

# Russell Investments Hedged Global Shares 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 Facts                                 |  |
|--------------------------------------------|--|
| <b>Inception date</b>                      |  |
| 24 July 2012                               |  |
| <b>Benchmark</b>                           |  |
| MSCI ACWI Index - 100% Hedged to NZD - Net |  |
| <b>Currency</b>                            |  |
| NZD                                        |  |
| <b>Total Annual Fund Charges incl. GST</b> |  |
| 0.88%                                      |  |
| <b>Management Fees</b>                     |  |
| 0.80%                                      |  |
| <b>Estimated Administration Fee</b>        |  |
| 0.08%                                      |  |
| <b>Dealing Frequency; Cut Off</b>          |  |
| Daily, 11am NZT                            |  |
| <b>Dividend Reinvestment Available</b>     |  |
| Yes                                        |  |

## Fund Objective

To provide a total return, before costs and tax, higher than the MSCI ACWI Index - Net over the long term (3 years plus).

## Fund Update

Stock selection in the US was the main driver of outperformance, including underweights to e-commerce platform Amazon.com and chip maker NVIDIA. Other US positions to add value were overweights to HCA Healthcare and Delta Air Lines. Stock selection in emerging markets also added value in August, including our holding in South African gold miner AngloGold Ashanti. Stock selection in Canada added further, albeit modest value over the period; notably an overweight to gold miner Barrick Mining Corp. In contrast, stock selection in Continental Europe detracted from overall performance, including our holdings in German software company Nemetschek SE and Swiss sanitary products manufacturer Geberit AG. Overweights to Germany's Daimler Truck AG and French digital automation and energy management company Schneider Electric SE also weighed on returns.

## Performance Review (%)

| Period Ending 31/08/2025        | 1 month % | 3 months % | 1 year % | 3 years %p.a. | 5 years %p.a. | Since Inception %p.a. |
|---------------------------------|-----------|------------|----------|---------------|---------------|-----------------------|
| Gross Fund Performance          | 2.69      | 8.31       | 13.86    | 15.21         | 12.45         | 12.94                 |
| Net Fund Performance            | 2.62      | 8.07       | 12.84    | 14.16         | 11.28         | 11.44                 |
| Benchmark Return                | 1.95      | 8.11       | 14.79    | 16.58         | 12.05         | 12.51                 |
| Excess Fund Performance (Gross) | 0.74      | 0.20       | -0.93    | -1.37         | 0.40          | 0.43                  |

## Rolling 12 Month Performance (%)

| Period Ending 31/08/25 | 31/08/20<br>31/08/21 | 31/08/21<br>31/08/22 | 31/08/22<br>31/08/23 | 31/08/23<br>31/08/24 | 31/08/24<br>31/08/25 |
|------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Gross Fund Performance | 33.29                | -11.78               | 11.80                | 20.12                | 13.86                |
| Net Fund Performance   | 31.27                | -12.62               | 10.78                | 19.03                | 12.84                |
| Benchmark Return       | 27.84                | -12.79               | 12.28                | 22.92                | 14.79                |

The fund performance shown in this factsheet is not calculated using the unit prices for transacting into and out of the fund. For periods up to 30 November 2021, fund performance has been calculated using the unit prices for transacting into and out of the fund. For periods from 1 December 2021 to 29 January 2023 transactional prices have been calculated using 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. From 1 December 2021, performance is calculated using accounting methods. The Performance calculation is measured as Net income generated over the period inclusive of fees and tax. Tax is calculated applying a PIR of 28% on taxable income. Net performance data shown is net of fees and assumes reinvestment of income.

\* MSCI World Net - \$NZ Index Hedged until 31/12/2010, Russell Global Large Cap - \$NZ Hedged - Net Index until 30/09/2018 and MSCI ACWI Index - 100% Hedged to NZD - Net thereafter.

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.

