

Russell Investment Company p.l.c.  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

Russell Investment Company plc, an investment company with variable capital and an umbrella fund with segregated liability between sub-funds established under the laws of Ireland (the "Company")

*Russell Investments Emerging Markets Equity Fund*

*Russell Investments Japan Equity Fund*

*Russell Investments UK Equity Fund*

*Russell Investments Global Bond Fund*

*Russell Investments Global Credit Fund*

*Russell Investments Global High Yield Fund*

*Russell Investments Unconstrained Bond Fund* (each, a "Fund", collectively the "Funds")

Carne Global Fund Managers (Ireland) Limited (the "Manager")

Russell Investments Limited (the "Principal Money Manager")

20<sup>th</sup> September 2022

Dear Shareholder

## Introduction

We are writing to you in your capacity as shareholder in one or more of the Funds to notify you of certain changes that the directors of the Company (the "Directors") have resolved to make to the Funds as detailed further below.

### 1. ESG Enhancements to the Funds

The Principal Money Manager has recommended the implementation of a set of Environmental, Social and Governance ("ESG") enhancements to the Funds to address the changing ESG investment environment and in order to future proof shareholders' interests. It is intended to update the investment policy of the Funds to reflect the proposed re-categorisation of the Funds from Article 6 funds for the purposes of the EU Sustainable Finance Disclosures Regulation ("SFDR") to Article 8 funds for the purposes of SFDR, i.e. a financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.

#### *Russell Investments Emerging Markets Equity Fund, Russell Investments Japan Equity Fund and Russell Investments UK Equity Fund (the "Equity Funds")*

It is intended to update the investment policy for each of the Equity Funds to reflect that a binding decarbonisation overlay strategy will be applied to the Equity Funds such that: (i) each Equity Fund's carbon footprint will be reduced by 20% as against its benchmark; and (ii) certain companies with significant involvement in coal-related activities will be excluded.

#### *Russell Investments Global Bond Fund, Russell Investments Global Credit Fund, Russell Investments Global High Yield Fund and Russell Investments Unconstrained Bond Fund (the "Fixed Income Funds")*

It is intended to update the investment policy for each of the Fixed Income Funds to reflect the intention to promote a reduction in carbon emissions which is primarily intended to be achieved through the application of an exclusions policy, whereby, companies with significant involvement in coal-related activities will be excluded from investment. Each of the Fixed Income Funds will have a carbon footprint reduction target in respect of the corporate debt portion of its investments.

## Good Governance

In addition, the Equity Funds and Fixed Income Funds will seek to invest in companies which follow good governance practices by international standards, namely, those that align with the United

Registered in Ireland as an umbrella fund with segregated liability between sub-funds.

Company Registration No: 215496. Registered Office as above.

Directors: J. Firn (U.S. and U.K.); P. Gonella (U.K.); N. Jenkins (U.K.); J. McMurray (U.S.); T. Murray;  
D. Shubotham; W. Roberts (U.K.); J. Linhares (U.S.); W. Pearce (U.K.)

Russell Investment Company p.l.c.  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

Nations Global Compact ("**UNGC**"). Where companies are deemed to have breached the UNGC principles, investment will be avoided, except in very limited circumstances, where following a review of the company as a whole it is deemed to follow good governance practices.

Please note that the Principal Money Manager has advised that the changes are not considered as material amendments to the investment objectives and policies of the Funds. Following, the implementation of these changes, the Manager will classify the Funds as Article 8 financial products under SFDR.

A copy of the updated draft Prospectus wording is set out at **Appendix 1** hereto.

## 2. Benchmark Clarification to Russell Investments Global High Yield Fund only

Please note that it is intended to make a clarificatory update to the Prospectus to correct the name of the benchmark of the Fund as set out in the table below. Please note that the benchmark is used for performance purposes only (i.e. does not define asset allocation) and performance reporting has been attributed to the correct benchmark since its implementation in March 2019.

Current Name of Benchmark in Prospectus	Correct Name of Benchmark
ICE BofA Developed Market High Yield Index	ICE BofA Developed Markets High Yield Constrained Index EUR-Hedged

### Effective Date of the Proposed Amendments

It is expected that, subject to and in accordance with the requirements of the Central Bank and any other relevant competent authority, the changes will be effective on or around 30 September 2022 or such later date as the Directors may determine (the "**Effective Date**"). A revised Prospectus will be filed with the Central Bank reflecting the proposed amendments and will be available to investors free of charge upon request.

The updated Prospectus of the Funds will be available free of charge at the Company's registered office at 78 Sir John Rogerson's Quay, Dublin 2 and/or from each of the local representatives in the countries where the Company is registered, including Germany at the office of the German Information Agent, Russell Investments Limited Zweigniederlassung Frankfurt, OpernTurm, Bockenheimer Landstraße 2-4, 60306 Frankfurt am Main, Germany.

If you have any questions relating to this matter, you should contact your relationship manager or, alternatively, your investment consultant.

We thank you for your continuing support of the Company.

Yours faithfully



Director  
Russell Investment Company p.l.c

## Appendix 1

## ***Russell Investments Continental European Equity Fund***

Russell Investments Continental European Equity Fund will seek to achieve capital appreciation by investing primarily in equity securities, including common stock, convertibles, American depository receipts, global depository receipts and warrants, listed on the Regulated Markets in Europe (ex U.K.) with a focus on reducing the carbon exposure of the Russell Investments Continental European Equity Fund relative to the MSCI Europe ex UK Index (EUR) - Net Returns (the “MSCI Europe ex UK Index”).

Russell Investments Continental European Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in Europe (ex U.K.) but which receive the majority of their total revenue from countries in Europe (ex U.K.). Investments in warrants may not exceed 5 per cent of the Russell Investments Continental European Equity Fund’s net assets. Russell Investments Continental European Equity Fund will not be concentrating on any specific industry sector but will pursue a policy of active stock selection and active country allocation on the Regulated Markets in which it operates. Investors’ attention is drawn to the risk factors set out in the section entitled “Risk Factors” below.

At all times, at least two-thirds of the Russell Investments Continental European Equity Fund’s total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled in the aforementioned region.

Following the selection of the equity securities, the Principal Money Manager will apply a binding Decarbonisation Overlay Strategy (as detailed further in the section entitled “Decarbonisation Overlay Strategy”) to adjust the portfolio of the Russell Investments Continental European Equity Fund so that it will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the MSCI Europe ex UK Index. Investors should be aware that the application of the Decarbonisation Overlay Strategy will not necessarily result in a 20 per cent reduction in the aggregate Carbon Footprint of the Fund’s portfolio as against the aggregate Carbon Footprint of the Fund’s portfolio prior to the application of the Decarbonisation Overlay Strategy (for these purposes, the latter will be referred to as the “Investable Universe”). The reason for this is that the 20 per cent carbon reduction target is made in reference to the aggregate Carbon Footprint of the MSCI Europe ex UK Index and not the Fund’s Investable Universe. The application of the Decarbonisation Overlay Strategy will nevertheless always result in a reduction in the aggregate Carbon Footprint of the Fund as compared to Investable Universe. Non-financial analysis will be undertaken on at least 90 per cent of the Russell Investments Continental European Equity Fund’s assets.

