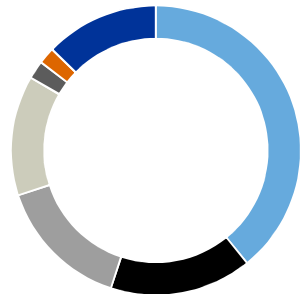


31 March 2023

Russell Investments International Bond Fund - \$A Hedged

Geographic allocation³



North America	39.2%
Euro Zone	15.9%
Asia Pacific	15.0%
Non-Euro Zone	13.4%
Caribbean, South and Central America	2.0%
Middle East & Africa	1.9%
Other	12.7%

Data as at 28 February 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 31/03/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	1.75	2.15	-6.32	-2.33	-0.32	5.31

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 272.01m

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

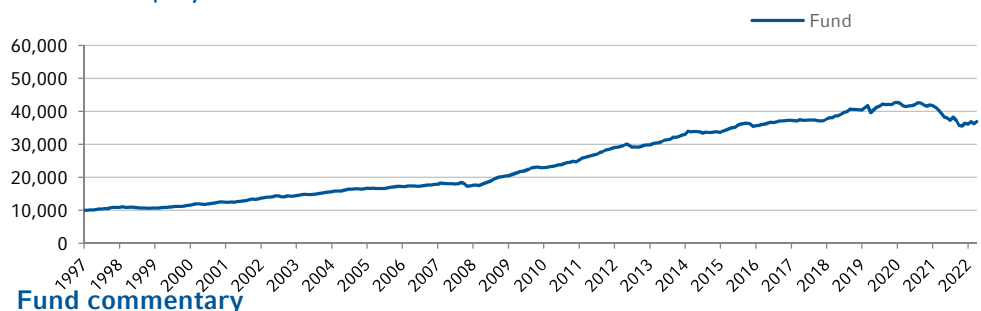
Management fees and costs[†]

0.65%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Bond Fund (AUD hedged) narrowly underperformed the benchmark in the March quarter. Interest rates positioning detracted from fund performance (in aggregate) over the period. This included an overweight to German bunds and an underweight to Japanese government bonds. Partly offsetting these positions was an overweight to US Treasuries, which performed well amid the recent disruption to the US banking sector. In terms of active currency positioning, a long US dollar position added value (in aggregate) in the first quarter; though this was offset by a long Japanese yen exposure. Meanwhile, credit positioning added value over the period; notably an overweight to European hard currency emerging markets debt. The Fund also benefited from an underweight to US securitised credit.

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	-6.3	-2.3	-0.3	5.3
Distribution	-	5.7	4.2	6.1
Growth	-6.3	-8.1	-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 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 %	Comment
BlueBay	Country selection	29.0	BlueBay underperformed the benchmark over the quarter. Underweights to US Treasuries and Japanese government bonds in January detracted from returns. Partly offsetting this positioning was an overweight to Canadian government bonds.
Russell Investments	Integrated Global Governments	14.0	The Russell Investments Integrated Governments strategy underperformed its benchmark over the period, driven in part by an underweight to Chinese government debt. In contrast, the strategy benefited from its currency positioning, including long Hungarian forint and Brazilian real exposures.
Russell Investments	Intelligent Credit (Systematic)	20.0	The Russell Investments Intelligent Credit strategy underperformed its benchmark over the period, driven in part by overweights to US investment-grade financials and industrials. In contrast, the strategy benefited from an underweight to European investment-grade financials.
Russell Investments	Liquidity	3.0	The Fund's liquidity reserve comprises cash awaiting investment or held to meet redemption requests or to pay expenses.
Schroders	Securitised specialist	13.0	Corporate credit specialist Schroders outperformed its benchmark over the quarter; the manager benefiting from overweights to collateralised loan obligations, non-agency commercial mortgage-backed securities and non-agency collateralised mortgage obligations.
Western Asset Management	Security selection	21.0	Credit specialist Western Asset Management underperformed its benchmark over the quarter, driven in part by overweights to US and European high-yield financials. In contrast, the manager benefited from an overweight to Latin American debt and an underweight to Middle Eastern debt.

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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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.

ESG data

	Fund	Benchmark
ESG Risk Score**	21.8	22.8
Carbon Footprint***	140.4	232.2

Data as at 28 February 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).