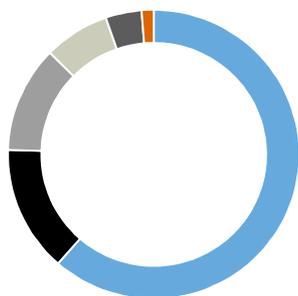


Russell Investments Low Carbon Global Shares Fund

Geographic allocation



North America	61.4%
EMEA ex United Kingdom	14.1%
Emerging Markets	11.9%
Japan	7.3%
United Kingdom	4.0%
Asia Pacific ex Japan	1.3%

Fund facts

Share class

Class A - NZD

Inception date

10 October 2017

Benchmark

MSCI ACWI ex Australia Index Net

Portfolio manager

James Harwood

Currency

NZD

Fund objective

To provide a total return, before costs and tax, in line with the Fund's benchmark over rolling three year periods with a focus on reducing the Fund's exposure to carbon.

Fund strategy

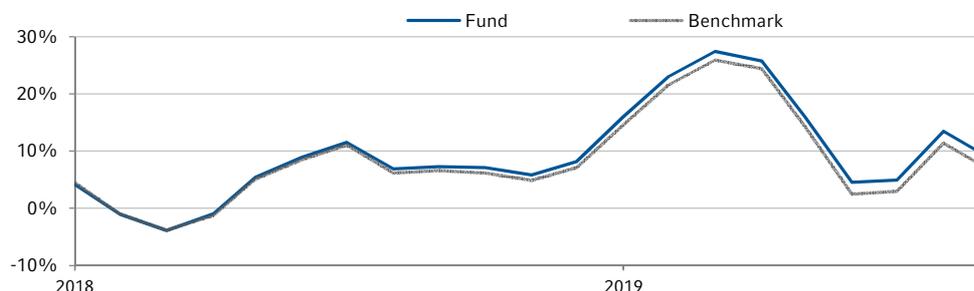
The Fund invests predominantly in a broad range of international shares listed on stock exchanges in developed and emerging international markets. The Fund will maintain a reduced carbon exposure compared to the Benchmark, whilst also increasing exposure to renewable energy and taking into account other ESG considerations such as the exclusion of controversial weapons, uranium and tobacco companies. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk.

Performance review¹

Period ending 30/06/2020	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Gross fund performance	-0.7	10.0	8.9	-	-	9.0
Benchmark return	-0.8	9.6	6.8	-	-	8.2
Excess return	0.1	0.4	2.0	-	-	0.9

Past performance is not a reliable indicator of future performance. Performance data shown is gross of fees, charges or taxes and is not in any way an indicator of the net return to you as an investor.

Rolling 1 year performance history



Fund commentary

The Russell Investments Low Carbon Global Shares Fund returned 10% in the June quarter.

The Fund benefited from its low carbon tilt and structural underweight to companies with large carbon reserves; most of which sit within the energy space. The Fund's structural underweight to utilities also added value. Utilities, which along with energy and materials tends to be a large carbon emitter, significantly underperformed the index over the period. Stock selection within the sector added further value, including underweights to US electric utilities NextEra Energy, Southern Company and Duke Energy. Stock selection within the materials space was also positive; notably a modest overweight to Canada's Wheaton Precious Metals Corp. The Fund's exclusion of tobacco companies was another source of value add over the quarter, with the likes of Philip Morris International, Altria Group and Japan Tobacco all underperforming the broader market. Our exclusion of those companies involved in the manufacture of nuclear weapons was also positive, including Northrop Grumman Corp. and Lockheed Martin. An overweight to the information technology sector also contributed positively to performance, including overweights to Apple and NVIDIA Corp.; both of which posted strong gains for the quarter. Other notable positions to add value over the period were overweights to Wayfair and eBay.



Russell Investments Low Carbon Global Shares Fund

Carbon Footprint¹

40%
of benchmark

Russell Low Carbon
ESG Strategy



MSCI ACWI ex
Australia



Carbon Reserves²

30%
of benchmark

Russell Low Carbon
ESG Strategy



MSCI ACWI ex
Australia



Green energy ratio³

124%
of benchmark

Russell Low Carbon
ESG Strategy



MSCI ACWI ex
Australia



Material ESG⁴

104%
of benchmark

Russell Low Carbon
ESG Strategy



MSCI ACWI ex
Australia



1. We define relative carbon footprint as Scope 1 (direct) carbon emissions plus Scope 2 (electricity consumption) carbon emissions measured in metric tons of carbon dioxide equivalent (CO₂-e), divided by company 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. The Material ESG Score is a proprietary calculation drawing on data provided by Sustainalytics and applying the SASB® Materiality Map™ to determine an ESG score based on ESG issues that are considered financially material to a firm's business.

Russell Investments Low Carbon Global Shares Fund

Fund Exclusions

Tobacco Manufacture and Production



Controversial weapons manufacture



High intensity coal



Nuclear



Uranium



Sector allocation

	Fund	Benchmark
Information Technology	21.4%	21.1%
Financials	13.4%	13.1%
Health Care	13.2%	12.9%
Consumer Discretionary	12.2%	11.9%
Communication Services	9.8%	9.4%
Industrials	9.5%	9.5%
Consumer Staples	8.0%	8.1%
Materials	3.9%	4.4%
Energy	3.1%	3.5%
Real Estate	2.9%	2.9%
Utilities	2.7%	3.2%

Top ten holdings

Security	Fund	Benchmark
Apple Inc.	3.5%	3.4%
Microsoft Corporation	3.1%	3.2%
Amazon.com, Inc.	2.4%	2.5%
Facebook, Inc. Class A	1.1%	1.2%
Alphabet Inc. Class C	1.0%	0.9%
Alphabet Inc. Class A	0.9%	0.9%
Alibaba Group Holding Ltd. Sponsored ADR	0.9%	0.9%
Johnson & Johnson	0.8%	0.8%
Tencent Holdings Ltd.	0.8%	0.8%
Visa Inc. Class A	0.7%	0.7%

Footnotes

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

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

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