## Portfolio Statistics

|                           | Fund  | Benchmark | 3 Years           | Fund   | Benchmark |
|---------------------------|-------|-----------|-------------------|--------|-----------|
| Price / Earnings          | 22.62 | 23.72     | Volatility        | 12.46% | 12.82%    |
| Dividend Yield            | 1.69% | 1.70%     | Tracking Error    | 1.60%  | -         |
| Price to Book             | 3.10  | 3.47      | Sharpe Ratio      | 0.90   | -         |
| Number of Equity Holdings | 698   | 2,441     | Information Ratio | -0.86  | -         |

# Russell Investments Hedged Global Shares Fund

## Top Ten Issuers (%)

| Issuer                                    | Fund | Benchmark |
|-------------------------------------------|------|-----------|
| Taiwan Semiconductor Manufacturing Co Ltd | 3.07 | 1.07      |
| Microsoft Corp                            | 3.06 | 4.10      |
| Alphabet Inc                              | 3.00 | 2.62      |
| NVIDIA Corp                               | 1.58 | 4.87      |
| Meta Platforms Inc                        | 1.43 | 1.84      |
| Amazon.com Inc                            | 1.33 | 2.51      |
| Apple Inc                                 | 1.22 | 3.98      |
| Mastercard Inc                            | 1.07 | 0.58      |
| Samsung Electronics Co Ltd                | 1.04 | 0.31      |
| Tencent Holdings Ltd                      | 1.01 | 0.56      |

## Sector Allocation (%)

|                        | Fund  | Benchmark |
|------------------------|-------|-----------|
| Information Technology | 23.29 | 26.11     |
| Financials             | 15.06 | 17.85     |
| Industrials            | 12.45 | 10.83     |
| Health Care            | 10.90 | 8.73      |
| Consumer Discretionary | 10.54 | 10.52     |
| Communication Services | 9.91  | 8.78      |
| Materials              | 6.64  | 3.53      |
| Consumer Staples       | 5.92  | 5.57      |
| Energy                 | 2.36  | 3.59      |
| Real Estate            | 1.54  | 1.93      |
| Utilities              | 1.39  | 2.55      |

## Regional Weights (%)

|                       | Fund  | Benchmark |
|-----------------------|-------|-----------|
| United States         | 61.67 | 64.34     |
| Europe ex UK          | 12.28 | 11.53     |
| Emerging Markets      | 11.86 | 10.48     |
| Japan                 | 4.74  | 4.93      |
| United Kingdom        | 3.87  | 3.27      |
| Canada                | 2.81  | 2.97      |
| Australia/New Zealand | 1.61  | 1.61      |
| Asia ex Japan         | 1.17  | 0.87      |

## ESG Data

|                  | Fund   | Benchmark |
|------------------|--------|-----------|
| Carbon Footprint | 112.44 | 113.86    |
| Tobacco Exposure | 0.00%  | 0.68%     |

**Carbon Footprint:** Higher score implies greater carbon exposure. The Carbon Footprint 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 (CO<sub>2</sub>e/\$1M revenue USD).

**Tobacco Exposure:** Defined as the weight of securities in the portfolio classified as being in the GICS tobacco subindustry.

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## Portfolio Structure

| Manager                                      | Style                           | Target Allocation (%) |
|----------------------------------------------|---------------------------------|-----------------------|
| Russell Investments                          | Positioning Strategies          | 20.00                 |
| Sanders Capital, LLC                         | Value                           | 15.00                 |
| PineStone Asset Management Inc.              | Growth                          | 10.00                 |
| Nissay Asset Management Corporation          | Value                           | 9.50                  |
| Oaktree Capital Management, L.P.             | Market-Oriented                 | 6.50                  |
| Brandywine Global Investment Management, LLC | Classic Large Cap Value (Kaser) | 6.00                  |
| RWC Asset Advisors (US) LLC                  | Market-Oriented                 | 6.00                  |
| Wellington Management Company LLP            | Growth                          | 6.00                  |
| Numeric Investors LLC                        | Market-Oriented                 | 5.50                  |
| Numeric Investors LLC                        | Market-Oriented                 | 5.50                  |
| Joh. Berenberg, Gossler & Co. KG             | European All Cap                | 5.00                  |
| Kopernik Global Investors LLC                | Global ex-US Equity             | 5.00                  |

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