

## **RUSSELL INVESTMENTS LIMITED**

### **RUSSELL INVESTMENTS IMPLEMENTATION SERVICES LIMITED**

#### **SECTION 172 STATEMENT**

##### **Section 172 statement**

This statement is made for the purpose of section 172(1) statement required under section 414CZA(1) of the Companies Act 2006. The financial services regulatory requirements and expectations to which the Company is subject provide a framework for the Company to demonstrate how the board makes decisions for the long term success of the Company and its stakeholders, including having regard to how the board makes sure the Company complies with the requirements of section 172 of the Companies Act 2006.

##### **Section 172 of the Companies Act**

##### **Duty to promote the success of the company**

A Director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to –

- a) the likely consequences of any decision in the long term,
- b) the interests of the company's employees,
- c) the need to foster the company's business relationships with suppliers, customers and others,
- d) the impact of the company's operations on the community and the environment,
- e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- f) the need to act fairly as between members of the company.

##### **Considering consequences of decisions in the long term**

Our business is one which depends upon long term relationships with clients and intermediaries. Forward looking planning and decision making is therefore essential for the ongoing viability of the Company. Decision making and planning of the directors takes into consideration (amongst other things) the following long-term factors:

- Anticipating client's needs,
- Anticipating changes to Laws and regulation which may affect the future operations of the Company,
- Developing new business lines and enhancing existing business operations,
- Investing in IT, Communications and Security infrastructure,
- Investing in strong sales and portfolio management teams,
- Incorporating sustainability as a central pillar of our business,
- Retaining staff

##### **Considering the interest of the Company's employees**

Staff development and retention is an essential consideration for the senior management (and ultimately the directors) of the Company. The Company has committed itself to a diversity and inclusion council who set out to increase diversity and inclusion among Russell Investments associates through the support of the Executive Committee and sponsorship of the various associate resource groups. Diversity and inclusion is made up of five subgroups, Wellbeing, Multicultural, Career development, LGBT+ and Gender Equality.

The committee's objectives are as follows:

- Promote recruitment and retention practices that focus on tapping into top talent across diverse constituency groups.
- Endorse suitable education, training, development and mentoring possibilities for our diverse group of associates.
- Promote a diverse and inclusive work environment where all associates feel respected and valued.
- Encourage community involvement related to the promotion of diversity and inclusion.

The Company has introduced a number of initiatives/policies designed to improve the quality of the working lives

of its employees including wellness days and activities, mental health awareness, support for gender equality and sabbatical leave.

### **Considering the need to foster the Company's business relationships with suppliers, customers and others**

In common with all service-based businesses, the Company's ability to build and maintain trusted long-term relationships with clients and intermediaries is essential to the economic viability of the Company. Decisions by the board of directors focus on the high-level key infrastructure required to ensure that our clients and distribution network remain happy with the level and quality of service provided to them, including:

- that appropriately qualified and experienced staff are employed to service clients,
- that an appropriate control infrastructure (risk, compliance, finance, legal, etc.) is in place to monitor the standard and quality of service provided to clients,
- that an appropriate operational infrastructure (including internal and outsourced functions) is in place to support the services provided to clients.
- with regards to suppliers, the focus of the Board of Directors is based on selecting and monitoring the quality of key third parties who provide services to the Company in the normal course of its business (IT platforms, middle office providers, advisory consultants etc.).

### **Considering the impact of the Company's operations on the community and the environment**

The business has introduced an increasing number of environmentally responsible programs. Together, each initiative is designed to ensure we reduce waste and emissions, and promote sustainable practices.

The Company as a whole is reducing greenhouse gas emissions: many of our offices have sustainability certifications and ratings, reflecting how they limit greenhouse gases.

Ongoing projects include:

- Lowering energy and water consumption: a voluntary program of improved energy efficiency and reduced water consumption is in place.
- Managing waste and materials: we are committed to reducing and recycling non-hazardous waste
- Using recycled materials: we incorporate recycled materials within our working environment, wherever possible
- Promoting paperless environments: for example, introducing electronic supply-chain transactions

### **Considering the desirability of the Company maintaining a reputation for high standards of business conduct**

Trusted long term relationships with clients is essential to the economic viability of the Company. The Company's reputation in terms of compliance with laws, performance and quality of services is central to creating and maintaining these relationships. Maintaining this reputation is a key consideration for the board of directors of the Company.