Russell Investments Continental European Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section “Investment Techniques and Financial Derivative Instruments”. Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Russell Investments Continental European Equity Fund invests at least 70 per cent. of its net assets in equity securities as defined by German Tax Law.

### Exposure Monitoring

It is anticipated that the Russell Investments Continental European Equity Fund will have 110 per cent long exposure and 5 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Continental European Equity Fund

The Russell Investments Continental European Equity Fund is actively managed with reference to the MSCI Europe ex UK Index. The MSCI Europe ex UK Index is a broad market index which does not focus on the reduction of carbon exposure or improve ESG characteristics.

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Continental European Equity Fund and in doing so will take into consideration the MSCI Europe ex UK Index but is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may appoint one or more Investment Advisers who have expertise in, for example, a particular geographical area, style, sector and/or asset class. The Principal Money Manager (or its duly appointed delegate) may consider the views of such Investment Advisers regarding the selection of securities or instruments when managing portions of the Russell Investments Continental European Equity Fund.

In each case, the Principal Money Manager (or its duly appointed delegate) may evaluate the views of an Investment Adviser with reference to an index which is not the MSCI Europe ex UK Index, but is considered appropriate for the investment strategy in which the Investment Adviser has expertise. Any such index may be used by the Principal Money Manager (or its duly appointed delegate) for the purpose of oversight of the Investment Adviser and/or as the basis for constraints given to the Investment Adviser(s). It may also be used for performance measurement purposes for a particular portion of the Russell Investments Continental European Equity Fund.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Continental European Equity Fund (i.e. the Russell Investments Continental European Equity Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). Details of any such indexes that may be used in respect of a portion of the Russell Investments Continental European Equity Fund are available from the Manager upon request and will be published in the audited financial statements of the Company.

The Russell Investments Continental European Equity Fund also references the MSCI Europe ex UK Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Continental European Equity Fund seeks to outperform the MSCI Europe ex UK Index by 1.75% over the medium to long term.

Further details regarding the MSCI Europe Index (including its constituents, composition and methodology) are available at the following link: <https://www.msci.com/index-methodology>.

#### SFDR Classification

The Principal Money Manager classifies the Russell Investments Continental European Equity Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.

The Russell Investments Continental European Equity Fund does not have as its objective sustainable investment.

The companies in which the Russell Investments Continental European Equity Fund invests will follow good governance practices (as detailed in the section entitled [“Good Governance Practices”](#)).

#### Taxonomy Regulation

The Russell Investments Continental European Equity Fund ~~does not set a minimum proportion of its assets that must be invested in investments that contribute to environmentally sustainable~~ promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the ~~purpose~~ purposes of the Taxonomy Regulation, ~~it should be noted that at any given times at the date of this Supplement, 0% of the Russell Investments Continental European Equity Fund may not be~~ Fund’s investments are invested in ~~investments that take into account the EU criteria for economic activities that qualify as~~ environmentally sustainable economic activities, primarily due to lack of available data and the delay to the implementation of regulatory technical standards supplementing under the Taxonomy Regulation. ~~Please note, the~~

The “do no significant harm” principle applies only to those investments underlying the Russell Investments Continental European Equity Fund that take into account the EU criteria for environmentally sustainable economic activities. [The investments underlying the remaining portion of the Russell Investments Continental European Equity Fund do not take into account the EU criteria for environmentally sustainable economic activities.](#)

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## *Russell Investments Emerging Markets Equity Fund*

**The Directors recommend that an investment in Russell Investments Emerging Markets Equity Fund should not constitute a substantial portion of an investor's portfolio. The Net Asset Value of the Russell Investments Emerging Markets Equity Fund is likely to have high volatility. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors" below.**

The objective of the Russell Investments Emerging Markets Equity Fund is to achieve capital appreciation by investing primarily in common stock, convertibles, American depository receipts, global depository receipts and warrants of issuers in Emerging Markets throughout the world or in new issues for which application for listing will be sought on a Regulated Market. Russell Investments Emerging Markets Equity Fund may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in Emerging Markets but which receive the majority of their total revenue from Emerging Market countries. Investments in warrants may not exceed 5 per cent of the Russell Investments Emerging Markets Equity Fund's net assets. The investments will be listed on the Regulated Markets, a list of which appears in Schedule I. At all times, at least two-thirds of the Russell Investments Emerging Markets Equity Fund's total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled or which receive the majority of their total revenue from Emerging Market countries. Russell Investments Emerging Markets Equity Fund will not concentrate on any specific industry sectors but will pursue a policy of active stock selection and active country allocation in the markets in which it operates.

Following the selection of the equity securities, the Principal Money Manager will apply a binding Decarbonisation Overlay Strategy (as detailed further in the section entitled "Decarbonisation Overlay Strategy") to adjust the portfolio of Russell Investments Emerging Markets Equity Fund so that it will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the MSCI Emerging Markets Index (USD) - Net Returns (the "MSCI Emerging Markets Index"). Investors should be aware that the application of the Decarbonisation Overlay Strategy will not necessarily result in a 20 per cent reduction in the aggregate Carbon Footprint of Russell Investments Emerging Markets Equity Fund's portfolio as against the aggregate Carbon Footprint of Russell Investments Emerging Markets Equity Fund's portfolio prior to the application of the Decarbonisation Overlay Strategy (for these purposes, the latter will be referred to as the "Investable Universe"). The reason for this is that the 20 per cent carbon reduction target is made in reference to the aggregate Carbon Footprint of the MSCI Emerging Markets Index and not Russell Investments Emerging Markets Equity Fund's Investable Universe. The application of the Decarbonisation Overlay Strategy will nevertheless always result in a reduction in the aggregate Carbon Footprint of the Russell Investments Emerging Markets Equity Fund as compared to the Investable Universe. Non-financial analysis will be undertaken on at least 90 per cent of the Russell Investments Emerging Markets Equity Fund's assets.

Russell Investments Emerging Markets Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Russell Investments Emerging Markets Equity Fund invests at least 70 per cent. of its net assets in equity securities as defined by German Tax Law.

### Exposure Monitoring

It is anticipated that the Russell Investments Emerging Markets Equity Fund will have 115 per cent long exposure and 15 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to

time. The anticipated range of long and short exposures is calculated on a gross basis.

#### How indexes are used by the Russell Investments Emerging Markets Equity Fund

The Russell Investments Emerging Markets Equity Fund will be actively managed with reference to [the MSCI Emerging Markets Index \(USD\) – Net Returns \(the “The MSCI Emerging Markets Index”\); is a broad market index which does not focus on the reduction of carbon exposure or improve ESG characteristics.](#)

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Emerging Markets Equity Fund and in doing so will take into consideration the MSCI Emerging Markets Index but is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may appoint one or more Investment Advisers who have expertise in, for example, a particular geographical area, style, sector and/or asset class. The Principal Money Manager (or its duly appointed delegate) may consider the views of such Investment Advisers regarding the selection of securities or instruments when managing portions of the Russell Investments Emerging Markets Equity Fund.

