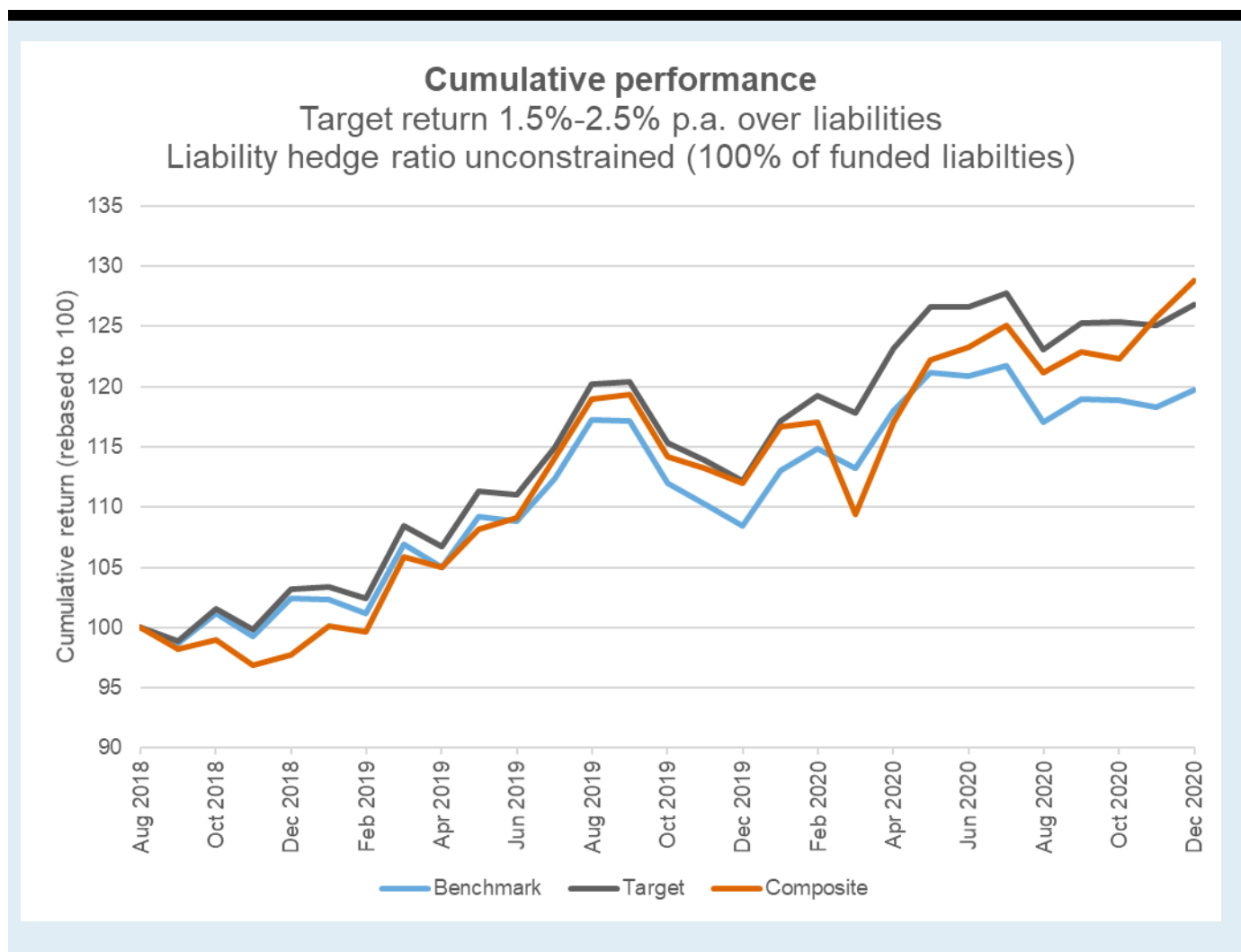


GIPS for FMPs: Composite Report – Clients with Target Return over Liabilities: 1.5%-2.5% and Unconstrained Liability Hedge Ratio



1.5%<TR<=2.5% (greater than 1.5%, equal or less than 2.5%) All Hedge Ratios
31 August 2018 to 31 December 2020

Year	Composite Net Return Relative to Full Liabilities TWR (%)	Composite Net Return Relative to Hedge Adjusted Liabilities TWR (%)	Annualized 36-month Ex Post Std Dev to Full Liabilities (Tracking Error)	Annualized 36-month Information Ratio to Full Liabilities (%)	Annualized 36-month Ex Post Std Dev to Hedge Adjusted Liabilities (%) (Tracking)	Annualized 36-month Information Ratio to Hedge Adjusted Liabilities (%)	Number of Schemes	Composite Asset (£)	FMP Assets (£)
2020	4.02	4.08	0.00	0.00	0.00	0.00	12	1,293,203,982	2,623,005,061
2019	7.50	8.22	-	-	-	-	13	1,066,178,356	2,772,828,845
31 Aug 18 - 31 Dec 18	-4.60	-4.51	-	-	-	-	Less Than 4	190,349,394	2,395,152,786
2017	-	-	-	-	-	-	-	-	2,763,955,585
2016	-	-	-	-	-	-	-	-	2,297,408,439
2015	-	-	-	-	-	-	-	-	1,777,479,170
2014	-	-	-	-	-	-	-	-	1,793,224,211
2013	-	-	-	-	-	-	-	-	1,356,823,719
2012	-	-	-	-	-	-	-	-	1,110,171,137
2011	-	-	-	-	-	-	-	-	779,923,936
2010	-	-	-	-	-	-	-	-	523,101,001

