - Net Returns	11.8	-25.5	61.5	-7.0	-3.7

Returns shown in USD	30/06/18 30/06/17	30/06/17 30/06/16	30/06/16 30/06/15	30/06/15 30/06/14	30/06/14 30/06/13
Return gross of management fee Class A Acc	18.2	22.7	-10.1	5.9	21.1
Return net of management fee Class A Acc	17.2	21.6	-10.9	4.9	20.0
MSCI World Small Cap Index (USD) - Net Returns	17.1	24.1	-7.2	6.1	23.2

Past performance does not predict future returns.

The current benchmark is the MSCI World Small Cap Index (USD) - Net Returns. Prior to 31st July 2023 the benchmark was the Russell 2000 Net 30%. Prior to 1 October 2012 the benchmark was Russell 2500 Net 30%.

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Global Small Cap Equity Fund (continued)

Portfolio statistics

	Fund	Benchmark
Number of equity holdings	952	1994
Price/earnings	22.8	28.8
Dividend yield	1.1	0.0
Price to book	2.5	2.5
EPS growth (1 year)	4.1	5.4

Data as at 31 July 2023
Source: Factset

3 years	Fund	Benchmark
Volatility	21.0	21.8
Tracking error	3.8%	-
Sharpe ratio	0.6	0.4
Information ratio	1.0	-
3 year return (net)	12.5%	8.2%
3 year excess return (net)	4.3%	-

Ten largest holdings by weight

Security	Fund	Benchmark
Bekaert SA	0.7%	0.0%
Pandora A/S	0.6%	-
Bank of Ireland Group Plc	0.6%	-
Balfour Beatty	0.5%	0.0%
Ringkjoebing Landbobank A/S	0.4%	0.1%
4Imprint Group Plc	0.4%	0.0%
Ipsos SA	0.4%	0.0%
NEC Corp.	0.4%	-
Rexel Sa	0.4%	0.1%
Cia De Distribucion Integral	0.3%	0.0%

Data as at 31 July 2023

Sector weights

	Fund	Benchmark
Industrials	22.9%	19.8%
Financials	14.7%	14.1%
Information Technology	13.3%	11.6%
Consumer Discretionary	10.1%	13.2%
Health Care	10.0%	10.3%
Materials	8.1%	7.3%
Real Estate	5.3%	8.2%
Energy	4.2%	5.1%
Communication Services	4.0%	3.0%
Consumer Staples	3.5%	4.6%
Other	2.4%	0.0%
Utilities	1.5%	2.8%

Data as at 31 July 2023

ESG data

	Fund	Benchmark
ESG Score	25.2	25.4
Carbon footprint	109.9	144.5

Data as at 31 July 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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Global Small Cap Equity Fund (continued)

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Copeland	Focuses on companies with a history of strong dividend growth	14.0%	13.9%
Four Seasons	Japan Pragmatic Small/Micro	15.0%	14.6%
Liontrust	Growth with a quality bias	9.0%	8.9%
AllianceBernstein	Fundamental-based approach that seeks relative value within an IRR framework	9.0%	10.4%
Berenberg	Aims to identify high quality companies with long-term sustainable growth	6.0%	5.5%
Boston Partners	Pursues micro and small caps undergoing positive change at attractive valuations	18.0%	17.5%
Calamos	Targets stocks with strong revenue growth, estimate revisions, and price momentum	9.0%	7.4%
Russell Investments	Positioning strategy to align fund characteristics with preferred positioning	20.0%	16.1%
Russell Investments (cash & other)		-	5.7%

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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