In each case, the Principal Money Manager (or its duly appointed delegate) may evaluate the views of an Investment Adviser with reference to an index which is not the MSCI Emerging Markets Index, but is considered appropriate for the investment strategy in which the Investment Adviser has expertise. Any such index may be used by the Principal Money Manager (or its duly appointed delegate) for the purpose of oversight of the Investment Adviser and/or as the basis for constraints given to the Investment Adviser(s). It may also be used for performance measurement purposes for a particular portion of the Russell Investments Emerging Markets Equity Fund.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Emerging Markets Equity Fund (i.e. the Russell Investments Emerging Markets Equity Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). Details of any such indexes that may be used in respect of a portion of the Russell Investments Emerging Markets Equity Fund are available from the Manager upon request and will be published in the audited financial statements of the Company.

The Russell Investments Emerging Markets Equity Fund also references the MSCI Emerging Markets Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Emerging Markets Equity Fund seeks to outperform the MSCI Emerging Markets Index by 2.00% over the medium to long term.

[Further details regarding the MSCI Emerging Markets Index \(including its constituents, composition and methodology\) are available at the following link: https://www.msci.com/our-solutions/indexes/emerging-markets.](https://www.msci.com/our-solutions/indexes/emerging-markets)

#### SFDR Classification

[The Principal Money Manager classifies the Russell Investments Emerging Markets Equity Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.](#)

The Russell Investments Emerging Markets Equity Fund does not have as its objective sustainable investment ~~nor does it promote environmental and/or social characteristics.~~

[The companies in which the Russell Investments Emerging Markets Equity Fund invests will follow good governance practices \(as detailed in the section entitled “Good Governance Practices”\).](#)

#### Taxonomy Regulation

[The Russell Investments Emerging Markets Equity Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Emerging](#)



Markets Equity Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

The "do no significant harm" principle applies only to those investments underlying the Russell Investments Emerging Markets Equity Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Russell Investments Emerging Markets Equity Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments Global Bond Fund***

Russell Investments Global Bond Fund's investment objective is to provide income and capital growth by investing primarily in transferable debt instruments denominated in a variety of currencies which include but are not limited to, municipal and government bonds, agency debt (being that issued by local authorities or public international bodies of which one or more governments is a member), mortgage related debt and corporate debt, that are listed, traded or dealt in on a Regulated Market in the OECD and which may have fixed or floating interest rates.

At least two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets) will be invested in transferable debt instruments worldwide. The Fund will not invest more than one third of its total assets in aggregate in bank deposits or convertible bonds and bonds with warrants attached or money market instruments (including, but not limited to, T-bills, certificates of deposit, commercial paper, bankers' acceptances and letters of credit, whose maturity or interest rate reset period does not exceed 397 days). Investments in convertible bonds and bonds with warrants attached may in aggregate not exceed 25 per cent of the Fund's total assets. The Fund will not purchase equity securities but may hold them if they are acquired through a restructuring of a company's debt instruments that are already held by the Fund.

Investors should note that the Russell Investments Global Bond Fund may also invest in transferable debt instruments with non-investment grade ratings or in unrated instruments which are deemed to be of comparable quality. The Fund will not invest more than 30 per cent of its assets in non-investment grade instruments.

[The Russell Investments Global Bond Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR, by applying the Fixed Income Carbon Reduction Strategy \(as detailed further in the section entitled 'Fixed Income Carbon Reduction Strategy'\).](#)

Russell Investments Global Bond Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives to (i) hedge an exposure and/or (ii) gain a positive or negative exposure to an underlying market, asset, reference rate or index, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

### Exposure Monitoring

It is anticipated that the Russell Investments Global Bond Fund will have 245 per cent long exposure and 145 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Global Bond Fund

The Russell Investments Global Bond Fund will be actively managed with reference to ~~the Bloomberg Barclays~~ Global Aggregate Index (USD) – Total Returns ("the ~~"Bloomberg Barclays~~ Global Aggregate Index"). [~~The Bloomberg Global Aggregate Index is a broad global fixed income index which does not focus on the reduction of carbon exposure or improve ESG characteristics.~~](#)

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Global Bond Fund and in doing so may take into consideration the ~~Bloomberg Barclays~~ Global Aggregate Index but the Fund is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may manage a portion of the Fund with reference to an index which is not the ~~Bloomberg Barclays~~ Global Aggregate Index.

Any such index(es) used by the Principal Money Manager (or its duly appointed delegate) will be relevant to the strategy for which they are appointed and may be used as the basis for portfolio constraints (in terms of focus, as further described below) or for performance measurement purposes.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Global Bond Fund (i.e. the Russell Investments Global Bond Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). The purpose of using such an index(es) is to deliver a more focused strategy by the Principal Money Manager (or its duly appointed delegate) in terms of style, geographical or sector focus for the purposes of delivering on the overall objective of the Russell Investments Global Bond Fund. Details on any such indexes are available from the Manager upon request and will be published in the audited financial statements of the Company.

The Russell Investments Global Bond Fund also references the Bloomberg ~~Barelays~~ Global Aggregate Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Global Bond Fund seeks to outperform the Bloomberg ~~Barelays~~ Global Aggregate Index by 1.00% over the medium to long term.

[Further details regarding the Bloomberg Global Aggregate Index \(including its constituents, composition and methodology\) are available at the following link: https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices-fact-sheets-publications/.](https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices-fact-sheets-publications/)

#### SFDR Classification

[The Principal Money Manager classifies the Russell Investments Global Bond Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.](#)

The Russell Investments Global Bond Fund does not have as its objective sustainable investment ~~nor does it promote environmental and/or social characteristics.~~

[The companies in which the Russell Investments Global Bond Fund invests will follow good governance practices \(as detailed in the section entitled "Good Governance Practices"\).](#)

#### Taxonomy Regulation

[The Russell Investments Global Bond Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Global Bond Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.](#)

[The "do no significant harm" principle applies only to those investments underlying the Russell Investments Global Bond Fund that take into account the EU criteria for environmentally sustainable economic activities.](#) The investments underlying [the remaining portion of](#) the Russell Investments Global Bond Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments Global Credit Fund***

Russell Investments Global Credit Fund's investment objective is to provide income and capital growth by investing primarily in transferable debt instruments (including, but not limited to bonds, convertible bonds and contingent capital securities) denominated in a variety of currencies which include but are not limited to, corporate, agency (being that issued by local authorities or public international bodies of which one or more governments is a member) municipal, government and, mortgage related debt (including, but not limited to agency and non-agency mortgage-backed securities) that are listed, traded or dealt in on a Regulated Market in the OECD and which may have fixed or floating interest rates.

At least two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets) will be invested in transferable debt instruments worldwide. The Fund will not invest more than one third of its total assets in aggregate in bank deposits and/or convertible bonds and bonds with warrants attached or money market instruments (including, but not limited to, T-bills, certificates of deposit, commercial paper, bankers' acceptances and letters of credit, whose maturity or interest rate reset period does not exceed 397 days). Investments in convertible bonds and bonds with warrants attached may in aggregate not exceed 25 per cent of the Fund's total assets. The Fund will not purchase equity securities but may hold them if they are acquired through a restructuring of a company's debt that is already held by the Fund. The Fund may also hold derivative instruments in relation to equity indices as specified below.

