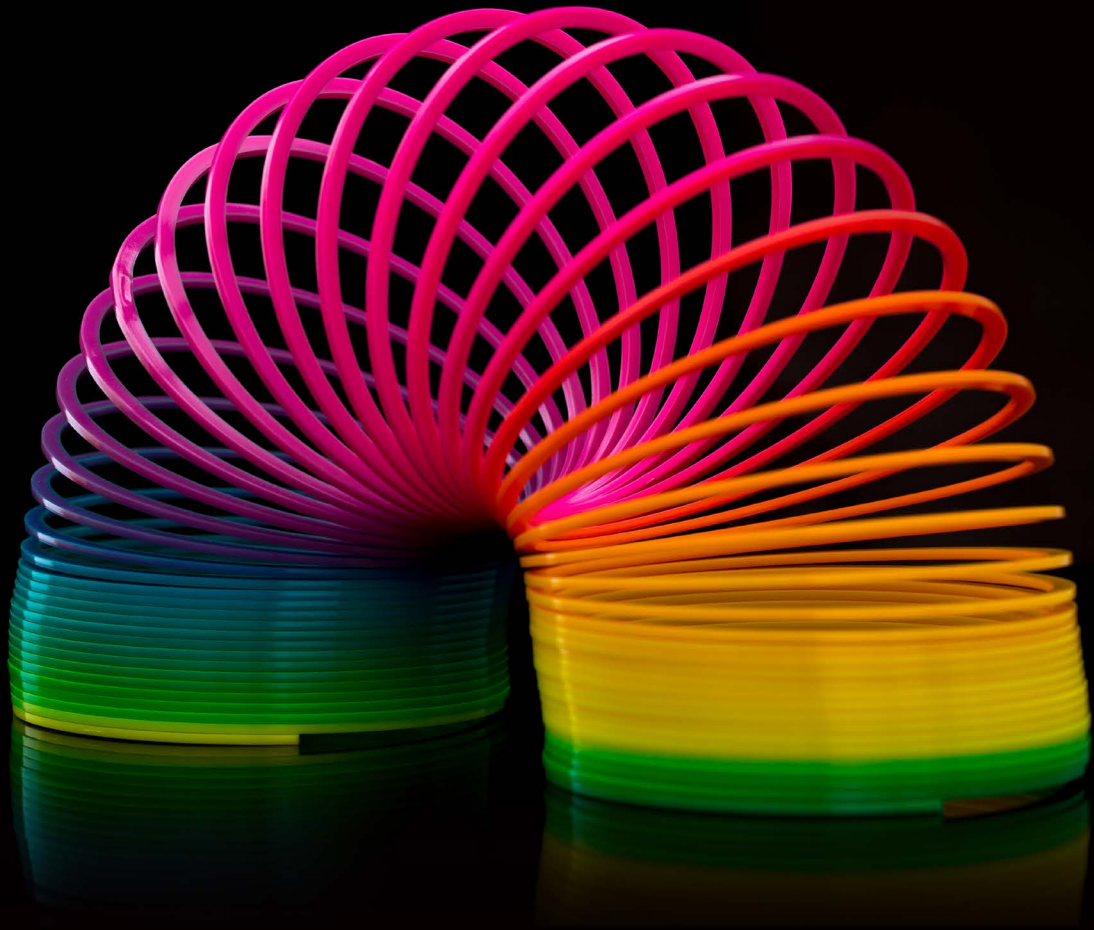


DIVERSE



Russell Investments Australian Bond ETFs

Allowing you to customise your bond portfolio



Customise your bond exposure

The Russell Investments Australian Bond ETFs are designed to put you in control to help you achieve the outcomes you want for your investment portfolio.

Why bonds

Bonds form the cornerstone of a well-diversified portfolio and are known as a defensive asset. They provide regular income, capital stability and diversification. And in volatile markets – when share market returns can often be poor – bonds can help stabilise an investment portfolio. The Russell Investments Australian Bond ETFs now provide you with easy, transparent and cost effective access to bonds.

