

Russell Investments Sustainable Global Shares Fund



Portfolio Manager
Andrew Zenonos

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 facts

Inception date

14 December 2021

Benchmark

MSCI ACWI Index - Net

Currency

NZD

Total Annual Fund Charges

0.32%

Management Fees

0.25%

Estimated Administration Fee

0.07%

Dealing frequency; Cut off

Daily, 11am NZT

Dividend reinvestment available

Yes

Fund exclusions

Tobacco Manufacture & Production, Controversial weapons production, Coal mining and power generation, Nuclear Weapon Production, Uranium mining, Small arms manufacture & sale

Fund objective

Provide a total return, before costs and tax, in line with the MSCI ACWI Index Net over the longer term with a focus on reducing the Fund's exposure to carbon relative to benchmark.

Fund update

The Fund's structural underweight to the energy space detracted from performance; the sector significantly outperforming the broader market over the period. In contrast, the Fund's exclusion of companies involved in the manufacture of nuclear weapons contributed positively to performance, including nil holdings in US names Lockheed Martin and Boeing. Our structural underweight to the utilities space also added value. The Fund's exclusion of tobacco companies had no material impact on overall returns.

Performance review* (%)

Period ending 30/09/2023	1 month	3 months	1 year p.a.	3 years p.a.	5 years p.a.	Since inception p.a.
Gross fund performance	-5.15	-1.82	13.89	-	-	1.65
Net fund performance	-5.18	-1.90	13.53	-	-	1.32
Benchmark return	-5.00	-1.51	13.73	-	-	2.13
Excess fund performance (gross)	-0.15	-0.31	0.16	-	-	-0.48

* The fund performance shown in this factsheet is not calculated using the unit prices for transacting into and out of the fund. The performance has been calculated using adjusted unit prices. The unit prices calculated by the custodian use security prices available at NZ market close, while the benchmark is calculated using the security prices at the close of the different global markets. This pricing methodology difference causes an embedded lagging effect; hence a month-end adjustment is made so that the fund performance reporting is aligned with the benchmark methodology and we can more accurately report the fund performance against the benchmark. Net fund performance shown is net of fees and charges. Assumes reinvestment of income. The benchmark return shown does not include any fees and is not intended to be an indicator of the return to an investor. Performance data is provided for informational purposes only and is not intended to imply a recommendation about a product or form the basis for making an investment decision. Past performance is not a reliable indicator of future performance.



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Portfolio statistics

	Fund	Benchmark
Number of equity holdings	1482	2947
Price / earnings	17.45	17.12
Dividend yield	2.57%	3.00%
Price to book	2.72	2.69

Top ten holdings (%)

Security	Fund	Benchmark
APPLE INC	4.38	4.41
MICROSOFT CORP	3.63	3.65
AMAZON.COM INC	1.88	1.92
NVIDIA CORP	1.74	1.76
ALPHABET INC-CL A	1.26	1.27
TESLA INC	1.16	1.17
ALPHABET INC-CL C	1.12	1.14
META PLATFORMS INC-CLASS A	1.08	1.09
UNITEDHEALTH GROUP INC	0.76	0.77
BERKSHIRE HATHAWAY INC-CL B	0.75	0.74

Sector weights (%)

	Fund	Benchmark
Information Technology	21.67	21.56
Financials	15.83	15.72
Health Care	12.06	11.87
Consumer Discretionary	11.33	11.18
Industrials	10.05	10.37
Communication Services	7.78	7.56
Consumer Staples	7.17	7.10
Energy	4.66	5.22
Materials	4.00	4.50
Real Estate	2.37	2.27
Utilities	2.18	2.62
Other	0.90	0.03

Regional weights (%)

	Fund	Benchmark
United States	61.04	61.72
Europe ex UK	12.70	12.61
Emerging Markets	10.40	10.77
Japan	5.56	5.55
UK	3.60	3.63
Canada	2.99	2.92
Australia/New Zealand	1.91	1.85
Asia ex Japan	0.82	0.91
Other	0.98	0.04

ESG data (%)

	Fund	Benchmark
Carbon Emissions ¹	42.00	100.00
Carbon Reserves ²	41.00	100.00
Green energy ratio ³	129.00	100.00
Material ESG Score ⁴	104.00	100.00

¹ Carbon Emissions is the Weighted Average Carbon Intensity which we define as relative carbon emissions as the weighted average of portfolio companies' Scope 1 & 2 GHG emissions divided by revenue (CO₂e/\$1M revenue USD).

² We refer to relative carbon reserves as the asset relative fossil fuel reserves of a company. Specifically it is defined as: Fossil fuel reserves (m tonnes) divided by total company assets (USD).

³ The green energy score calculates the percentage of total energy produced from renewable energy sources. The calculation accounts for energy source classifications of Green, Brown and Grey power generation. With the calculation reflecting the proportion of green power generation divided by total power generation.

⁴ Using Russell Investments proprietary material ESG scores.

⁵ For more information on the Russell Investments Sustainable Global Shares Fund's ESG metrics please refer to the Sustainable Global Shares Decarbonisation Strategy, located here: <https://russellinvestments.com/media/files/nz/fundsstatic/sustainableglobalsharesdecarbonisationstrategydisclosure.pdf>

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Portfolio structure (manager weight)

Manager	Style	Target Allocation
Russell Investments	Global shares, smart beta, decarbonisation strategy	100%

Footnotes

All information contained in this document is for the current reporting period unless otherwise stated.

[^] We license and apply the SASB® Materiality MapTM General Issue Categories in our work.

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