Russell Investments Global Credit Fund may also invest in transferable debt instruments with non-investment grade ratings or in unrated instruments which are deemed to be of comparable quality. The Fund will not invest more than 30 per cent of its assets in non-investment grade instruments.

[The Russell Investments Global Credit Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR, by applying the Fixed Income Carbon Reduction Strategy \(as detailed further in the section entitled 'Fixed Income Carbon Reduction Strategy'\)](#)

Russell Investments Global Credit Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options (including put options on equity indices), swaps and swaptions, forward foreign exchange contracts, caps, floors and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives to (i) hedge an exposure and/or (ii) gain exposure to an underlying market, asset, reference rate or index, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure.

### Exposure Monitoring

It is anticipated that the Russell Investments Global Credit Fund will have 225 per cent long exposure and 160 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Global Credit Fund

The Russell Investments Global Credit Fund will be actively managed with reference to ~~the Bloomberg Barclays~~ Global Aggregate Credit Index (USD) – Total Returns (the ~~"Bloomberg Barclays~~ Global Aggregate Credit Index"). [The Bloomberg Global Aggregate Credit Index is a broad credit index which does not focus on the reduction of carbon exposure or improve ESG characteristics.](#)

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Global Credit Fund and in doing so may take into consideration the Bloomberg ~~Barclays~~ Global Aggregate Credit Index but the Fund is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may manage a portion of the Fund with reference to an index which is not the Bloomberg ~~Barclays~~ Global Aggregate Credit Index. Any such index(es) used by the Principal Money Manager (or its duly appointed delegate) will be relevant to the strategy for which they are appointed and may be used as the basis for portfolio constraints (in terms of focus, as further described below) or for performance measurement purposes.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Global Credit Fund (i.e. the Russell Investments Global Credit Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). The purpose of using such an index(es) is to deliver a more focused strategy by the Principal Money Manager (or its duly appointed delegate) in terms of style, geographical or sector focus for the purposes of delivering on the overall objective of the Russell Investments Global Credit Fund. Details on any such indexes are available from the Manager upon request and will be published in the audited financial statements of the Company.

The Russell Investments Global Credit Fund also references the Bloomberg ~~Barelays~~ Global Aggregate Credit Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Global Credit Fund seeks to outperform the Bloomberg ~~Barelays~~ Global Aggregate Credit Index by 0.75% over the medium to long term.

[Further details regarding the Bloomberg Global Aggregate Credit Index \(including its constituents, composition and methodology\) are available from the Principal Money Manager upon request.](#)

#### SFDR Classification

[The Principal Money Manager classifies the Russell Investments Global Credit Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.](#)

The Russell Investments Global Credit Fund does not have as its objective sustainable investment ~~nor does it promote environmental and/or social characteristics.~~

[The companies in which the Russell Investments Global Credit Fund invests will follow good governance practices \(as detailed in the section entitled "Good Governance Practices"\).](#)

#### Taxonomy Regulation

[The Russell Investments Global Credit Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Global Credit Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.](#)

[The "do no significant harm" principle applies only to those investments underlying the Russell Investments Global Credit Fund that take into account the EU criteria for environmentally sustainable economic activities.](#) The investments underlying [the remaining portion of](#) the Russell Investments Global Credit Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments Global High Yield Fund***

**The Fund may invest more than 20% of its Net Asset Value in Emerging Markets. Accordingly, an investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. Shareholders should note that the Net Asset Value of the Fund may be subject to increased volatility as a consequence of the Fund's investment in the securities of issuers located in Emerging Markets. Please refer to the risk factors set out in the section titled "Risk Factors".**

Russell Investments Global High Yield Fund's investment objective is to generate income and capital growth.

The Russell Investments Global High Yield Fund will seek to achieve its objective by investing primarily in high yield corporate debt instruments. It will seek to generate returns through investing in debt instruments with credit risk and having fixed or floating interest rates, that are listed, traded or dealt in on a Regulated Market worldwide.

The Fund will invest at least 80 per cent. of its Net Asset Value in high yield/non-investment grade corporate debt instruments, such as bonds, notes, commercial paper and letters of credit (which are rated below BBB- by Standard & Poors or below Baa3 by Moodys, or deemed to be of equivalent quality by the relevant Investment Manager or Money Manager).

The Fund will be diversified worldwide across sectors, avoiding over-concentration in any single sector or issuer and without any industry or capitalization focus.

The Fund may also invest up to 20 per cent of its Net Asset Value, and when considered to be consistent with the investment objective of the Fund, in convertible bonds and other debt instruments including government and sovereign debt securities and asset-backed debt instruments, mortgage-backed debt securities, structured notes and credit linked notes issued by financial institutions (which may be rated below BBB- by Standard and Poors or below Baa3 by Moodys, or deemed to be of equivalent quality by the relevant Money Manager).

The Fund may also invest up to 10 per cent. of its net assets in each of the following types of assets respectively: Short-Term Instruments, unlisted securities including units or shares in unregulated collective investment schemes, units or shares in open-ended collective investment schemes within the meaning of Regulation 68(1)(e) and Equities or Equity-Related Instruments listed on Regulated Markets worldwide.

[The Russell Investments Global High Yield Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR, by applying the Fixed Income Carbon Reduction Strategy \(as detailed further in the section entitled "Fixed Income Carbon Reduction Strategy"\).](#)

The Fund may employ investment techniques and invest in financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of the above derivatives in order to hedge certain exposures or to gain certain exposures including exposures to currencies, interest rates, instruments, markets, reference rates or indices, provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure. Such exposures may lead to economic benefits for the Fund when a currency, interest rate, instrument, market, reference rate or index appreciates in value or, in certain cases, depreciates in value. In particular, it is expected that the Fund will use: (i) forward foreign exchange contracts to gain exposure to certain currencies or to hedge exposures to certain currencies that have arisen due to investment in the debt instruments set out above; and (ii) interest rate swaps and futures to gain exposure to changes in relevant interest rates or to hedge against changes in relevant interest rates. The expected effect of the use of these instruments will be to enhance returns and/or reduce inherent risks relating to the currencies and interest rates affecting the instruments in which the Fund is invested. Details of the expected leverage effect of utilising such instruments are set out below.

