

Russell Investments Hedged Sustainable Global Shares Fund



Portfolio Manager
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The team manages a wide range of U.S., non-U.S developed, emerging market, frontier market, and global equity mandates.

Fund facts

Inception date

14 December 2021

Benchmark

MSCI ACWI Index - 100% Hedged to NZD - Net

Currency

100% Hedged to NZD

Total Annual Fund Charges incl. GST

0.34%

Management fees

0.25%

Estimated Administration Fee

0.09%

Dealing frequency; Cut off

Daily, 11am NZT

Dividend reinvestment available

Yes

Fund exclusions

Tobacco Manufacture & Production, Controversial weapons production, Coal mining and power generation, Nuclear Weapon Production, Uranium mining, Small arms manufacture & sale

Fund objective

Provide a total return, before costs and tax, in line with the MSCI ACWI Index - 100% Hedged to NZD - Net over the longer term with a focus on reducing the Fund's carbon exposure relative to benchmark.

Fund update

The Fund's exclusion of companies involved in defence contracting contributed positively to performance, including nil holdings in US names Lockheed Martin and Boeing. Our structural underweight to the utilities space added further, albeit modest value over the period. In contrast, performance was impacted by holdings within energy and materials sectors.

Performance review*

Period ending 29/02/2024	1 month	3 months	1 year p.a.	3 years p.a.	5 years p.a.	Since inception p.a.
Gross fund performance	4.92	10.54	24.09	-	-	3.80
Net fund performance	4.89	10.45	23.67	-	-	3.44
Benchmark return	4.73	10.32	23.41	-	-	3.92
Excess fund performance (gross)	0.19	0.22	0.68	-	-	-0.11

* The fund performance shown in this factsheet is not calculated using the unit prices for transacting into and out of the fund. From inception to 29 January 2023 transactional prices have been calculated using security prices available at NZ market close, while the benchmark is calculated using the security prices at the close of the different global markets. This pricing methodology difference causes an embedded lagging effect. From 1 December 2021, performance is calculated using accounting methods. The Performance calculation is measured as Net income generated over the period inclusive of fees and tax. Tax is calculated applying a PIR of 28% on taxable income. Net performance data shown is net of fees and assumes reinvestment of income. The benchmark return shown does not include any fees and is not intended to be an indicator of the return to an investor. Performance data is provided for informational purposes only and is not intended to imply a recommendation about a product or form the basis for making an investment decision. Past performance is not a reliable indicator of future performance.

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Russell Investments Hedged Sustainable Global Shares Fund

Portfolio statistics

	Fund	Benchmark
Number of equity holdings	1492	2919
Price / earnings	19.84	19.40
Dividend yield	2.26%	2.00%
Price to book	3.12	3.03

1 year	Fund	Benchmark
Volatility	12.43%	11.94%
Tracking error	0.64%	-
Shape ratio	1.61	-
Information ratio	1.09	-

Top ten holdings (%)

Security	Fund	Benchmark
MICROSOFT CORP	4.19	4.14
APPLE INC	4.03	4.01
NVIDIA CORP	2.80	2.77
AMAZON.COM INC	2.22	2.33
META PLATFORMS INC-CLASS A	1.66	1.55
ALPHABET INC-CL A	1.18	1.17
ALPHABET INC-CL C	1.04	1.04
ELI LILLY & CO	0.87	0.86
BROADCOM INC	0.83	0.82
TESLA INC	0.82	0.82

Sector weights (%)

	Fund	Benchmark
Information Technology	24.40	23.96
Financials	16.24	15.89
Health Care	11.60	11.22
Consumer Discretionary	11.45	11.11
Industrials	10.66	10.70
Communication Services	7.74	7.52
Consumer Staples	6.76	6.47
Energy	3.90	4.37
Materials	3.57	4.13
Real Estate	2.16	2.21
Utilities	1.97	2.41
Other	-0.45	0.01

Regional weights (%)

	Fund	Benchmark
United States	63.46	63.22
Europe ex UK	12.76	12.57
Emerging Markets	9.95	10.08
Japan	5.64	5.55
UK	3.25	3.23
Canada	2.85	2.80
Australia/New Zealand	1.78	1.77
Asia ex Japan	0.76	0.78
Other	-0.45	0.00

ESG data (%)

	Fund	Benchmark
Carbon Emissions ¹	41.00	100.00
Carbon Reserves ²	41.00	100.00
Green energy ratio ³	125.00	100.00
Material ESG Score ⁴	104.00	100.00

¹ Carbon Emissions is the Weighted Average Carbon Intensity which we define as relative carbon emissions as the weighted average of portfolio companies' Scope 1 & 2 GHG emissions divided by revenue (CO₂e/\$1M revenue USD).

² We refer to relative carbon reserves as the asset relative fossil fuel reserves of a company. Specifically it is defined as: Fossil fuel reserves (m tonnes) divided by total company assets (USD).

³ The green energy score calculates the percentage of total energy produced from renewable energy sources. The calculation accounts for energy source classifications of Green, Brown and Grey power generation. With the calculation reflecting the proportion of green power generation divided by total power generation.

⁴ Using Russell Investments proprietary material ESG scores.

⁵ For more information on the Russell Investments Sustainable Global Shares Fund's ESG metrics please refer to the Sustainable Global Shares Decarbonisation Strategy, located here:

<https://russellinvestments.com/-/media/files/nz/funds-static/sustainable-global-shares-decarbonisation-strategy-disclosure.pdf>

Russell Investments Hedged Sustainable Global Shares Fund

Portfolio structure (manager weight)

Manager	Style	Target Allocation
Russell Investments	Global shares, smart beta, decarbonisation strategy	100%

Footnotes

All information contained in this document is for the current reporting period unless otherwise stated.

[^] We license and apply the SASB® Materiality Map™ General Issue Categories in our work.

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