Russell Investments Australian Bond ETFs at a glance

ETF	INVESTMENT STRATEGY	ASX CODE
Russell Investments Australian Government Bond ETF	Exposure to a portfolio of the largest and most liquid Australian Commonwealth Government bonds.	RGB
Russell Investments Australian Semi-Government Bond ETF	Exposure to a portfolio of State Government issued bonds with a minimum issuance outstanding of over \$1 billion based on face value to ensure sufficient liquidity.	RSM
Russell Investments Australian Select Corporate Bond ETF	Exposure to a portfolio of high quality Australian corporate bonds. All bonds within the ETF must have a minimum credit rating of A or above from a major rating agency.*	RCB

* In scenarios where bonds within the ETF are downgraded, bonds below the minimum credit rating may be temporarily held within the ETF for a transition period.

Investor strategy – Reduce portfolio volatility

Situation

Josh and Ella Simpson have a self managed super fund and are concerned about equity market volatility over the next 12 months.

Solution

The Simpsons diversify their portfolio into bonds by purchasing an equal amount of each of the Russell Investments Australian Bond ETFs. This was an alternative to cash given their desire to maintain an element of capital growth and diversification.

Examples are for illustrative purposes only and should not be relied upon for the purposes of making an investment decision.

Investor strategy – Simple access

Situation

Louise Smith is a client of a private wealth firm which has been able to get her access to hybrids and bonds by single issuers at relatively high minimum investments. She'd like to diversify into further securities with bond characteristics but does not know how to access them. Louise does not want to purchase a bond managed fund.

Solution

Louise allocates some of her investment to the Russell Investments Australian Select Corporate Bond ETF as a core holding. This gives her access to the 4 major banks through a single trade on the ASX at a low minimum investment. She maintains her hybrid investments as satellites.

Customise your bond exposure for a better outcome

One of the key benefits of the Russell Investments Australian Bond ETFs is their flexibility – by having a separate ETF to represent different types of exposures it enables you to customise your bond exposure to help achieve better outcomes. So you are in control to achieve the outcome you want, whether that is to:

- manage risk to suit your individual needs;
- react to a change in the market; or
- plan for your retirement.

Smart, insightful construction

The smart, insightful construction of the Russell Investments Australian Bond ETFs starts with innovative, custom-built indexes. The indexes are equally weighted, meaning that the risk is diversified and not concentrated on the issuer of the most debt. They are also built to be investible, giving access to a basket of the largest and most liquid fixed income securities.

Russell Investments Australian Bond ETFs offer many benefits

- The opportunity for consistent, regular income
- Ability to customise your bond exposure for your specific needs
- Potential for capital stability
- Easy to buy and sell through the ASX
- A simple way to create a diversified bond portfolio
- Liquidity to give you greater control
- Transparency and flexibility
- A tax efficient investment

Investor strategy – Consistent income and liquidity

Situation

Lachlan Barrett plans to retire next year and is looking for an investment with a predictable income stream. He currently has a term deposit investment that is about to mature but he doesn't want to lock up all of this investment again.

Solution

Upon maturity of the term deposit, Lachlan invests some of these assets in Australian bond ETFs as satellites but maintains the term deposit as a core. For the ETFs, he chooses a combination of the Russell Investments Australian Select Corporate Bond ETF for yield and the Russell Investments Australian Semi-Government Bond ETF for additional risk diversification.

Examples are for illustrative purposes only and should not be relied upon for the purpose of making an investment decision.

There are a number of ways you can invest in Russell Investments ETFs. You can:

Contact your financial adviser

Contact your full service broker

Open an account with a non-advisory or online broker

If you have a question about your Russell Investments ETF holding please contact ComputerShare by calling **1800 775 383** or visit the ComputerShare website.

For all other enquiries you can contact us by emailing **ETFenquiries@russellinvestments.com** or call the helpline on **1800 775 383**.

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Only persons who have been authorised as trading participants under the Australian Securities Exchange (ASX) Operating Rules can apply for units in the ETF through the PDS. Investors who are not Authorised Participants but are looking to acquire units in the ETF cannot invest through the PDS but may purchase units on the ASX. Please consult your stockbroker or financial adviser.

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