### Exposure Monitoring

It is anticipated that the Russell Investments Global High Yield Fund will have 280 per cent long exposure and 175 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

#### How indexes are used by the Russell Investments Global High Yield Fund

The Russell Investments Global High Yield Fund will be actively managed with reference to [the ICE BofA Developed ~~Market~~Markets High Yield ~~Constrained~~ Index ~~EUR-Hedged~~](#) (the “ICE BofA ~~DMHY Index~~”) ~~DMHYC Index EUR-Hedged~~”). ~~The ICE BofA DMHYC Index EUR-Hedged is a global fixed income index which does not focus on the reduction of carbon exposure or improve ESG characteristics.~~

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Global High Yield Fund and in doing so may take into consideration the ICE BofA ~~DMHY~~DMHYC Index ~~EUR-Hedged~~ but the Fund is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may manage a portion of the Russell Investments Global High Yield Fund with reference to an index which is not the ICE BofA ~~DMHY~~DMHYC Index ~~EUR-Hedged~~. Any such index(es) used by the Principal Money Manager (or its duly appointed delegate) will be relevant to the strategy for which they are appointed and may be used as the basis for portfolio constraints (in terms of focus, as further described below) or for performance measurement purposes.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Global High Yield Fund (i.e. the Russell Investments Global High Yield Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). The purpose of using such an index(es) is to deliver a more focused strategy by the Principal Money Manager (or its duly appointed delegate) in terms of style, geographical or sector focus for the purposes of delivering on the overall objective of the Russell Investments Global High Yield Fund. Details on any such indexes are available from the Manager upon request and will be published in the audited financial statements of the Company.

The Russell Investments Global High Yield Fund also references the ICE ~~BofA~~ ~~DMHY~~BofA ~~DMHYC~~ Index ~~EUR-Hedged~~ for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Global High Yield Fund seeks to outperform the ICE BofA ~~DMHY~~DMHYC Index ~~EUR-Hedged~~ by 0.75% over the medium to long term.

[Further details regarding the ICE BofA DMHYC Index EUR-Hedged \(including its constituents, composition and methodology\) are available from the Principal Money Manager upon request.](#)

#### SFDR Classification

~~The Russell Investments Global High Yield Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.~~

#### Taxonomy Regulation

~~The investments underlying the Russell Investments Global High Yield Fund do not take into account the EU criteria for environmentally sustainable economic activities.~~

#### Risk Measurement

The Fund will use VaR as a risk measurement technique to measure, monitor and manage risks. The Fund will use the absolute VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The VaR of the Fund shall not exceed 3.16 per cent of the Net Asset Value of the Fund, based on a 1 day holding period and a “one-tailed” 95 per cent confidence interval using a historical observation period of at least 1 year.

The Fund will monitor its use of financial derivative instruments. The level of exposure (calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank) is expected to be 190 per cent of the Fund’s Net Asset Value. It is possible that this could increase, for example, during abnormal market conditions and at times when there is low volatility. The expected level of exposure figure is calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank. This figure does not take into account any netting and hedging arrangements that the Fund has in place at any time even though

these netting and hedging arrangements are used for risk reduction purposes and is therefore not a risk-adjusted method of measuring exposure which means this figure can be higher than it otherwise would be if such netting and hedging arrangements were taken into account. As these netting and hedging arrangements, if taken into account, may reduce the level of exposure, this calculation may not provide an accurate measure of the Fund's actual level of exposure. In addition there are limitations in using VaR as a statistical measure of risk because it does not directly limit the level of exposure in the Fund and only describes the risk of loss in prevailing market conditions and would not capture future significant changes in volatility.

#### SEDR Classification

The Principal Money Manager classifies the Russell Investments Global High Yield Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.

The Russell Investments Global High Yield Fund does not have as its objective sustainable investment.

The companies in which the Russell Investments Global High Yield Fund invests will follow good governance practices (as detailed in the section entitled "Good Governance Practices").

#### Taxonomy Regulation

The Russell Investments Global High Yield Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Global High Yield Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

The "do no significant harm" principle applies only to those investments underlying the Russell Investments Global High Yield Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Russell Investments Global High Yield Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.



## ***Russell Investments Japan Equity Fund***

**The Net Asset Value of the Russell Investments Japan Equity Fund is likely to have a high volatility.**

Russell Investments Japan Equity Fund will seek to achieve capital appreciation by investing primarily in Japanese equity securities, including common stock, American depository receipts, global depository receipts, listed convertibles and warrants quoted on a Regulated Market in Japan. The [Russell Investments Japan Equity Fund](#) may also invest in new issues for which application for listing on a Regulated Market in Japan will be sought and may hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated in Japan but which receive the majority of their total revenue from Japan. Investments in warrants may not exceed 5 per cent of the Russell Investments Japan Equity Fund's net assets. At all times, at least two-thirds of Russell Investments Japan Equity Fund's total assets (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles) of issuers domiciled in Japan or who receive the majority of their total revenue from Japan. Russell Investments Japan Equity Fund will seek to maintain a wide diversification of investment and, therefore, will not be concentrating on any specific industry sectors but will pursue a policy of active stock selection and active sector allocation in the markets in which it operates.

[Following the selection of the equity securities, the Principal Money Manager will apply a binding Decarbonisation Overlay Strategy \(as detailed further in the section entitled "Decarbonisation Overlay Strategy"\) to adjust the portfolio of Russell Investments Japan Equity Fund so that it will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the Topix Dividends Index \(IYP\) = Net Returns \(the "Topix Index"\). Investors should be aware that the application of the Decarbonisation Overlay Strategy will not necessarily result in a 20 per cent reduction in the aggregate Carbon Footprint of Russell Investments Japan Equity Fund's portfolio as against the aggregate Carbon Footprint of Russell Investments Japan Equity Fund's portfolio prior to the application of the Decarbonisation Overlay Strategy \(for these purposes, the latter will be referred to as the "Investable Universe"\). The reason for this is that the 20 per cent carbon reduction target is made in reference to the aggregate Carbon Footprint of the Topix Index and not Russell Investments Japan Equity Fund's Investable Universe. The application of the Decarbonisation Overlay Strategy will nevertheless always result in a reduction in the aggregate Carbon Footprint of the Russell Investments Japan Equity Fund as compared to the Investable Universe. Non-financial analysis will be undertaken on at least 90 per cent of the Russell Investments Japan Equity Fund's assets.](#)

Russell Investments Japan Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Russell Investments Japan Equity Fund invests at least 70 per cent. of its net assets in equity securities as defined by German Tax Law.

### Exposure Monitoring

It is anticipated that the Russell Investments Japan Equity Fund will have 110 per cent long exposure and 10 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Japan Equity Fund

The Russell Investments Japan Equity Fund will be actively managed with reference to the Topix ~~Dividends Index (JYP) – Net Returns (the “The Topix Index”)~~; is a broad market index which does not focus on the reduction of carbon exposure or improve ESG characteristics.

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Japan Equity Fund and in doing so may take into consideration the Topix Index but the Fund is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may appoint one or more Investment Advisers who have expertise in, for example, a particular geographical area, style, sector and/or asset class. The Principal Money Manager (or its duly appointed delegate) may consider the views of such Investment Advisers regarding the selection of securities or instruments when managing portions of the Russell Investments Japan Equity Fund.

In each case, the Principal Money Manager (or its duly appointed delegate) may evaluate the views of an Investment Adviser with reference to an index which is not the Topix Index, but is considered appropriate for the investment strategy in which the Investment Adviser has expertise. Any such index may be used by the Principal Money Manager (or its duly appointed delegate) for the purpose of oversight of the Investment Adviser and/or as the basis for constraints given to the Investment Adviser(s). It may also be used for performance measurement purposes for a particular portion of the Russell Investments Japan Equity Fund.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Japan Equity Fund (i.e. the Russell Investments Japan Equity Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). Details of any such indexes that may be used in respect of a portion of the Russell Investments Japan Equity Fund are available from the Manager upon request and will be published in the audited financial statements of the Company.

