

The Global Real Estate Securities Fund



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Portfolio Manager

Russell Investments' Real Asset 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 mandates, including listed real estate, private real estate, listed infrastructure, and commodities.

Fund Objective

The Fund aims to achieve long term growth and income by investing worldwide in the equities of property-related companies. Each underlying investment strategy has a complementary investment style, with a focus on property-related companies and trusts. The Fund is actively managed with reference to the FTSE EPRA/NAREIT Developed Real Estate Index (USD) - Net Returns (the Index) which it seeks to outperform by 1.75% over the medium to long term. Russell Investments has full discretion to select investments for the Fund.

Fund Update

The global listed property market, as measured by the FTSE EPRA Nareit Developed Index (Net), advanced during the month. Regionally, North America was the best performer. Asia followed closely, while Europe lagged, ending in negative territory.

In this market environment, the Fund finished in line with the benchmark during the month. Security selection among property stocks in Europe was a bright spot in the portfolio. Selection within the US mall and health care sectors was beneficial, while stock selection among net lease and lodging detracted from performance.

Performance Review %

| Performance to period end Returns shown in EUR | 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 N Acc | 2.2 | -2.6 | 2.2 | 3.5 | 12.9 | -0.3 | 2.6 | - | 3.4 |
| FTSE EPRA Nareit Developed Index NET | 2.2 | -1.9 | 3.0 | 3.6 | 14.5 | 0.4 | 2.5 | 2.8 | 3.1 |

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

| Returns shown in EUR | 31/12/23 31/12/24 | 31/12/22 31/12/23 | 31/12/21 31/12/22 | 31/12/20 31/12/21 | 31/12/19 31/12/20 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class N Acc | 7.41 | 6.32 | -22.57 | 36.62 | -13.34 |
| FTSE EPRA Nareit Developed Index NET | 7.68 | 5.96 | -20.18 | 35.67 | -16.55 |

| Returns shown in EUR | 31/12/18 31/12/19 | 31/12/17 31/12/18 | 31/12/16 31/12/17 | 31/12/15 31/12/16 | 31/12/14 31/12/15 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class N Acc | 23.01 | -1.80 | -2.14 | - | - |
| FTSE EPRA Nareit Developed Index NET | 24.15 | -0.88 | -3.06 | - | - |

Past performance does not predict future returns.

| Fund facts |
|-----------------------------------|
| Share Class; Dealing ccy |
| N Acc; EUR |
| Dealing frequency; Cut off |
| Daily; 2:00 pm GMT |
| Domicile; Category |
| Ireland; UCITS |
| Fund launch date |
| 14 December 2005 |
| Share class launch date |
| 30 May 2016 |
| Management fee |
| 0.65% |
| ISIN; Bloomberg |
| IE00BYXJP841; TGRESNE ID |
| Share class NAV |
| EUR 45.07m |

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Portfolio Statistics

| | Fund | Benchmark |
|--------------------|------|-----------|
| Developer (%) | 9 | 9 |
| Investor (%) | 91 | 91 |
| Number of holdings | 140 | 360 |

Ten largest holdings by weight

| Issuer | Fund | Benchmark |
|---------------------------|------|-----------|
| Welltower Inc | 6.5% | 5.3% |
| Prologis Inc | 4.9% | 6.4% |
| Simon Property Group Inc | 4.5% | 3.4% |
| Equinix Inc | 4.4% | 4.9% |
| Digital Realty Trust Inc | 3.6% | 2.9% |
| Public Storage | 3.2% | 2.7% |
| AvalonBay Communities Inc | 2.9% | 1.8% |
| Goodman Group | 2.3% | 2.2% |
| Sun Communities Inc | 2.0% | 0.9% |
| Iron Mountain Inc | 1.8% | 1.5% |

Country weight

| | Fund | Benchmark |
|-----------------|-------|-----------|
| United States | 68.4% | 66.2% |
| Japan | 8.5% | 8.8% |
| Australia | 5.1% | 5.8% |
| United Kingdom | 3.8% | 3.5% |
| Singapore | 3.0% | 3.0% |
| France | 2.3% | 1.5% |
| Germany | 2.3% | 2.0% |
| China/Hong Kong | 2.2% | 2.1% |
| Sweden | 1.5% | 1.8% |
| Canada | 1.1% | 2.0% |

| 3 years | Fund | Benchmark |
|----------------------------|-------|-----------|
| Volatility | 19.5 | 19.5 |
| Tracking error | 1.3 | 1.3 |
| Sharpe ratio | - | - |
| Information ratio | 0.0 | 0.0 |
| 3 year return (net) | -0.1% | 0.4% |
| 3 year excess return (net) | -0.5% | - |

Property Sector Weights

| | Fund | Benchmark |
|-----------------|-------|-----------|
| Diversified | 18.9% | 20.7% |
| Technology | 17.2% | 14.9% |
| Self Storage | 14.9% | 13.8% |
| Retail | 14.6% | 14.8% |
| Residential | 11.3% | 11.2% |
| Office | 9.6% | 8.0% |
| Lodging/Resorts | 6.5% | 5.6% |
| Industrial | 3.6% | 5.0% |
| Health Care | 3.3% | 6.0% |

ESG Data

| | Fund | Benchmark |
|------------------|------|-----------|
| ESG Score | 12.7 | 12.9 |
| Carbon Footprint | 87.5 | 82.3 |

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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| Manager/Strategy | Strategy | Target | Actual |
|---|------------------------|--------|--------|
| Cohen & Steers Capital Management, Inc. | Global Market-Oriented | 38.8% | 40.6% |
| RREEF America L.L.C. | Public Market Equity | 48.5% | 45.8% |
| Russell Investments | Positioning Strategies | 12.7% | 13.5% |

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 value of a REIT depends on factors including the general economic climate and outlook, overall performance and outlook of the property market and related sectors, market value of and amount of rental income generated by its underlying properties, the levels of and any changes in interest rates, and the overall depth and liquidity of the real estate market and other assets in which the REIT is invested.

Potential investors in Emerging markets should be aware that investment in these markets can involve a higher degree of risk.

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