FUND PROFILE

RUSSELL INVESTMENTS AFTER-TAX AUSTRALIAN SHARES FUND

The Russell Investments After-Tax Australian Shares Fund (the Fund) uses Russell Investments' in-house emulation capabilities to leverage the investment insights from multiple managers and incorporates a range of strategies aimed at enhancing after-tax returns for suitable investors.

The Fund's performance is reported after-tax as well as on a pre-tax basis to provide visibility to investors of after-tax outcomes at the managed fund level.

Fund design

The Fund aims to provide investors with exposure to a diversified portfolio of Australian equities. It seeks to provide a return before costs higher than the Fund's benchmark on both a pre-tax and after-tax basis over the long term.

To achieve these objectives, the Fund is structured to capture alpha-seeking investment insights from multiple managers and is implemented as a centrally managed portfolio. The underlying managers each have unique investment styles and processes which reduces 'Scenario risk'.

The Fund invests predominantly in shares and unit trusts listed or about to be listed on the Australian Securities Exchange. Derivatives may be used to obtain or reduce exposure to securities or markets, to implement investment strategies and to manage risk. Tax efficient strategies are implemented to enhance the after-tax return of the Fund and are most suitable for investors on a 15% marginal tax rate or lower.

In addition, the Fund holds an investment bias to above average franked dividend payments and employs strategies with a focus on enhancing after-tax returns.

Fund design - implementation

The Fund is implemented to maximise equity returns. This is achieved by:

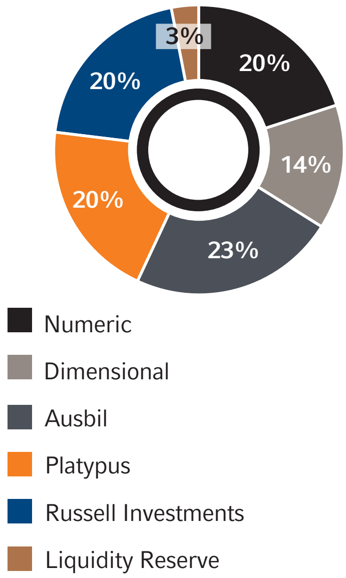
a. Operating a centrally managed portfolio that is constructed to closely track the aggregated return series of the underlying managers.

b. Applying investment strategies to this portfolio in order to enhance after-tax returns. These include:

- Turnover management
- Tax effective off-market share buybacks
- Preservation of franking credits
- Capital gains tax optimisation

c. The focus of these strategies will not be on tax minimisation but rather on enhancing overall returns on an after-tax basis for suitable investors.

Fund breakdown



Symon Parish

Co-Portfolio Manager, Senior Director, Head of Mulit-Asset

James Harwood

Co-Portfolio Manager

QUICK OVERVIEW	
Inception:	1 February 2011
Benchmark:	After-tax series# off S&P/ASX 300 Franking Credit Adjusted Annual Total Return Index (Superannuation)
AUM (AUD):	$1.25 billion (as at 31/12/2022)
Minimum Investment timeframe:	7 years

From 1 July 2015. Off-market buy-back and capital gains tax (CGT) adjustments calculated by GBST

For more information, please contact Russell Investments on (02) 9229 5111

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About the benchmark

GBST uses the after-tax series off the S&P/ASX 300 Franking Credit Adjusted Annual Total Return Index (Superannuation) and takes into account the net tax effect of capital gains and off-market share buybacks as well as mirroring the Fund's cash flows.

Current fund structure

The Fund has exposure* to the following managers' insights:

Numeric
Quantitative

Numeric is a quantitative manager based in Boston, USA. The investment process is based around value, momentum, quality, and earnings trend factors. Numeric's portfolio exhibits positive exposures to value and momentum, in line with our strategic preferences for factor exposures in our funds.

Dimensional
Value: deep value (small cap)

The manager seeks to add value by employing an investment process that focuses on capturing the value risk premium in a way that minimises turnover, manages market frictions, harnesses the effects of momentum and recognises the impact of liquidity seekers.

Ausbil Investment Management
Core, earnings revisions focus

Ausbil maintains a relatively concentrated, core portfolio of 30-40 stocks with a focus on earnings and earnings revisions in the largeand mid-cap part of the market. The manager's investment process incorporates macroeconomic conditions as an input to the sector and stock selection process. Because of the portfolio's dynamic nature, it can be tilted toward growth or value depending on market conditions. However, it tends to have a slight growth and momentum bias through time.

Platypus Asset Management
Concentrated Growth

Platypus is a growth style manager, utilising a combination of top-down macroeconomic and bottom-up company analysis to construct a concentrated portfolio of 25-35 stocks, which exhibit high growth and momentum characteristics. The portfolios are constructed without regard for a benchmark, and the risk and return characteristics of the individual stocks are responsible for positioning within the portfolio, rather than any benchmark-relative positioning.

Russell Investments
Positioning strategies

Positioning strategies are customised exposures created and directly managed by Russell Investments to better achieve return and/or risk objectives in a total portfolio. Usually used in conjunction with third-party active managers, positioning strategies allow our portfolio managers to fully reflect our strategic and dynamic insights in a precise and flexible manner.

Russell Investments' portfolio managers have ultimate responsibility for the total portfolio and use positioning strategies to help meet investment goals.

Positioning strategies in the Fund include a defensive factor portfolio; an all-cap strategy based on our low-volatility factor portfolios. This strategy provides the Fund with a return pattern that's expected to pay off during times of market stress and during market drawdowns, providing diversification relative to the Fund's other exposures and balancing overall fund risk. The strategy also provides the portfolio manager with greater tactical flexibility to respond to adverse market conditions.

Liquidity reserve

The Fund's liquidity reserve comprises cash awaiting investment or held to meet redemption requests or to pay expenses. The Fund typically exposes all or a portion of its cash to the performance of appropriate markets by purchasing equity securities and/or derivatives, which typically include index futures contracts. The Fund invests any remaining cash in an unregistered cash management fund advised by Russell Investment Management Ltd.

* Russell Investments' portfolio managers may apply overlay tools to actively manage total Fund risk exposures from time to time to take advantage of market opportunities and avoid risks.

COMMITTED TO
RESPONSIBLE INVESTMENT

For further information, please contact Russell Investments on (02) 9229 5111

IMPORTANT INFORMATION

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