Russell Investments Japan Equity Fund also references the Topix Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics).

Russell Investments Japan Equity Fund seeks to outperform the Topix Index by 1.75% over the medium to long term.

[Further details regarding the Topix Index \(including its constituents, composition and methodology\) are available at the following link: https://www.jpix.co.jp/english/markets/indices/topix/.](https://www.jpix.co.jp/english/markets/indices/topix/)

#### SFDR Classification

The Principal Money Manager classifies the Russell Investments Japan Equity Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.

The Russell Investments Japan Equity Fund does not have as its objective sustainable investment ~~nor does it promote environmental and/or social characteristics.~~

The companies in which the Russell Investments Japan Equity Fund invests will follow good governance practices (as detailed in the section entitled “Good Governance Practices”).

#### Taxonomy Regulation

The Russell Investments Japan Equity Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Japan Equity Fund’s investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.

The “do no significant harm” principle applies only to those investments underlying the Russell

Investments Japan Equity Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Russell Investments Japan Equity Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates. Warrants may be used to hedge or achieve exposure to a particular market, index or security instead of using a physical security. The underlyings of the financial derivative instruments used will relate to securities that are referred to in the investment policy.

### Exposure Monitoring

It is anticipated that the Russell Investments Multi-Asset Growth Strategy Euro Fund will have 160 per cent long exposure and 30 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Multi-Asset Growth Strategy Euro Fund

The Russell Investments Multi-Asset Growth Strategy Euro Fund is actively managed with the aim to achieve a total return of 4% over the reference rate of the Harmonised Index of Consumer Prices.

The performance of certain portfolios within the Russell Investments Multi-Asset Growth Strategy Euro Fund, invested in particular asset classes, may be measured against an appropriate index for that asset class. The Russell Investments Multi-Asset Growth Strategy Euro Fund references certain indexes for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics).

### SFDR Classification

~~The Russell Investments Multi-Asset Growth Strategy Euro Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.~~

### Taxonomy Regulation

~~The investments underlying the Russell Investments Multi-Asset Growth Strategy Euro Fund do not take into account the EU criteria for environmentally sustainable economic activities.~~

### Risk measurement

In order to protect Shareholders' interests, the Fund will use VaR as a risk measurement technique to accurately measure, monitor and manage risks. The Fund will use the absolute VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The VaR of the Fund calculated daily shall not exceed 3.16 per cent of the Net Asset Value of the Fund, based on a 1 day holding period and a "one-tailed" 95 per cent confidence interval using a historical observation period of at least 1 year.

The Fund will monitor its use of financial derivative instruments. The level of exposure (calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank) is expected to be 35 per cent of the Fund's Net Asset Value. It is possible that this could increase, for example, during abnormal market conditions and at times when there is low volatility. The expected level of exposure figure is calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank. This figure does not take into account any netting and hedging arrangements that the Fund has in place at any time even though these netting and hedging arrangements are used for risk reduction purposes and is therefore not a risk-adjusted method of measuring exposure which means this figure can be higher than it otherwise would be if such netting and hedging arrangements were taken into account. As these netting and hedging arrangements, if taken into account, may reduce the level of exposure, this calculation may not provide an accurate measure of the Fund's actual level of exposure. In addition there are limitations in using VaR as a statistical measure of risk because it does not directly limit the level of exposure in the Fund and only describes the risk of loss in prevailing market conditions and would not capture future significant changes in volatility.

### SFDR Classification

~~The Russell Investments Multi-Asset Growth Strategy Euro Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.~~

[Taxonomy Regulation](#)

[The investments underlying the Russell Investments Multi-Asset Growth Strategy Euro Fund do not take into account the EU criteria for environmentally sustainable economic activities.](#)

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments U.K. Equity Fund***

Russell Investments U.K. Equity Fund will seek to achieve capital appreciation by investing primarily in U.K. equity securities, including common stock, convertibles, American depository receipts, global depository receipts and warrants listed on Regulated Markets in the U.K.

At all times, at least 75 per cent of the Russell Investments U.K. Equity Fund's total assets will be invested in the equity securities (excluding convertibles) of issuers domiciled in the U.K. Russell Investments U.K. Equity Fund may also hold such securities of companies listed or traded on Regulated Markets worldwide that are not incorporated, listed or traded in the U.K. but which receive the majority of their total revenue from the U.K. Investments in warrants may not exceed 5 per cent of the Russell Investments U.K. Equity Fund's net assets. Russell Investments U.K. Equity Fund may also invest in new issues for which application for listing on a Regulated Market will be sought. Russell Investments U.K. Equity Fund will be highly diversified and therefore will not be concentrating on any specific industry sectors but will pursue a policy of active stock selection.

Following the selection of the equity securities, the Principal Money Manager will apply a binding Decarbonisation Overlay Strategy (as detailed further in the section entitled "Decarbonisation Overlay Strategy") to adjust the portfolio of the Russell Investments U.K. Equity Fund so that it will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the FTSE All-Share Index (GBP) - Total Return (the "FTSE All Share Index"). Investors should be aware that the application of the Decarbonisation Overlay Strategy will not necessarily result in a 20 per cent reduction in the aggregate Carbon Footprint of Russell Investments U.K. Equity Fund's portfolio as against the aggregate Carbon Footprint of Russell Investments U.K. Equity Fund's portfolio prior to the application of the Decarbonisation Overlay Strategy (for these purposes, the latter will be referred to as the "Investable Universe"). The reason for this is that the 20 per cent carbon reduction target is made in reference to the aggregate Carbon Footprint of the FTSE All Share Index and not Russell Investments U.K. Equity Fund's Investable Universe. The application of the Decarbonisation Overlay Strategy will nevertheless always result in a reduction in the aggregate Carbon Footprint of the Russell Investments U.K. Equity Fund as compared to the Investable Universe. Non-financial analysis will be undertaken on at least 90 per cent of the Russell Investments U.K. Equity Fund's assets.

Russell Investments U.K. Equity Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve exposure to a particular market instead of using a physical security. Swaps (including swaptions) will be used to achieve profit as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets.

The Russell Investments U.K. Equity Fund invests at least 70 per cent. of its net assets in equity securities as defined by German Tax Law.

### Exposure Monitoring

It is intended that the Russell Investments U.K. Equity Fund will be managed to operate in normal circumstances on a long only basis.

### How indexes are used by the Russell Investments U.K. Equity Fund

The Russell Investments U.K. Equity Fund is actively managed with reference to the FTSE ~~All-Share~~ All Share Index-(GBP)-Total Return (the "The FTSE All Share Index") is a broad market index which does not focus on the reduction of carbon exposure or improve ESG characteristics.

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments U.K. Equity Fund and in doing so will take into consideration the FTSE All Share Index but is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may appoint one or more Investment Advisers who have expertise in, for example, a particular geographical area, style, sector and/or asset class. The Principal Money Manager (or its duly appointed delegate) may consider the views of such Investment Advisers regarding the selection of securities or instruments when managing portions of the Russell Investments U.K. Equity Fund.

