

Russell Investments Japan Equity Fund



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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 by investing in the shares of Japanese companies. The Fund is broadly diversified across different Japanese companies and industry sectors. The Fund is actively managed with reference to the Topix Index (JPY) - Net Returns (the Index) which it seeks to outperform by 1.75% 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

While value has recently led the market, we see limited justification for a pronounced style bias, given the fragility of factor leadership. We continue to emphasize style and strategy diversification, with measured allocations to low volatility strategies for stability. The Fund's managers offer differentiated investment ideas based on rigorous, on the ground, bottom-up research. The Fund maintains a beta slightly above 1 to provide adequate exposure to broader market upside. In sectors, the Fund is overweight to financials, consumer discretionary and materials and is underweight to industrials, health care, and information technology.

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 A Accum	5.5	4.3	16.8	5.5	16.3	13.0	7.4	8.1	4.9
Topix Index (JPY) - Net Returns	4.9	3.9	14.8	4.9	14.5	13.9	8.6	8.0	3.6

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Fund facts
Share Class; Dealing ccy
A Accum; EUR
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
JPY 11,094.45m
Fund launch date
20 June 1995
Share class launch date
30 June 1995
Management fee
0.90%
ISIN; Bloomberg
IE0003506866; FRIJPEI ID
Share class NAV
EUR 3,403.69m

Returns shown in EUR	31/01/25 31/01/26	31/01/24 31/01/25	31/01/23 31/01/24	31/01/22 31/01/23	31/01/21 31/01/22
Return net of management fee Class A Accum	16.28	10.34	12.50	-3.57	2.68
Topix Index (JPY) - Net Returns	14.54	9.98	17.32	-2.51	5.06

Returns shown in EUR	31/01/20 31/01/21	31/01/19 31/01/20	31/01/18 31/01/19	31/01/17 31/01/18	31/01/16 31/01/17
Return net of management fee Class A Accum	5.59	12.97	-5.68	12.95	19.69
Topix Index (JPY) - Net Returns	3.48	14.10	-5.33	9.93	16.56

Past performance does not predict future returns.

The current benchmark is the Topix Index (JPY) - Net Returns converted in the currency displayed in the performance table above where applicable.

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	277	1666
Price/Earnings	16.4	18.3
Dividend Yield	2.1	2.1
Price to Book	1.6	1.9
EPS Growth (1 Year)	23.3	15.4

3 years	Fund	Benchmark
Volatility	10.2	10.2
Tracking error	2.4	2.4
Sharpe ratio	0.8	0.8
Information ratio	0.1	0.1
3 year return (net)	13.0%	13.9%
3 year excess return (net)	-0.9%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
Sony Group Corp	2.9%	2.4%
Mizuho Financial Group Inc	2.5%	1.9%
Mitsubishi UFJ Financial Group Inc	2.5%	3.5%
Toyota Motor Corp	2.4%	3.7%
SoftBank Group Corp	1.9%	1.6%
ORIX Corp	1.9%	0.6%
Hitachi Ltd	1.8%	2.7%
Sumitomo Electric Industries Ltd	1.8%	0.5%
Tokyo Electron Ltd	1.7%	1.7%
Japan Post Bank Co Ltd	1.6%	0.6%

ESG Data

	Fund	Benchmark
ESG Score	23.9	23.6
Carbon Footprint	61.8	75.4

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).

Sector weights

	Fund	Benchmark
Industrials	23.7%	27.0%
Financials	21.3%	16.7%
Consumer Discretionary	17.9%	15.6%
Information Technology	11.9%	13.4%
Materials	6.6%	5.3%
Communication Services	6.6%	6.6%
Consumer Staples	4.2%	5.2%
Health Care	3.0%	5.7%
Real Estate	2.4%	2.1%
Energy	1.7%	1.0%
Utilities	0.7%	1.4%
Other	0.0%	0.0%

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Fund structure

Manager/Strategy	Strategy	Target	Actual
Polymer Capital Japan Limited	Growth	24.2%	22.1%
SPARX Asset Management Co., Ltd.	Growth	9.7%	9.7%
Sumitomo Mitsui DS Asset Management Company, Limited	Value	34.0%	34.3%
Wellington Management Company LLP	Value	19.4%	20.2%
Russell Investments	Positioning Strategies	12.7%	13.7%

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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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.

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