

Russell Investments

High Dividend Australian Shares ETF

Exchange Traded Funds.
Higher dividends redefined.

INTRODUCING RDV

Providing you access
to income and growth

The Russell Investments High Dividend Australian Shares ETF (RDV) provides investors with an easy way to access a diversified blue chip Australian shares portfolio that aims to deliver higher dividends.

We have used our expertise in portfolio construction and factor exposures to construct an exchange traded fund (ETF) which offers potential for higher dividends, franking credits and capital growth. This is the first of its kind in Australia and is another example of our expertise in innovative investment solutions.

How does it work?

The returns of the Russell Investments High Dividend Australian Shares ETF are designed to track the performance of the Russell Australia High Dividend Index by investing in Australian shares and trusts listed on the Australian Securities Exchange (ASX).

The Russell Investments High Dividend Australian Shares ETF is structured as a single security and trades under the ASX code RDV, just like a share.

Since launching in North America in the late 1980s, ETFs have recorded strong growth around the world, with over US\$2.7 trillion¹ invested to date.

ETFs were first listed in Australia in 2001 and have been rapidly growing in popularity. In the 12 months to 31 December 2014 the market capitalisation of ETFs grew by 50% to over \$15 billion².

THE GROWTH OF THE ETF MARKET IN AUSTRALIA



¹ Source: ETP Landscape Industry Highlights December 2014, BlackRock

² Source: ASX Listed Managed Investments and ETPs Monthly Update, December 2014

How is RDV different?

Until now, Australian investors only had access to ETFs that simply tracked broad market or sector indexes.

But RDV is different.

It was especially designed to meet investor needs of income and capital growth.

RDV gives you exposure to a unique investment solution not available anywhere else.

What is the Russell Australia High Dividend Index?

The Russell Australia High Dividend Index is a newly created index specifically designed to address Australian investors' needs of generating income and attaining capital growth. It is an equity index that provides an investable portfolio of around 50 large, blue chip Australian companies and has a particular emphasis on dividends.

Legacy of expertise in index construction, continued capability in factor exposures

Russell Indexes are widely recognised as the global expert in index design. In the 1980s, our manager research team noticed style commonalities

between various US equity managers, leading to the Russell Indexes' creation of specific growth and value indices. The Russell Indexes are now one of the world's leading equity index families with over US\$3.9 trillion in global assets benchmarked.

RDV OFFERS MANY BENEFITS

- » Exposure to a portfolio that aims to deliver higher dividends
- » Access to franking credits from high quality blue chip Australian companies
- » A convenient and efficient way to gain instant diversification to a portfolio of securities
- » Tax concessions on distributions received and, in most cases, additional tax concessions when you sell out of the ETF
- » The flexibility to buy and sell your investment on the ASX at any time during market hours
- » Full daily transparency of the underlying holdings
- » Lower cost than investing in an actively managed fund.

Diversification through a single transaction

ETFs are listed managed funds which trade on the ASX. They offer the liquidity benefits of ASX listed securities and the diversification benefits of traditional managed funds—all in a single transaction.

The underlying assets in an ETF unit are a diversified portfolio of securities which typically track an index. Investors can receive capital growth as the underlying portfolio changes in value as well as income through dividends.

ETFs are one of the fastest growing investment instruments in the world because they offer investors a cost effective and easy way to gain exposure to a broad range of domestic and international asset classes.

› To find out more about the Russell Investments' ETFs, please visit:

our website at russellinvestments.com.au

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