In each case, the Principal Money Manager (or its duly appointed delegate) may evaluate the views of an Investment Adviser with reference to an index which is not the FTSE All Share Index, but is considered appropriate for the investment strategy in which the Investment Adviser has expertise. Any such index may be used by the Principal Money Manager (or its duly appointed delegate) for the purpose of oversight of the Investment Adviser and/or as the basis for constraints given to the Investment Adviser(s). It may also be used for performance measurement purposes for a particular portion of the Russell Investments U.K. Equity Fund.

Any use of such an index(es) will not result in a constraint on the overall Russell Investments U.K. Equity Fund (i.e. the Russell Investments U.K. Equity Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). Details of any such indexes that may be used in respect of a portion of the Russell Investments U.K. Equity Fund are available from the Manager upon request and will be published in the audited financial statements of the Company.

Russell Investments U.K. Equity Fund also references the FTSE All Share Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments U.K. Equity Fund seeks to outperform the FTSE All-Share Index by 1.50% over the medium to long term.

[Further details regarding the FTSE All Share Index \(including its constituents, composition and methodology\) are available at the following link: https://www.ftserussell.com/products/indices/uk.](https://www.ftserussell.com/products/indices/uk)

#### SFDR Classification

[The Principal Money Manager classifies the Russell Investments U.K. Equity Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics.](#)

The Russell Investments U.K. Equity Fund does not have as its objective sustainable investment ~~nor does it promote environmental and/or social characteristics.~~

[The companies in which the Russell Investments U.K. Equity Fund invests will follow good governance practices \(as detailed in the section entitled "Good Governance Practices"\).](#)

#### Taxonomy Regulation

[The Russell Investments U.K. Equity Fund promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments U.K. Equity Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.](#)

[The "do no significant harm" principle applies only to those investments underlying the Russell Investments U.K. Equity Fund that take into account the EU criteria for environmentally sustainable economic activities.](#) The investments underlying [the remaining portion of](#) the Russell Investments U.K. Equity Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments World Equity Fund II***

Russell Investments World Equity Fund II will seek to achieve capital appreciation by investing predominantly in equity securities, including common stock, convertibles and warrants, listed, traded or dealt in on any Regulated Market worldwide, with a focus on reducing the carbon exposure of the Russell Investments World Equity Fund II relative to the MSCI ACWI Index (USD) – Net Returns (the "MSCI ACWI Index").

At all times, at least two-thirds of the total assets of the Fund (without taking into account ancillary liquid assets) will be invested in the foregoing instruments (excluding convertibles). Russell Investments World Equity Fund II may seek to achieve its investment objective by investing in derivative instruments that have as their underlying exposure the foregoing (e.g. swaps) and may implement bought (long) and synthetic short (sold) positions through the use of derivatives. Russell Investments World Equity Fund II may also invest in new issues for which application for listing on a Regulated Market will be sought in accordance with Section 2.2 of Schedule V entitled "Investment Restrictions". Russell Investments World Equity Fund II may also invest no more than 20 per cent of its net assets in Emerging Markets and will be calculated using the exposure of both the equity securities and any financial derivative securities (as described below). Russell Investments World Equity Fund II will not be concentrating on any specific markets or industry sectors but will pursue a policy of active stock, sector and country allocation on the Regulated Markets in which it invests. Russell Investments World Equity Fund II may invest up to 10 per cent of its net assets in collective investment schemes within the meaning of Regulation 68(1)(e) of the Regulations.

Following the selection of the equity securities, the Principal Money Manager will apply a binding Decarbonisation Overlay Strategy (as detailed further in the section entitled ["Decarbonisation Overlay Strategy"](#))

to adjust the portfolio of the Russell Investments World Equity Fund II so that it will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the MSCI ACWI Index. Investors should be aware that the application of the Decarbonisation Overlay Strategy will not necessarily result in a 20 per cent reduction in the aggregate Carbon Footprint of the Russell Investments World Equity Fund II's portfolio as against the aggregate Carbon Footprint of the Russell Investments World Equity Fund II's portfolio prior to the application of the Decarbonisation Overlay Strategy (for these purposes, the latter will be referred to as the "Investable Universe"). The reason for this is that the 20 per cent carbon reduction target is made in reference to the aggregate Carbon Footprint of the MSCI ACWI Index and not the Russell Investments World Equity Fund II's Investable Universe. The application of the Decarbonisation Overlay Strategy will nevertheless always result in a reduction in the aggregate Carbon Footprint of the Russell Investments World Equity Fund II as compared to Investable Universe. Non-financial analysis will be undertaken on at least 90 per cent of the Russell Investments World Equity Fund II's assets

Russell Investments World Equity Fund II may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes within the limits set forth in Schedule VI as described in the section "Investment Techniques and Financial Derivative Instruments". For efficient portfolio management purposes, Russell Investments World Equity Fund II may engage in currency hedging transactions to hedge against exchange rate risk. Russell Investments World Equity Fund II will carry out spot foreign exchange transactions. Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve long or short exposure to particular markets or securities instead of using a physical security. Swaps (including swaptions) will be used to achieve profit by gaining long or short exposure to markets or securities as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels. Credit derivatives will be used to isolate and transfer the exposure to or transfer the credit risk associated with a reference asset or index of reference assets but will not be used until the Company's financial derivative instruments risk assessment plan has been amended to describe risk management methods for credit derivatives and cleared by the Central Bank.

Investments in convertibles may not exceed 25 per cent of net assets of the Russell Investments World Equity Fund II. Investments in warrants may not exceed 5 per cent of net assets of the Russell Investments World Equity Fund II and warrants may be purchased only if it is reasonably foreseeable that



the right to subscribe conferred by the warrants could be exercised without contravening the Regulations.

The Russell Investments World Equity Fund II invests at least 70 per cent. of its net assets in equity securities as defined by German Tax Law.

### Exposure Monitoring

It is anticipated that the Russell Investments World Equity Fund II will have 200 per cent long exposure and 100 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments World Equity Fund II

The Russell Investments World Equity Fund II is actively managed with reference to the MSCI ACWI Index. The MSCI ACWI Index is a broad global equity index which does not focus on the reduction of carbon exposure or improve ESG characteristics.

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments World Equity Fund and in doing so will take into consideration the *MSCI ACWI Index* but is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may appoint one or more Investment Advisers who have expertise in, for example, a particular geographical area, style, sector and/or asset class. The Principal Money Manager (or its duly appointed delegate) may consider the views of such Investment Advisers regarding the selection of securities or instruments when managing portions of the Russell Investments World Equity Fund.

