

Russell Investments Pan European Equity Fund



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.

ESG Characteristics

The characteristic promoted by the product is a reduction in carbon emissions intensity.

ESG Investment strategy

The product will invest at least 80% of its total assets in the equities of European companies. The Fund is broadly diversified across European countries, and industry sectors. In selecting these investments, the Investment Manager will apply an active systematic optimisation strategy to identify companies which 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 MSCI Europe Index (EUR) - Net Return (the "Index").
2. Exclude companies with significant involvement in coal-related activities (>10% of revenue derived from mining thermal coal or power generation from coal)

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. ESG Risk Scores and UNGC Principle alignment data 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 data to evaluate the carbon exposure of a company. Based on this evaluation, the product will seek to reduce exposure to companies that engage in carbon-intensive activities or have a high Carbon Footprint.

The product will always have at least 20% less carbon exposure than the Index using the Carbon Footprint of the product as a percentage relative to the Carbon Footprint 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.

Good Governance

The Investment Manager will invest in companies that follow good governance practices by international standards.

The Investment Manager utilizes data from a reputable third-party service provider to identify corporations which are aligned to the United Nations Global Compact Principles ("UNGC Principles") and therefore deemed to meet international standards for good governance. In limited circumstances, the Investment Manager may invest in companies not currently aligned with the UNGC Principles. Such investment is allowed where, following engagement

with and a holistic review of the company by the investment manager, it considers that the company exhibits good governance practices.



Achievement of environmental and/or social characteristic(s)



Sustainability indicators

The indicators used are:

- Aggregate Carbon Footprint of the portfolio at least 20% better than the Index.

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

For more information

Call Russell Investments on **+44 (0)20 7024 6000** or visit [russellinvestments.com](https://www.russellinvestments.com)

Important Information

For Professional Clients Only.

This material does not constitute an offer or invitation to anyone in any jurisdiction to invest in any Russell Investments Investment product or use any Russell Investments Investment services where such offer or invitation is not lawful, or in which the person making such offer or invitation is not qualified to do so, nor has it been prepared in connection with any such offer or invitation.

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This is a marketing communication. Please refer to the prospectus of the Russell Investments Company II PLC and to the KIID before making any final investment decisions.

The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

The net assets of the fund are likely to have high volatility. Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

ESG factors should not outweigh the extent to which the investment strategy integrates sustainability-related characteristics or objectives.

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