Dispersion of net returns relative to full liabilities						Dispersion of net returns relative to hedge adjusted liabilities					
Year	Min	90th Percentile	Median	10th Percentile	Max	Year	Min	90th Percentile	Median	10th Percentile	Max
2020	2.71	3.50	4.05	6.01	7.02	2020	2.92	3.69	4.24	5.91	5.97
2019	-	-	-	-	-	2019	-	-	-	-	-
31 Aug 18 - 31 Dec 18	-	-	-	-	-	31 Aug 18 - 31 Dec 18	-	-	-	-	-
2017	-	-	-	-	-	2017	-	-	-	-	-
2016	-	-	-	-	-	2016	-	-	-	-	-
2015	-	-	-	-	-	2015	-	-	-	-	-
2014	-	-	-	-	-	2014	-	-	-	-	-
2013	-	-	-	-	-	2013	-	-	-	-	-
2012	-	-	-	-	-	2012	-	-	-	-	-
2011	-	-	-	-	-	2011	-	-	-	-	-
2010	-	-	-	-	-	2010	-	-	-	-	-

Annualized Composite Relative Net Returns to Full Liabilities					Annualized Composite Relative Net Returns to Hedge-Adjusted Liabilities				
Period	Net Relative Return	Ex Post Std Dev to Net Relative Return	Information Ratio	Max Drawdown	Period	Net Relative Return	Ex Post Std Dev to Net Relative Return	Information Ratio	Max Drawdown
1 Year	4.02	7.24	0.61	-6.52	1 Year	4.08	7.21	0.63	-6.49
3 Years (pa)	-	-	-	-	3 Years (pa)	-	-	-	-
5 Years (pa)	-	-	-	-	5 Years (pa)	-	-	-	-
7 Years (pa)	-	-	-	-	7 Years (pa)	-	-	-	-
10 Years (pa)	-	-	-	-	10 Years (pa)	-	-	-	-
Since Inception	2.81	5.58	0.54	-6.52	Since Inception	3.17	5.57	0.61	-6.49

- Russell Investments claims compliance with the Global Investment Performance Standards (GIPS®) for FMPs and has prepared and presented this report in compliance with the GIPS standards for FMPs.
- Russell Investments Limited is a privately owned asset management company registered in the UK. It provides fiduciary management services to UK and Irish pension schemes that are categorised as Full Fiduciary Management Clients.
- The composite includes all schemes with a return target of the liability plus between 1.5% and 2.5% (including 2.5%), with an unconstrained hedging constraint. Gilt repurchase agreements and/or interest rate swaps are used to extend the duration of scheme assets to match liabilities greater than 15 years. As of 31 December 2020, there were 12 schemes in the composite. A list of composite risks is available upon request.
- Composite Relative Net Return to Full Liabilities: Composite relative net returns are calculated as the difference between the scheme net return and the full liabilities benchmark of the individual scheme used to report performance to the client. The liabilities benchmark is calculated by using either the full liability cash flows, a liability proxy benchmark constructed from gilts or swaps, or if neither of these exist, a gilt of similar duration to the liabilities. Some of the schemes have a performance track record using liability proxy benchmarks and gilts of similar duration to the liabilities. The level of volatility risk reported will typically be lower when a liability proxy benchmark or gilt of similar duration to the liabilities has been used.
- Composite Relative Net Return to Hedge Ratio-Adjusted Liabilities: Composite relative net returns are calculated as the difference between the scheme net return and the hedge ratio-adjusted liability benchmark of the individual scheme used to report performance to the client. The hedge ratio-adjusted liability is calculated by including cash for the proportion of liabilities where interest rate hedging is not allowed and including the full liabilities for the proportion of the liability where hedging is allowed. The 3M GBP Libor cash rate is used where interest rate hedging is not allowed.
- Scheme net returns are net of actual fees and costs, including transaction costs, custody, and other administrative fees, and investment management fees. Information about fees and other costs is available upon request. Returns are net of non-reclaimable withholding taxes. All returns and assets are presented in GBP.
- The composite was created in August 2018. The composite inception date is 31 August 2018.
- The list of composite descriptions is available upon request.
- Policies for valuing investments, calculating performance, and preparing GIPS Composite Reports are available upon request.
- The three-year annualised ex post standard deviation measures the variability of monthly composite relative net returns relative to the benchmark over the preceding 36 months.
- Dispersion of net returns relative to full liabilities and hedge adjusted liabilities is not presented where there are three or fewer schemes in the composite for the entire year and the dispersion information would not be meaningful.
- A range of sub-advisors were used for investments throughout the period covered by this Composite Report.
- Schemes where a third party provides investment advice and Russell Investments manages the total portfolio to achieve the agreed investment objectives are included.
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