

Russell Investments Global High Dividend Equity

Article 8

Patrick Egan
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 Class N Eur Acc | 3.5 | 7.0 | 11.3 | 7.0 | 12.7 | 6.4 | - | - | 11.1 |
| MSCI ACWI (USD) - Net Returns | 3.3 | 10.7 | 17.8 | 10.7 | 24.0 | 10.0 | - | - | 13.6 |

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 Class N Eur Acc | 12.69 | -3.39 | 10.60 | - | - |
| MSCI ACWI (USD) - Net Returns | 23.95 | -5.21 | 13.32 | - | - |

| 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 Class N Eur Acc | - | - | - | - | - |
| MSCI ACWI (USD) - Net Returns | - | - | - | - | - |

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 |
| Class N Eur Acc; 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 |
| 17 July 2020 |
| Management fee |
| 0.60% |
| ISIN; Bloomberg |
| IE00BLF9WW41; RUHDENE ID |
| Share class NAV |
| EUR 2.57m |

Russell Investments Global High Dividend Equity

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) | 6.4% | 10.0% |
| 3 year excess return (net) | -3.6% | - |

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).

Russell Investments Global High Dividend Equity

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.

Important Information

This material does not constitute an offer or invitation to anyone in any jurisdiction in which such distribution is not authorised.

Unless otherwise specified, Russell Investments is the source of all data. All information contained in this material is current at the time of issue and, to the best of our knowledge, accurate. Any opinion expressed is that of Russell Investments, is not a statement of fact, is subject to change and does not constitute investment advice.

The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

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.

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.

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID/KID before making any final investment decisions.

In the UK this marketing document has been issued by Russell Investments Limited. Company No. 02086230. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone +44 (0)20 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN. In the EU this marketing document has been issued by Russell Investments Ireland Limited. Company No. 213659. Registered in Ireland with registered office at: 78 Sir John Rogerson's Quay, Dublin 2, Ireland. Authorised and regulated by the Central Bank of Ireland. In the Middle East this marketing document has been issued by Russell Investments Limited a Dubai International Financial Centre company which is regulated by the Dubai Financial Services Authority at: Office 4, Level 1, Gate Village Building 3, DIFC, PO Box 506591, Dubai UAE. Telephone +971 4 578 7097. This material should only be marketed towards Professional Clients as defined by the DFSA.

KvK number 67296386

© 1995-2024 Russell Investments Group, LLC. All rights reserved.