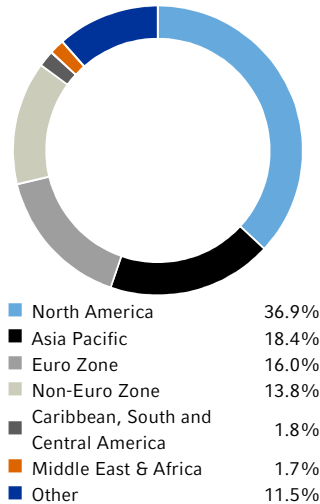


28 February 2023

Russell Investments International Bond Fund - \$A Hedged

Geographic allocation³



Data as at 31 January 2023

Fund objective

To provide a total return, before costs and tax, higher than the Fund's benchmark over the medium term by providing exposure to a diversified portfolio of predominantly fixed income securities denominated in foreign currencies and largely hedged into Australian dollars.

Fund strategy

The Fund invests predominantly in debt securities issued by supranationals, international governments, quasi-governments, agencies and corporates as well as structured credit securities including mortgage and asset backed securities. The Fund may also be exposed to low grade or unrated debt securities, emerging markets and currency to a limited extent. The Fund promotes a reduction in carbon footprint exposure, mainly by excluding companies identified as having a relatively high exposure to carbon-intensive thermal coal activities. The Fund also invests in corporations which follow good governance practices by international standards, including company responsibility, company management and the severity of impacts on stakeholders and/or the environment. Derivatives may be used to obtain or reduce exposure to securities and markets, to implement investment strategies and to manage risk. Foreign currency exposures are largely hedged back to Australian dollars, apart from those foreign currency exposures which are utilised to generate excess returns from active currency management. For further information on how the Fund promotes a reduction in carbon footprint exposure and good governance practices -- refer to the ESG considerations section in the Additional Information Booklet.

Performance review¹

Period ending 28/02/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-1.72	-0.48	-10.42	-4.58	-0.47	5.25

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

Fund facts

Share class

Class A

Inception date

31 December 1997

Fund size

AUD 254.68m

Benchmark^{^^}

Bloomberg Global Aggregate Index (\$A Hedged)

Portfolio manager

Gerard Fitzpatrick

Recommended investment timeframe

3 years

Tax structure

Investment - Class A

APIR code

RIM0007AU

ARSN code

092-806-954

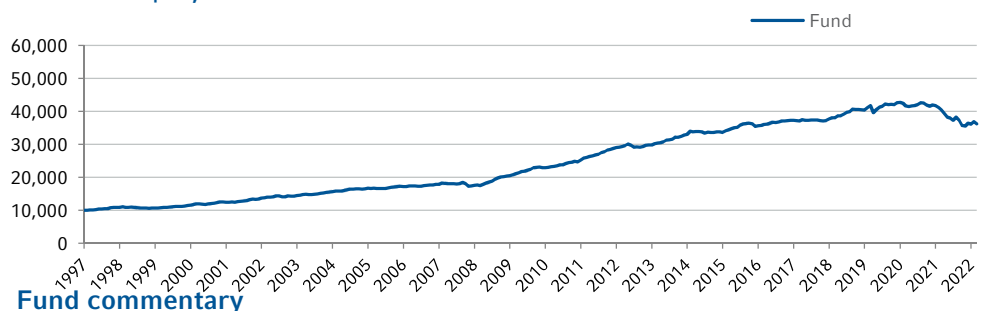
Management fees and costs[†]

0.65%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Bond Fund (AUD hedged) outperformed the benchmark in February. However, the Fund did deliver negative absolute returns for the month. Active currency positioning contributed positively to performance over the period; notably a long US dollar (USD) position. The USD made good gains amid US rate hike expectations and the currency's perceived 'safe haven' qualities. A short Australian dollar position also added value. Partly offsetting these positions were long Japanese yen and Norwegian krone exposures. Credit positioning added further, albeit modest, value in February. This included an underweight to US investment-grade debt and overweights to European investment-grade and high-yield debt. An underweight exposure to securitised credit was also positive for the month. In contrast, interest rates positioning weighed on overall fund performance; notably an overweight to shorter-dated US Treasuries. This positioning was partly offset by underweight exposures to German bunds and UK gilts. At the manager level, corporate credit specialist Schroders and the Russell Investments Intelligent Credit strategy outperformed their benchmarks over the period; the latter benefiting in part from underweights to US investment-grade industrials and utilities. In contrast, BlueBay, credit specialist Western Asset Management and the Russell Investments Integrated Governments strategy all underperformed in February.

³ Allocations may not equal 100% due to rounding.

^{^^} Effective August 24, 2021, the Bloomberg Barclays fixed income indices were rebranded the Bloomberg indices.

[†] 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 International Bond Fund - \$A Hedged (continued)

Detailed performance review^{1,2}

	1 year %p.a.	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-10.4	-4.6	-0.5	5.3
Distribution	-	5.6	4.2	6.1
Growth	-10.4	-10.2	-4.6	-0.9

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 Considerations

Russell Investments integrates responsible investing into our investment manager evaluation and our portfolio management process. For further information on the ESG considerations as well as any relevant investment exclusions applicable to the Fund, refer to the 'ESG considerations' section in the Additional Information Booklet that forms part of the Fund's Product Disclosure Statement (PDS) available at <https://russellinvestments.com.au/disclosures>.

Portfolio structure⁴

Manager	Style	Weight %
BlueBay	Country selection	29.0
Russell Investments	Integrated Global Governments	14.0
Russell Investments	Intelligent Credit (Systematic)	20.0
Russell Investments	Liquidity	3.0
Schroders	Securitized specialist	13.0
Western Asset Management	Security selection	21.0

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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ESG data

	Fund	Benchmark
ESG Risk Score**	21.8	22.8
Carbon Footprint***	131.0	237.2

Data as at 31 January 2023

**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).