

The Russell Investments Global Listed Infrastructure Fund – Hedged (the Fund) provides broad diversification and exposure to listed infrastructure securities.

## 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 global listed infrastructure securities, largely hedged into Australian dollars.

## Investment strategy

The Fund invests predominantly in infrastructure and infrastructure related securities listed on stock exchanges in developed and emerging markets. The Fund may also invest in unlisted securities on a limited basis. Foreign currency exposures are largely hedged back to Australian dollars.

## Fund design

The Fund provides a diversified exposure to a portfolio of long-term listed infrastructure assets, using specialist investment managers and strategies.

Infrastructure investment may be defined as investment in assets that provide services essential for a functioning economy. Demand for these services is often inelastic to price changes and these investments can therefore provide predictable and sustainable returns.

Most infrastructure assets are grouped into the following sectors:

- **Energy** – power generation, transmission, distribution, renewable energy, pipelines and storage
- **Water** – water and waste networks, sewerage facilities and desalination plants
- **Transport** – ports, railways, airports, roads, bridges, parking, mass transit and waterways
- **Communications** – cable networks, telecom lines, towers and satellites
- **Social** – hospitals, jails, schools, stadia, courts and social housing.

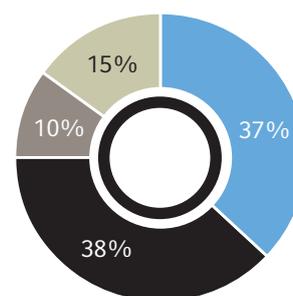
## Why listed infrastructure?

Listed infrastructure comprises a universe of publicly traded securities issued by companies that own/operate infrastructure assets. These companies generate cash flow from tangible, long lived assets.

Listed assets provide greater liquidity and transparency, and have lower management fees than direct assets.

Listed infrastructure securities tend to be high-yielding, generating stable income streams guaranteed by lengthy fixed-term contracts which are often backed by a government. This results in the asset

## Fund breakdown



- Nuveen
- First Sentier Investors
- Russell Investments
- Cohen & Steers



*Listed infrastructure securities tend to be highyielding, generating stable income streams.*

**Patrick Nikodem,**  
Portfolio Manager

QUICK OVERVIEW	
<b>Inception:</b>	28 September 2009
<b>Benchmark:</b>	S&P Global Infrastructure Index (\$A Hedged) (Net TR)
<b>AUM (AUD):</b>	\$140.07 Million (as on 31/12/2022)
<b>Minimum investment timeframe:</b>	7 years

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

class possessing bond-like qualities, while offering the potential for higher capital gains. These characteristics make infrastructure an effective diversifier in a balanced portfolio context.

## Current structure

### Nuveen Asset Management Style neutral: diversified

Nuveen represents a strong core manager as they offer a broad, highly diversified portfolio and benchmark aware style (relative to the Fund's benchmark).

Rather than relying on a single valuation metric, Nuveen's multi-faceted security selection process features several different components, including discounted cash flow (DCF), net asset value (NAV), balance sheet metrics and multiple analysis.

The manager will typically hold a portfolio of 100-125 stocks selected from an investment universe of over 700 companies.

The portfolio will usually hold ~75% non-US companies, predominantly stocks in developed markets, but also including some emerging markets exposure.

### First Sentier Investors Style: fundamental

First Sentier Investors (formerly Colonial First State) follows a fundamental bottom-up orientation with a slight growth at reasonable price (GARP) approach. Their strategy invests across a wide number of sectors and geographies with a greater focus on ex-benchmark sectors including communications and rail.

### Russell Investments Style: Dynamic positioning strategy

Russell Investments uses a positioning strategy to directly manage custom exposures for use within the total portfolio. Used in conjunction with third-party active managers, positioning strategies allow our portfolio managers to seek excess return and manage portfolio risk by giving them the ability

to fully reflect our strategic and dynamic insights with integrated liquidity and risk management. The tools used to implement positioning strategies include a

broad set of internal investment capabilities such as overlays, index replication, smart beta strategies, and custom quantitative strategies.

### Cohen & Steers Growth: valuation sensitive

The Cohen & Steers global listed infrastructure strategy targets transportation, energy, utilities and communications companies that have the potential to deliver a steady, defensive return stream. These companies tend to own and operate long-lived assets that benefit from inelastic demand, with a focus on those that operate in industries with high barriers to entry. Cohen's investment process is unique in having a formal top-down component, whereby the investment team establishes target sector allocations, which are filled through bottom-up stock selection.

COMMITTED TO  
RESPONSIBLE INVESTMENT



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

## IMPORTANT INFORMATION

Issued by Russell Investment Management Ltd ABN 53 068 338 974, AFS Licence 247185 (RIM). This document provides general information only and has not been prepared having regard to your objectives, financial situation or needs. Before making an investment decision, you need to consider whether this information is appropriate to your objectives, financial situation and needs. This information has been compiled from sources considered to be reliable, but is not guaranteed. Past performance is not a reliable indicator of future performance. This document is not intended to be a complete statement or summary of the Russell Investments Australian Bond Income Fund (Fund). Investing in the Fund has risks. You should consider these risks in light of your objectives, financial situation and needs. Any potential investor should consider the latest Product Disclosure Statement (PDS) for the Fund in deciding whether to acquire, or to continue to hold, an investment in any Russell Investments product. The PDS can be obtained by visiting [www.russellinvestments.com.au](http://www.russellinvestments.com.au) or by phoning (02) 9229 5111. The Target Market Determinations for the RIM Funds are available on our website at <https://russellinvestments.com/au/ddoreporting>. RIM is part of Russell Investments. Russell Investments or its associates, officers or employees may have interests in the financial products referred to in this information by acting in various roles including broker or adviser, and may receive fees, brokerage or commissions for acting in these capacities. In addition, Russell Investments or its associates, officers or employees may buy or sell the financial products as principal or agent. Neither RIM, Russell Investments or its associates, officers or employees guarantees the repayment of capital, the performance of any Russell Investments products or any rate of return referred to in this document.

Russell Investments became a signatory of the United Nations-Supported Principles for Responsible Investment (PRI) in 2009; the Carbon Disclosure Project's climate change program since 2010; and the Climate Action 100 in 2017. Russell Investments is also a member of the Institutional Investors Group on Climate Change (IIGCC) since 2015; and the Responsible Investment Association of Australasia. Russell Investments became a supporter for the Taskforce on Climate-Related Financial Disclosures (TCFD) in May 2019. Russell Investments has consecutively achieved an A+ rating for our strategy and governance approach from the PRI from 2016-2020. For further information visit <https://russellinvestments.com/au/about-us/responsible-investing>. This work is copyright 2022. Apart from any use permitted under the Copyright Act 1968, no part may be reproduced by any process, nor may any other exclusive right be exercised, without the permission of Russell Investment Management Ltd.

Updated as of: January 2023

R\_PRO\_Fnd\_Infrastructure\_V1FF\_2301