

Russell Investments World Equity Fund II



William Pearce
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 and investments similar to equities of companies worldwide. The Fund may invest up to 20% of its assets in emerging markets (developing countries). The Fund is actively managed with reference to the MSCI ACWI (USD) - Net Returns (the Index) which it seeks to outperform by 2% 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 ended the month behind the benchmark. Its value and small cap exposure were headwinds in the market environment. An underweight to and stock selection within the best performing sector, information technology, detracted. This included an underweight to Apple and an overweight to Samsung Electronics. An underweight to Nvidia was also detrimental. Stock selection within industrials was also unhelpful, notably off-benchmark positions in Nagoya Railroad and JGC Holdings. However, stock selection within consumer discretionary was marginally positively. This included underweights to automakers Toyota Motors and Tesla, and overweights to Richemont and TJX Companies. Selection within real estate was also additive.

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 Acc | 1.8 | 3.5 | 13.4 | 9.8 | 17.7 | 7.6 | 11.2 | 10.6 | 7.5 |
| MSCI ACWI (USD) - Net Returns | 2.5 | 3.5 | 14.7 | 10.8 | 21.3 | 9.4 | 12.3 | 7.7 | 7.7 |

All returns greater than 1 year are annualised

Fund facts

Share Class; Dealing ccy

A Acc; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

USD 797.61m

Fund launch date

29 September 2006

Share class launch date

01 March 2007

Management fee

0.90%

ISIN; Bloomberg

IE00B1RNTG75; RUSWEAA ID

Share class NAV

EUR 113.69m

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 A Acc | 20.32 | -4.07 | 10.88 | 48.14 | -11.58 |
| MSCI ACWI (USD) - Net Returns | 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 A Acc | 9.17 | 1.19 | 24.52 | -9.97 | 37.54 |
| MSCI ACWI (USD) - Net Returns | 12.38 | -0.09 | 22.57 | -9.69 | 35.39 |

Past performance does not predict future returns.

The current benchmark is the MSCI ACWI (USD) - Net Returns converted in to the currency displayed in the performance table above where applicable. Prior to 1st January 2018 the benchmark was Russell Global Large Cap NR Index. Prior to 1st April 2011 the benchmark was MSCI World NR, t, prior to 1st January 2009 it was gross of withholding tax, total return.

Russell Investments World Equity Fund II

Portfolio Statistics

| | Fund | Benchmark |
|---------------------------|------|-----------|
| Number of equity holdings | 738 | 2837 |
| Price/Earnings | 18.5 | 20.4 |
| Dividend Yield | 1.9 | 1.9 |
| Price to Book | 2.5 | 2.7 |
| EPS Growth (1 Year) | 15.5 | 49.0 |

| 3 years | Fund | Benchmark |
|----------------------------|-------|-----------|
| Volatility | 16.0 | 16.0 |
| Tracking error | 1.8 | 1.8 |
| Sharpe ratio | 0.2 | 0.2 |
| Information ratio | -0.4 | -0.4 |
| 3 year return (net) | 8.7% | 9.4% |
| 3 year excess return (net) | -0.7% | - |

Ten largest holdings by weight

| Issuer | Fund | Benchmark |
|---|------|-----------|
| Taiwan Semiconductor Manufacturing Co Ltd | 2.9% | 0.9% |
| Microsoft Corp | 2.8% | 4.1% |
| Alphabet Inc | 2.4% | 2.6% |
| Meta Platforms Inc | 1.5% | 1.4% |
| NVIDIA Corp | 1.4% | 3.7% |
| Samsung Electronics Co Ltd | 1.3% | 0.4% |
| Apple Inc | 1.2% | 3.9% |
| Amazon.com Inc | 1.0% | 2.3% |
| Alibaba Group Holding Ltd | 1.0% | 0.2% |
| Tencent Holdings Ltd | 0.9% | 0.4% |

Regional weights

| | Fund | Benchmark |
|-----------------------|-------|-----------|
| United States | 60.3% | 63.3% |
| Europe ex UK | 13.3% | 12.5% |
| Emerging Markets | 11.2% | 10.1% |
| Japan | 5.3% | 5.3% |
| United Kingdom | 4.5% | 3.4% |
| Canada | 2.7% | 2.8% |
| Australia/New Zealand | 1.9% | 1.8% |
| Asia ex Japan | 0.8% | 0.8% |

Sector weights

| | Fund | Benchmark |
|------------------------|-------|-----------|
| Information Technology | 21.1% | 24.1% |
| Financials | 15.4% | 16.0% |
| Health Care | 12.6% | 10.9% |
| Consumer Discretionary | 11.5% | 10.5% |
| Industrials | 11.1% | 10.7% |
| Communication Services | 8.6% | 7.8% |
| Consumer Staples | 7.2% | 6.5% |
| Materials | 5.4% | 4.1% |
| Energy | 4.1% | 4.5% |
| Real Estate | 1.5% | 2.1% |
| Utilities | 1.4% | 2.7% |
| Other | 0.0% | 0.0% |

ESG Data

| | Fund | Benchmark |
|------------------|------|-----------|
| ESG Score | 21.9 | 21.4 |
| Carbon Footprint | 95.3 | 122.3 |

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).

Russell Investments World Equity Fund II

Fund structure

| Manager/Strategy | Strategy | Target | Actual |
|--|---------------------------------|--------|--------|
| Brandywine Global Investment Management, LLC | Classic Large Cap Value (Kaser) | 7.0% | 6.0% |
| Joh. Berenberg, Gossler & Co. KG | European All Cap | 5.0% | 3.6% |
| Nissay Asset Management Corporation | Value | 10.0% | 7.6% |
| Numeric Investors LLC | Market-Oriented | 11.0% | 15.1% |
| Oaktree Capital Management, L.P. | Market-Oriented | 10.0% | 10.6% |
| PineStone Asset Management Inc. | Growth | 11.0% | 8.9% |
| RWC Asset Advisors (US) LLC | Market-Oriented | 7.0% | 5.5% |
| Sanders Capital, LLC | Value | 16.0% | 15.6% |
| Wellington Management Company LLP | Growth | 6.0% | 8.4% |
| Russell Investments | Positioning Strategies | 17.0% | 18.7% |

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.

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.