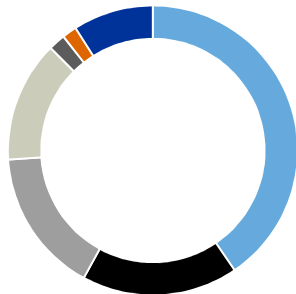


31 May 2023

Russell Investments International Bond Fund - \$A Hedged

Geographic allocation³



North America	40.5%
Euro Zone	17.4%
Asia Pacific	16.1%
Non-Euro Zone	13.5%
Caribbean, South and Central America	1.9%
Middle East & Africa	1.6%
Other	9.0%

Data as at 30 April 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 detailed information on the Fund's ESG considerations, including applicable investment exclusions, refer to 'ESG considerations' in section 5 of the Additional Information Booklet that forms part of the Fund's Product Disclosure Statement, available at russellinvestments.com/au/RFA/investing.

Performance review¹

Period ending 31/05/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-0.94	1.20	-3.40	-3.85	-0.33	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 284.07m

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

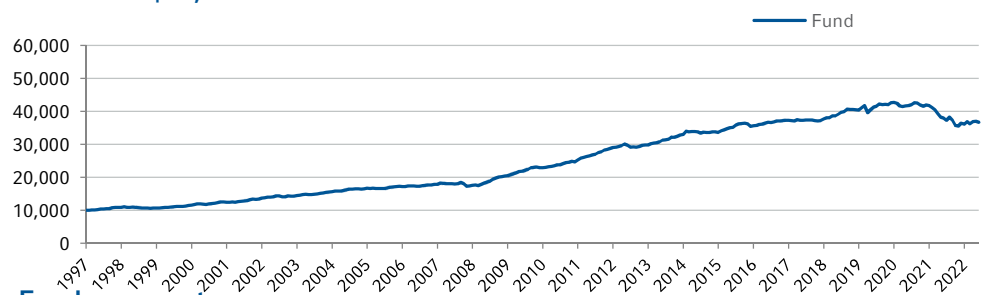
Management fees and costs[†]

0.65%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Bond Fund (AUD hedged) underperformed the benchmark in May. Interest rates positioning detracted from performance over the period (on aggregate). An underweight to Japanese government bonds weighed on returns, as did an overweight to UK gilts. Yields on UK gilts jumped as rate hike expectations increased in the wake of disappointing inflation data. In the US, an overweight to shorter duration Treasuries impacted performance; though this was partly offset by an underweight to five-year issues, which added value. Credit positioning contributed positively to overall performance in May; notably our exposures to European investment-grade and hard currency emerging markets debt. Meanwhile, active currency positioning had a relatively neutral impact on returns. Whilst the Fund benefited from long US dollar and short Swiss franc positions, these were offset by short euro and long Japanese yen exposures. At the manager level, BlueBay, corporate credit specialist Schroders and the Russell Investments Integrated Governments strategy all underperformed in May. In contrast, credit specialist Western Asset Management and the Russell Investments Intelligent Credit strategy both outperformed; the latter benefiting in part from its exposure to US investment-grade debt. Moving forward, the Fund is slightly long duration versus the benchmark, which is below strategic levels. Credit risk also remains below strategic levels, with a tactical underweight in place amid current, heightened market volatility.

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	-3.4	-3.9	-0.3	5.3
Distribution	-	5.6	4.2	6.1
Growth	-3.4	-9.5	-4.5	-0.8

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**	21.7	22.8
Carbon Footprint***	152.9	242.4

Data as at 30 April 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).

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

Important information

Issued by Russell Investment Management Ltd ABN 53 068 338 974, AFS Licence 247185 (RIM). This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation or needs. This information has been compiled from sources considered to be reliable, but is not guaranteed. The performance data shown does not take into account fees, charges and taxes, and is not a reliable indicator of the net return to you as an investor. Past performance is not a reliable indicator of future performance. This document is not intended to be a complete statement or summary of the Russell Investments Funds (the Funds). Investing in the Funds has risks. You should consider these risks in light of your objectives, financial situation and needs. Any potential investor should consider the latest PDS in deciding whether to acquire, or to continue to hold, an investment in any Russell Investments product. The PDS can be obtained by visiting russellinvestments.com.au or by phoning (02) 9229 5111. The Target Market Determinations for the RIM Funds are available on our website at www.russellinvestments.com.au/support/tmds

RIM is part of Russell Investments. Russell Investments or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including broker or adviser, and may receive fees, brokerage or commissions for acting in these capacities. In addition, Russell Investments or its associates, officers or employees may buy or sell the financial products as principal or agent. Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates, with a significant minority stake held by funds managed by Reverence Capital Partners. Russell Investments' employees and Hamilton Lane Advisors, LLC also hold minority, non-controlling, ownership stakes.

This work is copyright 2023. Apart from any use permitted under the Copyright Act 1968, no part may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of Russell Investment Management Ltd.

Russell Investments became a signatory of the Principles for Responsible Investment (PRI) in 2009; the Carbon Disclosure Project's climate change program since 2010; and the Climate Action 100 in 2017. Russell Investments is also a member of the Institutional Investors Group on Climate Change (IIGCC) since 2015; and the Responsible Investment Association of Australasia. Russell Investments became a supporter for the Taskforce on Climate-Related Financial Disclosures (TCFD) in May 2019. Russell Investments has consecutively achieved an A+ rating for our strategy and governance approach from the PRI from 2016-2020. For further information visit russellinvestments.com.