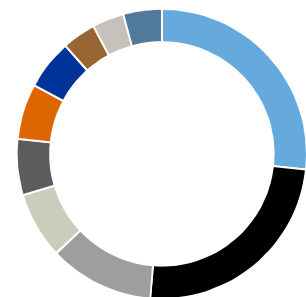


Russell Investments Australian Shares Fund

Sector allocation³



Financials	26.7%
Materials	24.6%
Health Care	11.7%
Consumer Discretionary	7.4%
Energy	6.3%
Industrials	6.2%
Real Estate	5.6%
Communication Services	3.8%
Consumer Staples	3.5%
Other	4.3%

Fund facts

Share class

Class A

Inception date

31 December 1997

Fund size

AUD 63.70m

Benchmark

S&P/ASX 300 Accumulation Index

Portfolio manager

James Harwood

Recommended investment timeframe

7 years

Tax structure

Investment - Class A

APIR code

RIM0006AU

ARSN code

092-807-728

Management fees and costs[†]

0.84%

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

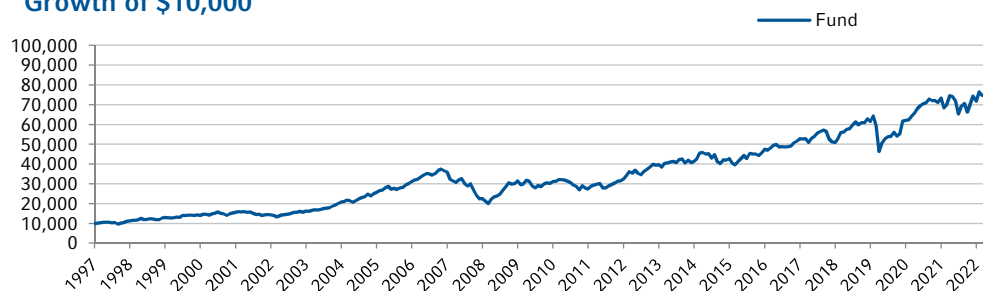
The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk.

Performance review¹

Period ending 31/03/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.49	3.73	-0.09	17.07	7.89	8.27

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 outperformed the benchmark in the March quarter.

Contributing to the Fund's outperformance was strong stock selection within the financials space. This included material underweights to Commonwealth Bank of Australia and Westpac Banking Corp.; both of which significantly underperformed the broader market over the period. Stock selection within the information technology sector also added value in the first quarter; notably overweights to strong-performing names like Xero, WiseTech Global and Altium. Stock selection amongst consumer discretionary names also contributed positively to performance, including a sizable overweight to gaming machine maker Aristocrat Leisure; the stock jumping almost 22% over the period. Other notable positions to add value were overweights to plumbing supplies group Reece Ltd. and Viva Energy Group. In contrast, stock selection within the materials sector detracted from overall returns. This included an underweight to iron ore major Fortescue Metals Group and a nil exposure to lithium miner Liontown Resources, which almost doubled in price after US commodities giant Albemarle offered to buy the company. Stock selection within the consumer staples space also weighed on returns; notably underweights to Woolworths and Coles. Both stocks made strong gains over the period. Our broader underweight to the consumer staples sector also impacted performance.

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	-0.1	17.1	7.9	8.3
Distribution	6.5	5.1	4.2	5.8
Growth	-6.6	12.0	3.6	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**	23.96	23.51
Carbon Footprint***	200.73	196.06
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
ANZ GROUP HOLDINGS LTD
WESTPAC BANKING CORP
MACQUARIE GROUP LTD
ARISTOCRAT LEISURE LTD
WOODSIDE ENERGY GROUP LTD
GOODMAN GROUP

Russell Investments Australian Shares Fund (continued)

Portfolio structure⁴

Manager	Style	Weight %	Comment
Ausbil	Core, earnings revisions focus	23.0	Ausbil underperformed the benchmark over the quarter, driven in part by overweights to Lynas Rare Earths, Computershare and National Australia Bank.
DFA	Deep value small cap	14.0	DFA underperformed the benchmark over the quarter, hurt in part by overweights to Whitehaven Coal, National Australia Bank and Westpac Banking Corp.
Liquidity Reserve	Cash	3.0	The Fund's liquidity reserve comprises cash awaiting investment or held to meet redemption requests or to pay expenses. The Fund typically exposes all or a portion of its cash to the performance of appropriate markets by purchasing equity securities and/or derivatives. Any remaining cash is invested in an unregistered cash management fund advised by Russell Investment Management Ltd.
Numeric Investors	Quantitative	20.0	Numeric outperformed the benchmark over the quarter, benefiting from overweights to Aristocrat Leisure, Viva Energy and Brambles. An underweight to Commonwealth Bank of Australia also added value.
Platypus	Aggressive growth	20.0	Platypus outperformed the benchmark over the quarter, driven by overweights to Reece Ltd., WiseTech Global and REA Group.
Russell Investments	Active positioning strategy	10.0	The strategy narrowly underperformed the benchmark over the quarter, driven in part by overweights to Virgin Money UK, Challenger and Incitec Pivot.
Russell Investments	Systematic positioning strategy - defensive	10.0	The strategy underperformed the benchmark over the quarter, hurt in part by overweights to Westpac Banking Corp., National Australia Bank and Aurizon Holdings.

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

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

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