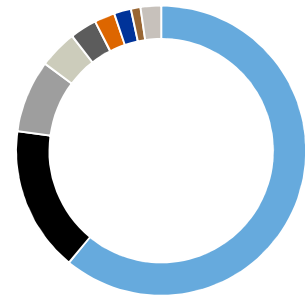


31 May 2021

Russell Investments International Shares Fund - \$A Hedged

Geographic allocation



United States	61.0%
Europe ex UK	16.2%
Japan	8.1%
UK	4.3%
Canada	3.0%
Emerging Markets	2.3%
Australia/New Zealand	1.9%
Asia ex Japan	1.1%
Other	2.3%

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 shares largely hedged into Australian dollars.

Fund strategy

The Fund invests predominantly in a broad range of international shares listed on stock exchanges in developed international markets. The Fund may also be exposed to emerging market shares. 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.

Performance review¹

Period ending 31/05/2021	1 month %	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Total return	1.89	10.83	38.21	11.04	12.35	6.23

Fund facts

Share class

Class A

Inception date

31 July 1998

Fund size

AUD 252.38m

Benchmark

MSCI World Index - 100% Hedged to AUD - Net

Portfolio manager

Jon Eggins

Recommended investment timeframe

7 years

Tax structure

Investment - Class A

APIR code

RIM0009AU

ARSN code

092-805-939

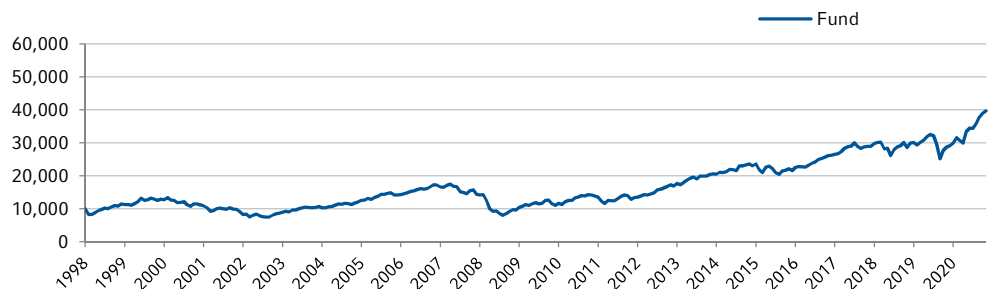
Management cost[†]

1.08%

Performance-related fee[‡]

N/A

Growth of \$10,000



Fund commentary

The Russell Investments International Shares Fund (AUD hedged) outperformed the benchmark in May.

Stock selection in the US accounted for much of the Fund's outperformance; notably underweights to large growth names like Apple, Tesla and Amazon.com. Stock selection in Japan was also positive, including an overweight to Isuzu Motors and an underweight to Softbank Group. At the sector level, an overweight to financials contributed the most to performance; notably overweights to US heavyweight Citigroup and French names BNP Paribas and Société Générale. All three stocks posted strong gains for the month.

Meanwhile, the Fund's active positioning strategy outperformed in May. The strategy is currently positioned in favour of value and quality to complement our strategic factor positioning. Both value and quality outperformed growth over the period. In contrast, an overweight to emerging markets detracted from overall returns; notably ex-benchmark holdings in Taiwan Semiconductor Manufacturing Co. and China's TAL Education Group. Stock selection in the UK also weighed on performance, including an underweight to AstraZeneca. Returns were further impacted by poor stock selection within industrials, including an overweight to Uber Technologies.

Moving forward, the Fund remains underweight North America, the UK and Asia Pacific ex Japan. We also maintain overweight exposures to Continental Europe, Japan and emerging markets. In terms of sectors, the Fund is most overweight financials and energy and most underweight industrials and information technology.

[†] For the year ending 30/6/2020 as a percentage of net assets. Includes performance-related fees. Refer to PDS for further information.

[‡] For the year ending 30/6/2020. May be charged if performance targets are met. Refer to PDS for further information.

Russell Investments International Shares 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	38.2	11.0	12.4	6.2
Distribution	-	-	-	4.7
Growth	38.2	11.0	12.4	1.6

ESG data

	Fund	Benchmark
ESG Risk Score**	21.89	21.82
Carbon Footprint***	161.66	136.40
Tobacco Exposure	0.00%	0.68%

** 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
MICROSOFT CORP
APPLE INC
FACEBOOK INC-CLASS A
ALPHABET INC-CL C
JOHNSON & JOHNSON
TAIWAN SEMICONDUCTOR MANUFAC
ALPHABET INC-CL A
AMAZON.COM INC
UNITEDHEALTH GROUP INC
MASTERCARD INC - A

Russell Investments International Shares Fund - \$A Hedged (continued)

Portfolio structure*

Manager	Style	Weight %
Fiera Capital	Global growth	14.5
Liquidity Reserve	Cash	3.0
Man Numeric Investors	Quantitative: Global	18.0
Morgan Stanley	Growth: Global	12.5
Russell Investments	Positioning Strategies	19.0
Sanders Capital	Value: Global	16.5
Wellington Management Company	Global contrarian value (excl. small caps)	16.5

Contact Russell Investments

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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

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

Important information

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