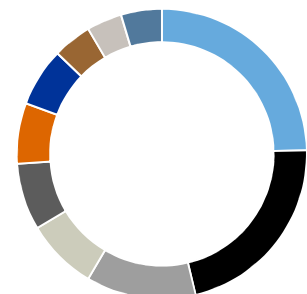


Russell Investments Australian Opportunities Fund

Sector allocation³



Materials	24.6%
Financials	21.7%
Health Care	12.2%
Industrials	8.0%
Consumer Discretionary	7.5%
Energy	6.8%
Real Estate	6.5%
Communication Services	4.3%
Consumer Staples	4.0%
Other	4.5%

Fund objective

To significantly outperform the Fund's benchmark, before costs and tax, over the long term by providing exposure to a diversified portfolio of predominantly Australian shares.

Fund strategy

The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. The Fund may also engage in short selling of securities. 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 31/08/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-1.36	3.13	7.42	9.51	5.18	8.00

¹ Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

Growth of \$10,000



Fund commentary

The Russell Investments Australian Opportunities Fund underperformed the benchmark in August.

Contributing to the Fund's underperformance was stock selection within the healthcare sector, including overweights to poor-performing names like ResMed and New Zealand's Fisher & Paykel Healthcare. Stock selection within the consumer discretionary space also weighed on returns; notably an underweight to Wesfarmers, which gained 10.6% on the back of better-than-expected earnings. Other positions within the sector to impact performance were underweights to Premier Investments and GUD Holdings; both of which recorded strong gains for the month. Returns were further impacted by stock selection amongst financials, including overweights to QBE Insurance, Afterpay owner Block and Virgin Money UK. In contrast, the Fund benefited from stock selection within the consumer staples space. This included underweights to Coles and New Zealand's a2 Milk Company, as well as an overweight to Treasury Wine Estates; owner of the Penfolds brand. Stock selection amongst property trusts also added value over the period; notably an overweight to industrial property giant Goodman Group, which climbed almost 14% on the back of an encouraging earnings update. Other property-related positions to contribute positively to performance were underweights to Abacus Storage King and Charter Hall Long WALE REIT, which leases high-quality property assets to corporate and government tenants on a long-term basis.

³ Allocations may not equal 100% due to rounding.

[†] As a percentage of net assets. Includes management fee, indirect costs and expense recoveries. Reflects RIM's reasonable estimates of the typical fees for the current financial year. All costs reflect the actual amount incurred for previous financial year and may include RIM's reasonable estimates where information was not available or where RIM was unable to determine the exact amount. Refer to the PDS for further information.

[‡] As a percentage of net assets. RIM does not charge a performance fee at the Fund level, however underlying funds and managers may charge a performance fee. This estimated fee is based on the average of actual performance fees incurred over the past 5 financial years. Refer to PDS for further information.

Fund facts

Share class

Class A

Inception date

31 May 2004

Fund size

AUD 197.20m

Benchmark

S&P/ASX 300 Accumulation Index

Portfolio manager

James Harwood

Recommended investment timeframe

7 years

Tax structure

Investment - Class A

APIR code

RIM0029AU

ARSN code

108-895-469

Management fees and costs[†]

1.11%

Performance fees[‡]

0.13%

Russell Investments Australian Opportunities Fund (continued)

Detailed performance review^{1,2}

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	7.4	9.5	5.2	8.0
Distribution	6.0	7.8	6.5	6.7
Growth	1.4	1.7	-1.4	1.3

1 Performance is net of fees and charges. Assumes reinvestment of income. Past performance is not a reliable indicator of future performance.

2 The distribution return reflects income paid from the Fund, whilst the growth return reflects changes in the capital values of the units.

ESG data

	Fund	Benchmark
ESG Risk Score**	24.42	23.22
Carbon Footprint***	260.83	173.84
Tobacco Exposure	0.00%	0.00%

** Higher scores imply higher ESG risk

*** Higher score implies greater carbon exposure

The ESG Risk Score is the weighted average of the Sustainalytics' Risk Score for companies in the portfolio. The Sustainalytics' Risk Score focuses on ESG issues that are financially material to the company and incorporates both risk exposure and issue management. The scores range from 0 to 100 where higher scores imply higher ESG risk. 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 (CO₂e/\$1M revenue USD). Tobacco exposure is defined as the weight of securities in the portfolio classified as being in the GICS tobacco subindustry.

Top ten holdings

Security
CSL LTD
BHP GROUP LTD
SANTOS LTD
COMMONWEALTH BANK OF AUSTRALIA
ANZ GROUP HOLDINGS LTD
QBE INSURANCE GROUP LTD
GOODMAN GROUP
NEWCREST MINING LTD
NATIONAL AUSTRALIA BANK LTD
WOODSIDE ENERGY GROUP LTD

Russell Investments Australian Opportunities Fund (continued)

Portfolio structure⁴

Manager	Style	Weight %
Allan Gray	Deep Value	12.0
Ausbil Investment Management	Style Neutral, 130/30	15.0
Firetrail Investments	Opportunistic, high conviction	14.0
L1 Capital (Catalyst)	Concentrated, activist	7.0
Platypus Asset Management	Aggressive growth	14.0
Russell Investments	Liquidity Reserve	3.0
Russell Investments	Positioning strategies	9.0
Vinva	Quantitative, 130/30	12.0
WaveStone Capital	Quality growth	14.0

⁴ Russell Investments retains the discretion to change the investment managers at any time without notice. Please check russellinvestments.com.au/disclosures for the latest list of managers.

Contact Russell Investments

For further information about Russell Investments please visit russellinvestments.com.au

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