

Russell Investments Global Low Carbon Strategy



Sustainable Finance Disclosure Regulation Information

Article 8 Financial product promoting environmental and/or social characteristic(s)

This document provides you with the information required under the Sustainable Finance Disclosure Regulation. It is not marketing material. This information is required by law to help you understand the environmental and/or social characteristics this product promotes. You are advised to read it so you can make an informed decision about whether to invest.

Product description

The characteristics promoted by the product are:

- (ii) reduced carbon exposure;
- (iii) a higher Green Energy Ratio; and
- (iv) improved Environmental, Social and Governance ("ESG") characteristics, relative to the MSCI World Index (the "Index").

Investment strategy

The product will invest at least 80% of its assets in equities and equity related securities contained in the Index. The Investment Manager will then apply an active systematic optimisation strategy to identify companies within the Index which will allow the product to:

1. Reduce exposure to carbon-intensive activities or companies which have a significant carbon footprint and/or carbon reserves compared to the Index.
2. Deliver a higher Green Energy Ratio than the Index.
3. Achieve a higher ESG Score than the Index.

Index

You can find information about the Index [here](#). The Index is a broad market index and it does not focus on the environmental and/or social characteristics promoted by the product.

Data

Data will be sourced from independent vendors as well as publicly available information which may include company reports. Carbon Data (i.e. WACI) is currently sourced from MSCI ESG Research Inc and ESG Risk Scores are sourced from Sustainalytics.



Implementation and methodologies

Carbon exposure

The product will not invest in any company in the Index that makes more than 10% of its revenue from coal power generation or thermal coal production.

The Investment Manager calculates a carbon score using Carbon Footprint and Carbon Reserves data to evaluate the carbon exposure of a company in the Index. Based on this evaluation, the product will seek to reduce exposure to companies that have a high Carbon Footprint or Carbon Reserves.

The product will aim to have 50% less carbon exposure but will be at least 20% better than the Index using the Carbon Footprint and Carbon Reserve of the product as a percentage relative to the Carbon Footprint and Carbon Reserve of the Index.

"Carbon Footprint" means Carbon Emissions in metric tonnes of carbon dioxide equivalent (CO₂-e), divided by company revenue (USD).

"Carbon Emissions" means: (i) Scope 1 (direct emissions): activities owned or controlled by an organisation that release carbon emissions straight into the atmosphere; and (ii) Scope 2 (energy consumption): carbon emissions released into the atmosphere associated with consumption of purchased electricity, heat, steam and cooling. These are a consequence of a company's activity that occur at sources the company does not own or control.

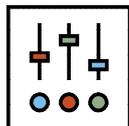
Green Energy Ratio

The "Green Energy Ratio" is calculated using the percentage of total energy produced from renewal energy sources (taking into account green, brown and grey power generation) divided by total power generated. The Investment Manager uses the Green Energy Ratio to identify and invest in a higher proportion of companies that produce greener energy whilst maintaining a similar level of risk with the Index.

ESG characteristics

The Investment Manager will evaluate quantitative and qualitative information on ESG topics including employee turnover rate, human capital development, carbon intensity, board diversity, involvement in incidents and controversies (“ESG Data”).

The Investment Manager will use ESG Scores to identify and select companies that will improve the ESG characteristics of the product relative to the Index.



Sustainability indicators

The indicators used are:

- MSCI ESG Rating of 'BB' or above
- MSCI ESG Controversies Score of 3 or above

- No companies showing involvement in alcohol, gambling, tobacco, nuclear power and weapons.
- Carbon Footprint and Carbon Reserves percentage exposure at least 20% better than the Index
- Higher Green Energy Ratio than the Index
- Higher ESG Score than the Index



Achievement of environmental and/or social characteristic(s)

The information will be provided in accordance with the timelines required by the Sustainable Finance Disclosure Regulation.

Important Information

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