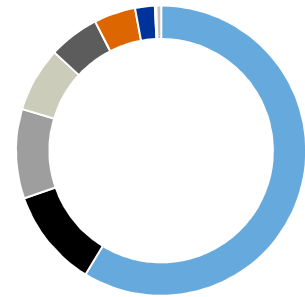


31 October 2021

Russell Investments International Property Securities Fund - Hedged

Geographic allocation



United States	58.7%
Europe ex UK	10.9%
Japan	10.0%
Asia ex Japan	7.2%
UK	5.7%
Australia/New Zealand	4.6%
Canada	2.2%
Emerging Markets	0.2%
Other	0.5%

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 international and Australian listed property securities, largely hedged into Australian dollars.

Fund strategy

The Fund invests predominantly in property trusts and property related securities listed on stock exchanges in developed international markets. The Fund may also invest in securities which have exposure to properties in emerging markets. Foreign currency exposures are largely hedged back to Australian dollars.

Performance review¹

Period ending 31/10/2021	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	5.35	1.42	39.59	8.61	7.17	6.58

Fund facts

Share class

Class A

Inception date

31 December 2004

Fund size

AUD 157.71m

Benchmark

FTSE EPRA/NAREIT Developed Real Estate Index Net TRI – \$A Hedged

Portfolio manager

Bruce Eidelson

Recommended investment timeframe

7 years

Tax structure

Investment - Class A

APIR code

RIM0031AU

ARSN code

111-169-987

Management fees and costs[†]

0.92%

Performance fees[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Property Securities Fund (AUD hedged) narrowly underperformed the benchmark in October. However, the Fund did deliver strong absolute returns for the month.

Contributing to the Fund's underperformance was an overweight exposure and poor stock selection in Australia; notably an overweight to Mirvac Group. Our overweight to Japan also weighed on returns, albeit modestly. This included overweights to diversified stocks like Activia Properties and Mitsui Fudosan. Other notable positions to impact performance were an ex-benchmark holding in Sweden's AB Sagax and overweights to US names Welltower and Empire State Realty Trust. In terms of strategic factor positioning, our tilt toward size detracted from returns, while our quality bias added value. Momentum, value and volatility had no meaningful impact on overall performance in October. In contrast, the Fund benefited from positive stock selection in the US; notably self-storage and mall names. This included overweights to Extra Space Storage and Simon Property Group. Other key holdings to add value were an underweight to Germany's Deutsche Wohnen SE and an overweight to Sweden's Fastighets AB Balder. An underweight to Asia Pacific ex Japan added further value in October.

Moving forward, the Fund is positioned with tilts toward the UK, Japan and Australia and away from North America, Continental Europe and Asia Pacific ex Japan. In terms of sectors, we prefer malls and residential and maintain underweights to office, net lease and data centres. We also maintain strategic overweights to both quality and size.

[†] 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 Property Securities Fund - 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	39.6	8.6	7.2	6.6
Distribution	1.8	0.5	2.6	4.8
Growth	37.8	8.1	4.6	1.8

ESG data

	Fund	Benchmark
ESG Risk Score**	14.35	14.59
Carbon Footprint***	87.19	97.67
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
PROLOGIS INC
SIMON PROPERTY GROUP INC
WELLTOWER INC
EQUINIX INC
VONOVIA SE
EXTRA SPACE STORAGE INC
SUN COMMUNITIES INC
PUBLIC STORAGE
AVALONBAY COMMUNITIES INC
KIMCO REALTY CORP

Russell Investments International Property Securities Fund - Hedged (continued)

Portfolio structure*

Manager	Style	Weight %
Cohen & Steers Capital Management	NAV & dividend discount model	40.0
RREEF America L.L.C.	Fundamental/bottom-up	50.0
Russell Investments positioning strategy	Region & sector positioning	10.0

Contact Russell Investments

To find out more about Russell Investments or how you can diversify your portfolio in just one transaction, you can:
visit our website at russellinvestments.com.au
To invest in Russell Investments Retail Funds, contact your adviser today.
For more information:
NSW, QLD, ACT & NT : 02 9229 5111 VIC, SA, WA & TAS: 03 9270 8111

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Footnotes

- 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.
- *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.
- Allocations may not equal 100% due to rounding