

Russell Investments Global High Yield Fund

Article 8



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Portfolio Manager

Russell Investments' Global Fixed Income Team comprises over 9 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe. The team manages cash and multi-strategy fixed income portfolios, which include global, regional, investment grade, high yield, emerging market debt and absolute return mandates.

Fund Objective

Fund objective The Fund aims to achieve long term income and growth by investing in high yield corporate bonds issued by companies in both developed and emerging markets. The Fund invests in bonds issued which pay either a fixed or variable rate of interest. The Fund is actively managed with reference to the ICE BofA Developed Markets HY Constrained Index (EUR) (the Index) which it seeks to outperform by 0.75% over the medium to long term. Russell Investments/ Money Managers have full discretion to select investments for the Fund. This product is an Article 8 product, as defined under EU regulation - it promotes environmental or social characteristics and invests in companies that follow good governance practices. This product does not have sustainable investment as its objective.

Fund Update

The Fund underperformed the benchmark in a month when investment grade outperformed high yield as the market shifted abruptly to a risk-off environment. In US credit, although underweight exposure to high yield industrials contributed positively this was partly offset by an overweight to investment grade industrials. In Europe, an overweight to high yield industrials was unhelpful. Allocations to hard currency emerging market debt were ineffective with an overweight to investment grade in Latin America detracting. However, an overweight to high yield in Europe was beneficial.

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 B Income	1.4	3.1	3.0	2.8	8.4	-1.2	1.6	1.7	1.9
ICE BofA Developed Market HY Constrained Index EUR Hedged	1.7	3.5	3.7	3.9	9.6	0.5	2.2	2.9	3.2

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in EUR	30/06/23 30/06/24	30/06/22 30/06/23	30/06/21 30/06/22	30/06/20 30/06/21	30/06/19 30/06/20
Return net of management fee Class Class B Income	8.19	4.06	-15.16	16.46	-3.89
ICE BofA Developed Market HY Constrained Index EUR Hedged	9.17	6.71	-14.02	13.51	-3.07

Returns shown in EUR	30/06/18 30/06/19	30/06/17 30/06/18	30/06/16 30/06/17	30/06/15 30/06/16	30/06/14 30/06/15
Return net of management fee Class Class B Income	3.65	-2.99	11.18	-0.10	-2.81
ICE BofA Developed Market HY Constrained Index EUR Hedged	5.24	-0.36	10.43	3.14	-0.94

Past performance does not predict future returns.

The current benchmark is the ICE BofA Developed Markets HY Constrained Index (EUR Hdg). Prior to 31st March 2019 the benchmark was BofAml Global High Yield 2% Constrained EH Index. Prior to 3rd December 2015, the composite benchmark was 70% BofAml Global High Yield 2% Constrained EH, 30% JP Morgan EMBIG EH.

Fund facts
Share Class; Dealing ccy
Class B Income; EUR
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
EUR 410.10m
Fund launch date
28 February 2012
Share class launch date
18 January 2013
Management fee
1.60%
ISIN; Bloomberg
IE00B9721T72;
Share class NAV
EUR 1.84m

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Portfolio Statistics

	Fund
Effective duration	3.3
Average maturity	7.3
Average credit rating	BB
Yield to worst	5.4

3 years	Fund	Benchmark
Volatility	7.7	7.7
Tracking error	0.0	0.0
Sharpe ratio	-	-
Information ratio	-	-
3 year return (net)	-1.1%	0.5%
3 year excess return (net)	-1.6%	-

Ten largest holdings by weight

Security	Fund	Benchmark
US TREASURY N/B 10/25 5	3.0%	-
TREASURY BILL 09/24 0.00000	1.5%	-
UNITED KINGDOM GILT BONDS REGS 09/24 2.75	1.4%	-
REAL ALLOY COMMO	1.3%	-
LEVEL 3 FINANCING INC SR SECURED 144A 11/29 11	0.6%	0.1%
GLOBAL AIR LEASE CO LTD SR UNSECURED 144A 09/24 6.5	0.6%	-
HIGHLAND HOLDINGS BOND SR SECURED 144A 10/25 7.625	0.5%	-
TRAVELEX ISSUERCO 2 PLC COMPANY GUAR REGS 08/25 12.5	0.5%	-
PIKE CORP COMPANY GUAR 144A 09/28 5.5	0.5%	0.0%
REGAL REXNORD CORP COMPANY GUAR 04/33 6.4	0.5%	-

Credit Quality Weights

	Fund	Benchmark
AAA	1.7%	0.0%
AA	1.4%	0.0%
A	0.4%	0.0%
BBB	9.1%	0.6%
BB	51.5%	47.9%
B	25.9%	39.2%
CCC & Below	7.4%	12.4%
Unrated	2.6%	0.0%

Sector weights

	Fund	Benchmark
Corporate - High Yield	76.3%	95.5%
Corporate - Investment Grade	9.4%	0.2%
Emerging Markets - Hard Currency	7.4%	3.3%
Treasuries	5.9%	0.0%
Government Related	1.8%	0.9%
Securitized	0.2%	0.0%
Other	-0.9%	0.0%

Currency Exposure

	Fund	Benchmark
Euro	96.0%	100.0%
US Dollar	4.0%	0.0%
Pound Sterling	2.7%	0.0%
Norwegian Krone	1.7%	0.0%
New Zealand Dollar	0.8%	0.0%
Argentine Peso	0.0%	0.0%
Canadian Dollar	0.0%	0.0%
Japanese Yen	-0.1%	0.0%
Swedish Krona	-0.8%	0.0%
Australian Dollar	-1.7%	0.0%

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ESG Data

	Fund	Benchmark
ESG Score	21.1	22.9
Carbon Footprint	198.4	219.3

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).

Fund Structure

Manager/Strategy	Strategy	Target	Actual
Barings LLC	Global High Yield	35.0%	36.6%
Hermes Fund Managers Ireland Limited	Global High Yield	34.0%	33.5%
Russell Investments	Positioning Strategies	31.0%	28.6%

Any reference to specific money managers should not be taken as a recommendation. Money managers are subject to change.

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