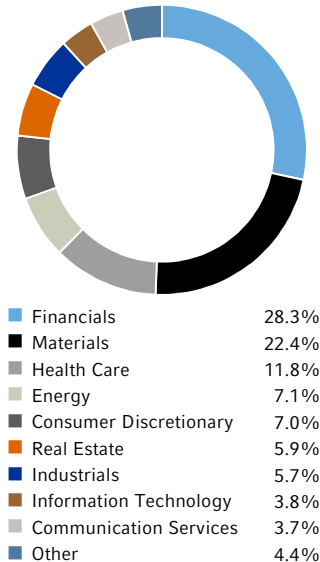


# Russell Investments Australian Shares Fund

## Sector allocation<sup>3</sup>



## Fund objective

To provide a total return, before costs and tax, higher than the Fund's benchmark over the long term by providing exposure to a diversified portfolio of predominantly Australian shares.

## Fund strategy

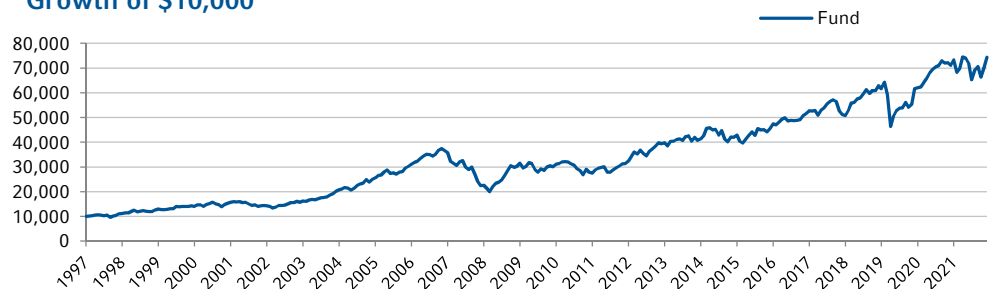
The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk.

## Performance review<sup>1</sup>

Period ending 30/11/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	5.86	5.39	4.57	5.78	7.59	8.39

<sup>1</sup> 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 Shares Fund underperformed the benchmark in November. However, the Fund did deliver positive absolute returns for the month. Contributing to the Fund's underperformance was poor stock selection within the consumer discretionary space, including overweights to gaming machine maker Aristocrat Leisure and Collins Foods, which operates Sizzler, KFC and Taco Bell in Australia. A sizable underweight to the strong-performing materials sector also weighed on returns; notably underweights to iron ore majors Fortescue Metals Group, Rio Tinto and BHP Group. Performance was further impacted by poor stock selection amongst consumer staples names, including an overweight to leading agribusiness company Elders, which fell almost 20% in November. Other notable positions to impact returns were overweights to ResMed, Australia and New Zealand Banking Group and oil and gas producer Santos. In contrast, the Fund benefited from strong stock selection with the property trusts sector, including an overweight to industrial property giant Goodman Group, which climbed almost 13% for the month. Stock selection amongst financials also added value in November; notably a material underweight to Commonwealth Bank of Australia. Other key holdings to add value were underweights to James Hardie Industries and Pilbara Minerals. Meanwhile, factor positioning had no material impact on overall performance.

We prefer more balanced exposures across both value and growth and have reduced our underweight positioning in low-volatility stocks. We recently reduced our overweight to value and added to our quality growth exposure.

<sup>3</sup> Allocations may not equal 100% due to rounding.  
<sup>1</sup> 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.

<sup>2</sup> 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 December 1997

### Fund size

AUD 173.66m

### Benchmark

S&P/ASX 300 Accumulation Index

### Portfolio manager

Andrew Zenonos and Symon Parish

### Recommended investment timeframe

7 years

### Tax structure

Investment - Class A

### APIR code

RIM0006AU

### ARSN code

092-807-728

### Management fees and costs<sup>†</sup>

0.84%

### Performance fees<sup>‡</sup>

N/A

## Russell Investments Australian Shares Fund (continued)

### Detailed performance review<sup>1,2</sup>

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	4.6	5.8	7.6	8.4
Distribution	4.1	3.7	3.7	5.7
Growth	0.4	2.1	3.9	2.7

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

<sup>2</sup> 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**	23.69	23.40
Carbon Footprint***	224.49	221.48
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 of the Scope 1 (direct) and Scope 2 (electricity consumption) carbon emissions of companies in the portfolio, measured in metric tons of carbon dioxide equivalent (CO<sub>2</sub>-e) divided by company 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
BHP GROUP LTD
CSL LTD
COMMONWEALTH BANK OF AUSTRALIA
NATIONAL AUSTRALIA BANK LTD
AUST AND NZ BANKING GROUP
WOODSIDE ENERGY GROUP LTD
MACQUARIE GROUP LTD
GOODMAN GROUP
WESTPAC BANKING CORP
ARISTOCRAT LEISURE LTD

## Russell Investments Australian Shares Fund (continued)

### Portfolio structure<sup>4</sup>

Manager	Style	Weight
Ausbil	Core, earnings revisions focus	23.0
DFA	Deep value small cap	14.0
Liquidity Reserve	Cash	3.0
Numeric Investors	Quantitative	20.0
Platypus	Aggressive growth	20.0
Russell Investments	Active positioning strategy	10.0
Russell Investments	Systematic positioning strategy - defensive	10.0

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

Manager strategic weights sum to 100% and exclude the 3% risk sleeve allocation.

### Contact Russell Investments

To find out more about Russell Investments or how you can diversify your portfolio in just one transaction, you can:

visit our website at [russellinvestments.com.au](https://russellinvestments.com.au)

To invest in Russell Investments Retail Funds, contact your adviser today.

For more information:

NSW, QLD, ACT & NT : 02 9229 5111 VIC, SA, WA & TAS: 03 9270 8111

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