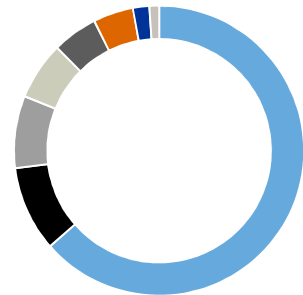


30 June 2023

Russell Investments International Property Securities Fund - Hedged

Geographic allocation³



United States	63.6%
Japan	9.5%
Asia ex Japan	8.1%
Europe ex UK	6.4%
Australia/New Zealand	5.1%
UK	4.5%
Canada	1.8%
Emerging Markets	0.0%
Other	1.1%

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 30/06/2023	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	3.12	1.84	-5.89	3.23	-0.42	4.63

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 facts

Share class

Class A

Inception date

31 December 2004

Fund size

AUD 113.59m

Benchmark

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

Portfolio manager

Bruce Eidelson and Adrianna Giesey

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

Fund commentary

The Russell Investments International Property Securities Fund (AUD Hedged) outperformed the benchmark in the June quarter.

Stock selection in the US contributed positively to performance over the period, including overweights to strong-performing names like Welltower, Digital Realty Trust and Americold Realty Trust. An overweight to US data centres also added value; the sector performing well amid the optimism surrounding the artificial intelligence space. Stock selection in Continental Europe added further value over the period, including ex-benchmark holdings in Germany's TAG Immobilien AG and Vonovia SE. Both stocks posted strong gains for the quarter. In terms of strategic factor performance, our preferences for quality and size contributed positively to returns over the period, while momentum, value and volatility factors had no meaningful impact on overall performance. In contrast, overweights to poor-performing regions like the UK and Asia ex Japan detracted from returns in the second quarter. Stock selection in Japan also weighed on performance; notably overweights to real estate investment trusts Japan Metropolitan Fund Investment Corp. and Nippon Prologis REIT.

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

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 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	-5.9	3.2	-0.4	4.6
Distribution	-	0.4	0.3	4.3
Growth	-5.9	2.8	-0.7	0.3

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**	13.33	13.68
Carbon Footprint***	90.72	84.69
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
EQUINIX INC
WELLTOWER INC
SIMON PROPERTY GROUP INC
DIGITAL REALTY TRUST INC
PUBLIC STORAGE
REALTY INCOME CORP
AVALONBAY COMMUNITIES INC
INVITATION HOMES INC
MID-AMERICA APARTMENT COMM

Russell Investments International Property Securities Fund - Hedged (continued)

Portfolio structure⁴

Manager	Style	Weight %	Comment
Cohen & Steers Capital Management	NAV & dividend discount model	43.0	Cohen and Steers outperformed the benchmark over the quarter, benefiting from an overweight exposure and positive stock selection amongst data centres. Stock selection in Continental Europe also added value, while stock selection in the UK weighed on overall returns.
RREEF America L.L.C.	Fundamental/bottom-up	47.0	RREEF outperformed the benchmark over the quarter, driven in part by stock selection in Continental Europe. An overweight to data centres and positive stock selection amongst Japanese real estate investment trusts also added value. In contrast, an underweight to US office names detracted from overall performance.
Russell Investments positioning strategy	Region & sector positioning	10.0	Russell Investments' positioning strategy was used to manage the Fund's regional and sector exposures relative to the benchmark throughout the quarter. The strategy outperformed the benchmark over the period.

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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