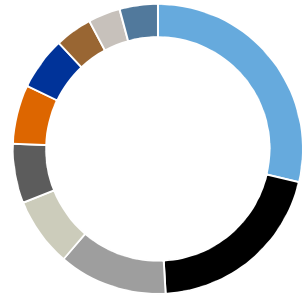
Russell Investments

Russell Investments Australian Shares Fund

Sector allocation[3]



Financials	28.7%
Materials	20.5%
Health Care	12.1%
Consumer Discretionary	7.7%
Real Estate	6.6%
Energy	6.6%
Industrials	5.9%
Communication Services	4.1%
Consumer Staples	3.6%
Other	4.3%

Fund facts

Share class

Class A

Inception date

31 December 1997

Fund size

AUD 165.06m

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†

0.85%

Performance fees‡

N/A

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

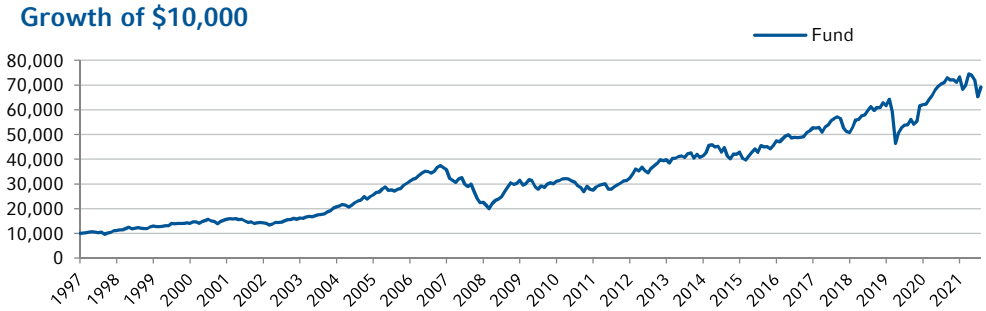
The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk.

Performance review[1]

Period ending 31/07/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	5.84	-6.52	-2.67	4.12	7.26	8.18

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 Shares Fund performed in line with the benchmark in July.

Stock selection within the real estate space contributed positively to performance, including overweights to industrial property giant Goodman Group, Charter Hall Group and Ingenia Communities. All three stocks posted strong, double-digit gains for the month. Stock selection within the industrials sector also added value over the period; notably underweights to Transurban Group and toll road operator Atlas Arteria (formerly Macquarie Atlas Roads). Both stocks significantly underperformed the broader market in July. Other notable positions to add value were an underweight to mining heavyweight BHP Group and overweights to Pinnacle Investment Management and IDP Education. In contrast, poor stock selection within financials detracted from overall performance. This included a material overweight to QBE Insurance, which fell more than 5.0% after a review of the company's practices revealed that, in some cases, it failed to deliver on its policy pricing promise. An overweight to fellow insurer Suncorp Group and an underweight to Commonwealth Bank of Australia also weighed on returns. Performance was further impacted by an overweight to the energy sector; notably names like oil and gas producer Santos and Worley Ltd.

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.

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.

Russell Investments Australian Shares 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	-2.7	4.1	7.3	8.2
Distribution	3.7	3.7	4.0	5.7
Growth	-6.4	0.5	3.3	2.5

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**	23.57	23.10
Carbon Footprint***	253.07	224.21
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 (CO2-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
MACQUARIE GROUP LTD
WESTPAC BANKING CORP
GOODMAN GROUP
WOODSIDE ENERGY GROUP LTD
ARISTOCRAT LEISURE LTD

Russell Investments Australian Shares Fund (continued)

Portfolio structure[4]

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 for the latest list of managers.
Manager strategic weights sum to 100% and exclude the 3% risk sleeve allocation.

Contact Russell Investments

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