

Fund Update

For the quarter ended 31 December 2022

- **Russell Investment Funds**
- **Russell Investments Hedged Sustainable Global Shares Fund**

This fund update was first made publicly available on: 10 February 2023

What is the purpose of this update?

This document tells you how the Russell Investments Hedged Sustainable Global Shares Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. Implemented Investment Solutions Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

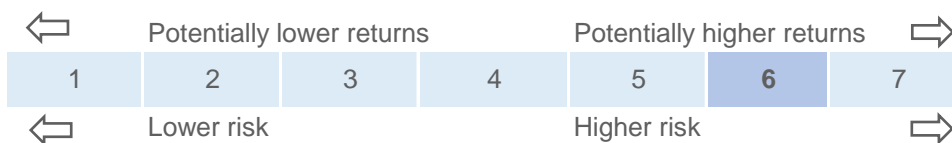
Objective: To provide a total return, before costs and tax, in line with the MSCI ACWI Index – 100% Hedged to NZD – Net over the long term.

Strategy: The fund invests predominantly in a broad range of international shares listed on stock exchanges in developed and emerging international markets. The fund will maintain a reduced carbon exposure compared to the Benchmark, whilst also increasing exposure to renewable energy and taking into account other ESG considerations such as the exclusion of controversial weapons, firearms, uranium and tobacco companies. 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 New Zealand dollars.

Total value of the fund	\$NZ 252,831,054
The date the fund started	14 December 2021

What are the risks of investing?¹

Risk indicator for the Russell Investments Hedged Sustainable Global Shares Fund.



The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund’s assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at www.sorted.org.nz

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund’s future performance. The risk indicator is based on the returns data for 5 years to 31 December 2022. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (PDS) for more information about the risks associated with investing in this fund.

How has the fund performed?

	Past year
Annual return (after deductions for charges and tax)	-19.15%
Annual return (after deductions for charges but before tax)	-18.25%
Market index annual return (reflects no deduction for charges and tax)	-17.57%

The market index return is the MSCI ACWI Index – 100% Hedged to NZD. This has been the market index since the inception of the fund. Additional information about the market index is available on the offer register at www.disclose-register.companiesoffice.govt.nz.

What fees are investors charged?

Investors in the Russell Investments Hedged Sustainable Global Shares Fund are charged fund charges which are:

	% of net asset value (including GST)
Total fund charges (including GST) ²	0.36%
Which are made up of:	
Total manager and administration charges (including GST)	0.36%
Including:	
Manager's basic fee (including GST)	0.25%
Other management and administration charges	0.11%

The 'Other management and administration charges' include fees and costs charged in underlying funds. The amount of fees and costs charged in underlying funds has been estimated.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Russell Investments Hedged Sustainable Global Shares Fund on the offer register at www.disclose-register.companiesoffice.govt.nz for more information about those fees.

Example of how this applies to an investor

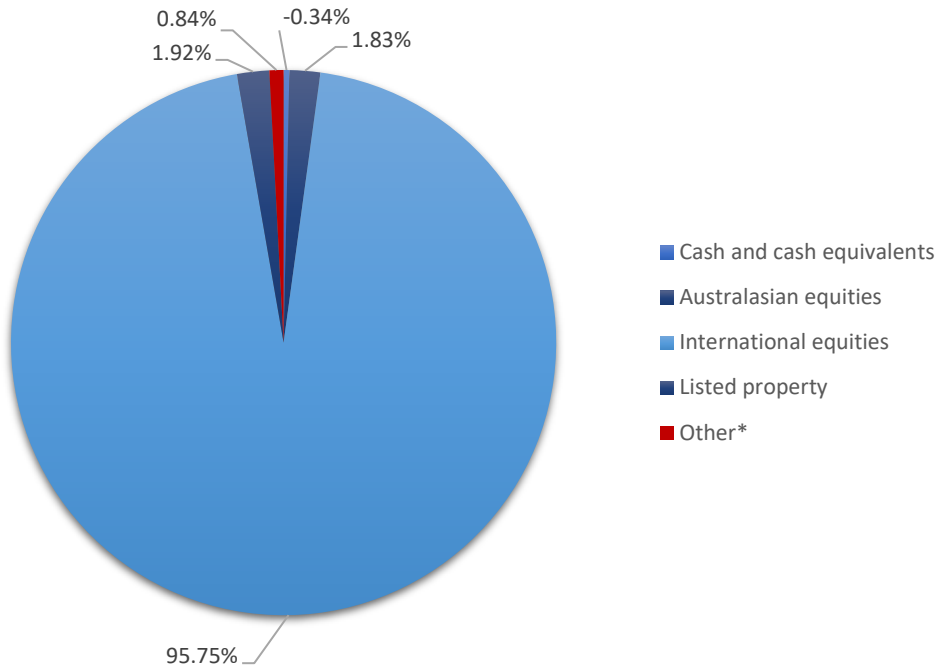
Small differences in fees and charges can have a big impact on your investment over the long term.

