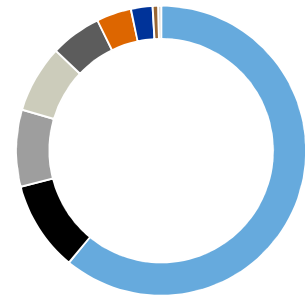


30 June 2022

Russell Investments International Property Securities Fund - Hedged

Geographic allocation³



United States	61.0%
Japan	10.0%
Asia ex Japan	8.6%
Europe ex UK	7.5%
UK	5.7%
Australia/New Zealand	3.9%
Canada	2.4%
Emerging Markets	0.6%
Other	0.3%

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 30/06/2022	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	-7.94	-16.48	-11.65	-0.84	2.10	5.26

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 127.60m

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

Fund commentary

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

Contributing to the Fund's underperformance was poor stock selection in Australia, including overweights to Charter Hall Group, Mirvac Group and industrial property giant Goodman Group. Stock selection in the US also weighed on returns; notably underweights to VICI Properties and American Campus Communities. At the sector level, stock selection was weakest within the US lodging space. In addition to our position in VICI Properties, this included overweights to Boyd Gaming Corp. and Host Hotels & Resorts. In contrast, the Fund benefited from an underweight to the poor-performing US office space, including underweights to Alexandria Real Estate Equities and Vornado Realty Trust; both of which recorded steep declines for the quarter. Other notable positions to add value were an underweight to US industrial REIT Prologis and an ex-benchmark holding in leading Japanese developer Mitsui Fudosan. In terms of strategic factor performance, both our quality and size biases added value over the period. Momentum, value and volatility factors had no meaningful impact on overall performance.

Moving forward, the Fund is positioned with tilts toward the UK, Japan, Asia ex Japan and Australia, and away from North America and Continental Europe. In terms of sectors, we prefer healthcare, net lease and storage names and maintain underweights to office, malls and lodging. 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	-11.7	-0.8	2.1	5.3
Distribution	-	0.4	1.2	4.5
Growth	-11.7	-1.3	0.9	0.7

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**	13.52	14.06
Carbon Footprint***	105.92	97.76
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
PUBLIC STORAGE
WELLTOWER INC
DIGITAL REALTY TRUST INC
REALTY INCOME CORP
VONOVIA SE
EQUINIX INC
INVITATION HOMES INC
DUKE REALTY CORP
KIMCO REALTY CORP

Russell Investments International Property Securities Fund - Hedged (continued)

Portfolio structure⁴

Manager	Style	Weight %	Comment
Cohen & Steers Capital Management	NAV & dividend discount model	40.0	Cohen and Steers outperformed the benchmark during the quarter, benefiting largely from an overweight to the office sector. Stock selection within the industrials space also added value, while poor stock selection in Australia weighed on overall returns.
RREEF America L.L.C.	Fundamental/bottom -up	50.0	RREEF underperformed the benchmark over the quarter, driven in part by poor stock selection within the residential and industrials sectors. Stock selection in Continental Europe also weighed on returns, while an overweight to net lease names and an underweight to malls added value.
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 underperformed the benchmark, driven largely by poor stock selection in Australia. Partly offsetting this was an overweight to Japanese developers.

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.

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