

Russell Investments Global High Dividend Equity

Article 8

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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 on your investment by investing at least 80% of its assets in the equities of companies worldwide, at least two-thirds of which are issued by or in respect of high dividend companies. In addition, the Fund focuses on companies that pay above-average income to their shareholders in the form of a dividend (a share of profits). The Fund is actively managed with reference to the MSCI ACWI (USD) - Net Returns (the Index) which it seeks to outperform by 1.25% over the medium to long term. Russell Investments have full discretion to select investments for the Fund.

Fund Update

The Fund underperformed the strong benchmark return. Growth stocks led the market higher while high dividend yielding stocks underperformed amid high investor confidence. Strong earnings results, optimism over artificial intelligence (AI)-related technology and expectations of interest rate cuts boosted sentiment. Within this environment, overweights to and negative selection within the consumer staples and health care sectors detracted. Underweights to and negative selection within the outperforming information technology and communication services sectors were also unrewarded, with an underweight to Nvidia a key detractor. Positive selection within materials mitigated further underperformance.

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 B EUR Inc | 3.4 | 6.7 | 10.6 | 6.7 | 11.3 | 5.6 | 5.6 | 6.3 | 7.0 |
| MSCI ACWI (USD) - Net Returns (EUR) | 3.3 | 10.7 | 17.8 | 10.7 | 24.0 | 10.0 | 11.8 | 11.4 | 11.3 |

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

| Returns shown in EUR | 31/03/23 31/03/24 | 31/03/22 31/03/23 | 31/03/21 31/03/22 | 31/03/20 31/03/21 | 31/03/19 31/03/20 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class B EUR Inc | 11.29 | -3.46 | 9.61 | 35.41 | -17.80 |
| MSCI ACWI (USD) - Net Returns (EUR) | 23.95 | -5.21 | 13.32 | 44.33 | -9.18 |

| Returns shown in EUR | 31/03/18 31/03/19 | 31/03/17 31/03/18 | 31/03/16 31/03/17 | 31/03/15 31/03/16 | 31/03/14 31/03/15 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Return net of management fee Class B EUR Inc | 8.71 | -3.81 | 14.86 | -9.82 | 29.17 |
| MSCI ACWI (USD) - Net Returns (EUR) | 12.52 | 0.01 | 22.91 | -9.82 | 34.85 |

Past performance does not predict future returns.

The current benchmark is the MSCI ACWI (USD) - Net Returns converted into the currency displayed in the performance table above where applicable. Prior to 1st July 2018 the benchmark was Russel Global Index NR TR.

Fund facts

Share Class; Dealing ccy

B EUR Inc; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 347.43m

Fund launch date

12 January 2001

Share class launch date

28 July 2010

Management fee

1.80%

ISIN; Bloomberg

IE00B3YRTR77; ROWGDEB ID

Share class NAV

EUR 7.29m

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Portfolio Statistics

| | Fund | Benchmark |
|---------------------------|------|-----------|
| Number of equity holdings | 254 | 2841 |
| Price/Earnings | 17.2 | 19.5 |
| Dividend Yield | 2.7 | 2.7 |
| Price to Book | 2.3 | 2.7 |
| EPS Growth (1 Year) | 13.2 | 19.6 |

| 3 years | Fund | Benchmark |
|----------------------------|-------|-----------|
| Volatility | 15.0 | 15.0 |
| Tracking error | 5.0 | 5.0 |
| Sharpe ratio | 0.2 | 0.2 |
| Information ratio | -0.5 | -0.5 |
| 3 year return (net) | 5.6% | 10.0% |
| 3 year excess return (net) | -4.4% | - |

Ten largest holdings by weight

| Issuer | Fund | Benchmark |
|---|------|-----------|
| Medtronic PLC | 2.5% | 0.2% |
| Reckitt Benckiser Group PLC | 1.5% | 0.1% |
| SAP SE | 1.5% | 0.3% |
| Taiwan Semiconductor Manufacturing Co Ltd | 1.5% | 0.8% |
| Procter & Gamble Co/The | 1.3% | 0.5% |
| Microsoft Corp | 1.2% | 4.1% |
| International Flavors & Fragrances Inc | 1.2% | 0.0% |
| Compass Group PLC | 1.1% | 0.1% |
| Hewlett Packard Enterprise Co | 1.1% | 0.0% |
| Roche Holding AG | 1.1% | 0.3% |

Regional weights

| | Fund | Benchmark |
|-----------------------|-------|-----------|
| United States | 60.0% | 63.3% |
| Europe ex UK | 13.5% | 12.5% |
| Emerging Markets | 11.9% | 10.1% |
| Japan | 6.5% | 5.5% |
| United Kingdom | 3.3% | 3.3% |
| Canada | 3.2% | 2.8% |
| Asia ex Japan | 0.8% | 0.7% |
| Australia/New Zealand | 0.7% | 1.8% |

Sector weights

| | Fund | Benchmark |
|------------------------|-------|-----------|
| Information Technology | 19.3% | 23.7% |
| Financials | 18.1% | 16.1% |
| Health Care | 15.1% | 11.2% |
| Industrials | 11.9% | 10.8% |
| Consumer Staples | 11.7% | 6.4% |
| Consumer Discretionary | 7.8% | 10.9% |
| Materials | 6.7% | 4.1% |
| Energy | 3.0% | 4.6% |
| Communication Services | 2.8% | 7.6% |
| Real Estate | 2.3% | 2.2% |
| Utilities | 1.4% | 2.5% |
| Infrastructure | 0.0% | 0.0% |
| Other | 0.0% | 0.0% |

ESG Data

| | Fund | Benchmark |
|------------------|------|-----------|
| ESG Score | 20.2 | 21.5 |
| Carbon Footprint | 80.8 | 118.1 |

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 |
|-----------------------------------|------------------------|--------|--------|
| Panarchy Partners Pte. Ltd | Market-Oriented | 20.0% | 17.7% |
| Pzena Investment Management, LLC | Value | 27.5% | 27.4% |
| Wellington Management Company LLP | Market-Oriented | 32.5% | 31.0% |
| Russell Investments | Positioning Strategies | 20.0% | 23.9% |

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.

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

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