Anthony had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Anthony incurred a loss after fund charges were deducted of \$1,825 (that is -18.25% of his initial \$10,000). This gives Anthony a total loss after tax of \$1,915 for the year.

What does the fund invest in?

This shows the types of assets that the fund invests in.

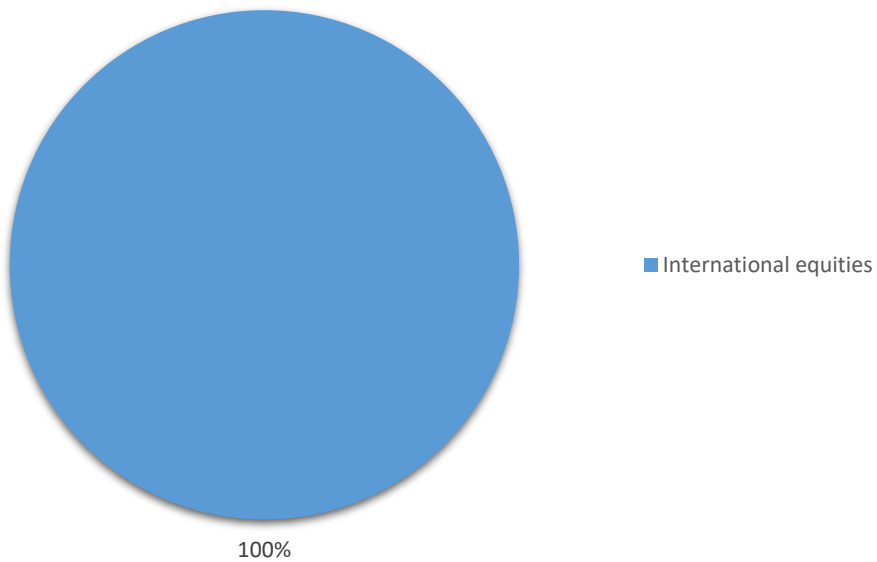
Actual investment mix



*Forward currency contracts

Foreign currency exposure was 100.00% hedged to New Zealand dollars as at 31 December 2022.

Target investment mix



Top 10 investments

	Name	% of Fund net assets	Type	Country	Credit rating (if applicable)
1	Apple Inc	3.60%	International Equities	US	
2	Microsoft Corp Usd0.00005	2.94%	International Equities	US	
3	S&P 500 Emini 2303 F	1.62%	International Equities	US	
4	Amazon Com Inc	1.33%	International Equities	US	
5	Alphabet Inc Cap Stk Usd0.001 Cl A	0.91%	International Equities	US	
6	Unitedhealth Group Inc Com Stk Us0.01	0.85%	International Equities	US	
7	Alphabet Inc Cap Usd0.001 Cl C	0.83%	International Equities	US	
8	Johnson & Johnson Com Us\$1	0.80%	International Equities	US	
9	Exxon Mobil Corporation	0.76%	International Equities	US	
10	Berkshire Hathaway Inc - Class B	0.69%	International Equities	US	

The top 10 investments make up 14.34% of the net asset value of the fund.

Key personnel

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current position	Time in current position	Previous or other current position	Time in previous or other current position
James Harwood	Senior Portfolio Manager, Proprietary Strategies, Russell Investments	9 years 1 months	Director, Sales Trading, Deutsche Bank	6 years 3 months
Andrew Zenonos	Back-up Portfolio Manager, Russell Investments	10 years 2 months	Portfolio Manager, Russell Investments	3 years 3 months

Further information

You can also obtain this information, the PDS for the Russell Investment Funds, and some additional information from the offer register at www.disclose-register.companiesoffice.govt.nz.

Notes

¹ A combination of actual fund returns, and Market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. Market index returns have been used until 31 December 2021 and fund returns thereafter. The risk indicator may therefore provide a less reliable indicator of the fund's future volatility.

² As the fund only started accepting contributions on 14 December 2021, historical fee information is not available.