

Russell Investments Japan Equity Fund



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Portfolio Manager

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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

The Fund slightly underperformed the benchmark over the second quarter. In terms of factor positioning, the Fund benefitted from its growth exposure. In sectors, overweight exposure to and stock selection within financials was the biggest detractor (overweight Tokio Marine Holdings) although an underweight to Mitsubishi Ufj was helpful. Stock selection within consumer staples (overweight Kao Corp) and communication services (overweight NTT) was ineffective. However, stock selection within industrials contributed positively (underweight Mitsubishi Electric Corp, overweight Recruit Holdings). Stock selection within materials and utilities was also additive.

Performance Review %

Performance to period end Returns shown in USD	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 I Accum	2.5	10.8	11.5	11.5	12.4	12.7	6.8	5.7	5.9
Topix Index (JPY) - Net Returns (GBP)	1.8	11.3	12.7	12.7	15.5	15.2	8.6	6.1	6.1

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Fund facts
Share Class; Dealing ccy
I Accum; USD
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
JPY 7.16m
Fund launch date
20 June 1995
Share class launch date
31 January 2002
Management fee
0.90%
ISIN; Bloomberg
IE0007966777; FRIJPIA ID
Share class NAV
USD 2.18m

Returns shown in USD	30/06/24 30/06/25	30/06/23 30/06/24	30/06/22 30/06/23	30/06/21 30/06/22	30/06/20 30/06/21
Return net of management fee Class I Accum	12.45	12.05	13.72	-21.51	23.46
Topix Index (JPY) - Net Returns (GBP)	12.45	12.45	17.65	-19.75	23.38

Returns shown in USD	30/06/19 30/06/20	30/06/18 30/06/19	30/06/17 30/06/18	30/06/16 30/06/17	30/06/15 30/06/16
Return net of management fee Class I Accum	1.90	-6.03	14.85	22.85	-6.85
Topix Index (JPY) - Net Returns (GBP)	2.56	-6.00	10.89	20.32	-7.22

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	348	1681
Price/Earnings	15.6	15.7
Dividend Yield	2.4	2.4
Price to Book	1.3	1.6
EPS Growth (1 Year)	18.1	12.5

3 years	Fund	Benchmark
Volatility	11.0	11.0
Tracking error	2.9	2.9
Sharpe ratio	-0.3	-0.3
Information ratio	-0.3	-0.3
3 year return (net)	13.2%	15.2%
3 year excess return (net)	-2.0%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
Sony Group Corp	3.1%	3.2%
Hitachi Ltd	2.5%	2.7%
ORIX Corp	2.5%	0.5%
Mitsubishi UFJ Financial Group Inc	2.4%	3.1%
Seven & i Holdings Co Ltd	2.3%	0.7%
SoftBank Group Corp	2.1%	1.3%
Toyota Motor Corp	1.8%	3.3%
NTT Inc	1.7%	1.1%
Tokio Marine Holdings Inc	1.7%	1.4%
Sumitomo Mitsui Financial Group Inc	1.6%	1.8%

ESG Data

	Fund	Benchmark
ESG Score	23.0	23.5
Carbon Footprint	57.3	76.3

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).

Sector weights

	Fund	Benchmark
Industrials	24.6%	25.9%
Financials	18.0%	14.6%
Consumer Discretionary	15.6%	17.0%
Information Technology	15.1%	13.0%
Communication Services	7.6%	8.3%
Consumer Staples	6.5%	6.0%
Materials	4.5%	4.9%
Health Care	3.7%	6.2%
Real Estate	3.0%	2.0%
Energy	0.8%	0.7%
Utilities	0.8%	1.2%
Other	0.0%	0.0%

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Fund structure

Manager/Strategy	Strategy	Target	Actual
Asset Management One Co., Ltd.	Growth	15.9%	17.8%
M&G Investments (USA) Inc.	Market-Oriented	16.6%	13.9%
Polymer Capital Japan Limited	Growth	11.2%	13.1%
Sompo Asset Management Co., Ltd.	Value	24.6%	22.1%
SPARX Asset Management Co., Ltd.	Growth	16.1%	14.1%
Russell Investments	Positioning Strategies	15.7%	19.0%

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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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.

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