In each case, the Principal Money Manager (or its duly appointed delegate) may evaluate the views of an Investment Adviser with reference to an index which is not the MSCI ACWI Index, but is considered appropriate for the investment strategy in which the Investment Adviser has expertise. Any such index may be used by the Principal Money Manager (or its duly appointed delegate) for the purpose of oversight of the Investment Adviser and/or as the basis for constraints given to the Investment Adviser(s). It may also be used for performance measurement purposes for a particular portion of the Russell Investments World Equity Fund.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments World Equity Fund (i.e. the Russell Investments World Equity Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). Details of any such indexes that may be used in respect of a portion of the Russell Investments World Equity Fund are available from the Manager upon request and will be published in the audited financial statements of the Company.

Russell Investments World Equity Fund II also references the MSCI ACWI Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments World Equity Fund II seeks to outperform the MSCI ACWI Index by 2.00% over the medium to long term.

Further details regarding the MSCI ACWI Index (including its constituents, composition and methodology) are available at the following link: <https://www.msci.com/index-methodology>.

### SFDR Classification

The Principal Money Manager classifies the Russell Investments World Equity Fund II as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics

The Russell Investments World Equity Fund II does not have as its objective sustainable investment.

The companies in which the Russell Investments World Equity Fund II invests will follow good governance practices (as detailed in the section entitled [“Good Governance Practices”](#)).

## Taxonomy Regulation

The Russell Investments World Equity Fund II ~~does not set a minimum proportion of its assets that must be invested in investments that contribute to environmentally sustainable~~promotes environmental characteristics as described in Article 8 of SFDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the ~~purpose~~purposes of the Taxonomy Regulation, ~~it should be noted that at any given time as at the date of this Supplement, 0% of~~ the Russell Investments World Equity Fund II ~~may not be~~'s investments are invested in ~~investments that take into account the EU criteria for~~economic activities that qualify as environmentally sustainable economic activities, primarily due to lack of available data and the delay to the implementation of the regulatory technical standards supplementing under the Taxonomy Regulation. Please note, the

The “do no significant harm” principle applies only to those investments underlying the Russell Investments World Equity Fund II that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Russell Investments World Equity Fund II do not take into account the EU criteria for environmentally sustainable economic activities.

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

## ***Russell Investments Unconstrained Bond Fund***

**The Directors recommend that an investment in the Russell Investments Unconstrained Bond Fund should not constitute a substantial portion of an investor's portfolio. An investment in the Russell Investments Unconstrained Bond Fund may not be appropriate for all investors. Investors' attention is drawn to the risk factors set out in the section entitled "Risk Factors".**

The Russell Investments Unconstrained Bond Fund's investment objective is to generate a total return in excess of US\$ 3-month Libor.

The Fund will seek to achieve its investment objective by focussing its investments in fixed and floating rate securities and instruments.

The Fund's long positions will be achieved primarily by investing in fixed income securities such as government bonds or bonds issued by their sub-divisions or agencies, such as municipal bonds, corporate bonds, mortgage-backed and asset-backed securities, convertible bonds (up to a limit of 20% of the Net Asset Value of the Fund), zero coupon bonds, discount bonds and inflation-linked bonds, that are listed, traded or dealt in on a Regulated Market. The fixed income securities may have fixed, variable and floating rates of interest. These instruments may be denominated in a range of currencies and may include Emerging Market securities.

The Fund also intends to pursue its investment objective through investment in cash and cash equivalents, including but not limited to commercial paper, certificates of deposit and Treasury bills, without restriction. At any time, a significant proportion of the Fund's net asset value may be invested in cash and cash equivalents, including, for example, to cover the Fund's obligations arising through its investment in derivative instruments, as set out below.

The Fund may also enter into repurchase and reverse repurchase agreements for efficient portfolio management purposes subject to the conditions and limits set out in the Central Bank Rules.

The Fund may invest in securities rated investment grade or non-investment grade by a recognised rating agency such as Moody's or S&P or securities deemed by the relevant Investment Manager or Money Manager(s) to have an equivalent rating.

The Fund may also invest up to 10% of its net assets in each of the following types of assets respectively: unlisted securities, regulated collective investment schemes within the meaning of Regulation 68(1)(e) of the Regulations and equities or equity-related instruments listed on Regulated Markets worldwide including but not limited to American depositary receipts, global depositary receipts and REITS (being real estate investment trusts).

[The Russell Investments Unconstrained Bond Fund promotes environmental characteristics within the meaning of Article 8 of the SFDR, by applying the Fixed Income Carbon Reduction Strategy \(as detailed further in the section entitled 'Fixed Income Carbon Reduction Strategy'\).](#)

The Fund may employ investment techniques and financial derivative instruments for efficient portfolio management and/or investment purposes subject to the conditions and within the limits from time to time set forth in Schedule VI. At any time the Fund may hold a combination of derivative instruments such as futures, forward contracts, options, swaps and swaptions, forward foreign exchange contracts and credit derivatives, any of which may be listed or over-the-counter. The Fund may use any of these derivatives to create synthetic short positions. Short positions can enhance returns if taken in a market or security that declines in value. A short position may also help to offset a long position and thus provide protection when a market or security declines in value.

The Fund may use any of the above derivatives in order to hedge certain exposures or to gain certain exposures including exposures to currencies, interest rates, instruments, markets, reference rates (e.g. LIBOR or EURIBOR) or financial indices (subject to the conditions and limits set out in the Central Bank Rules issued by the Central Bank), provided that the Fund may not have an indirect exposure to an instrument, issuer or currency to which it cannot have a direct exposure. Such exposures may lead to economic benefits for the Fund when a currency, interest rate, instrument, market, reference rate or index appreciates in value or, in certain cases, depreciates in value. In particular, it is expected that the Fund will use: (i) forward foreign exchange contracts to gain exposure to certain currencies or to hedge exposures to certain currencies that have arisen due to investment in fixed income securities, (ii) interest rate swaps and futures to gain exposure to changes in relevant interest rates or to hedge against changes in relevant

interest rates, and (iii) credit derivatives to gain exposure (long and short) to a specific credit or credit index. The expected effect of the use of these instruments will be to enhance returns and/or reduce inherent risks (currency, interest rate and credit) affecting the instruments in which the Fund is invested. Details of the expected leverage effect of utilising such instruments are set out below.

### Exposure Monitoring

It is anticipated that the Russell Investments Unconstrained Bond Fund will have 415 per cent long exposure and 310 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

### How indexes are used by the Russell Investments Unconstrained Bond Fund

The Russell Investments Unconstrained Bond Fund is actively managed with reference to the 3-Month USD Interest Rate LIBOR ("3-Month LIBOR").

Russell Investments Unconstrained Bond Fund's performance will be measured against 3-Month LIBOR which it seeks to outperform by 3.00% over the medium to long term.

The Principal Money Manager (or its duly appointed delegate) has full discretion to select investments for the Russell Investments Unconstrained Bond Fund and in doing so may take into consideration the 3-Month LIBOR but the Fund is not constrained by it.

The Principal Money Manager uses the ICE Developed Markets High Yield Constrained Index as a reference benchmark for the purpose of measuring the Carbon Footprint of the corporate debt portion of the Unconstrained Bond Fund in connection with the Fixed Income Carbon Reduction Strategy (as detailed further in the section entitled 'Fixed Income Carbon Reduction Strategy'). The ICE Developed Markets High Yield Constrained Index is a broad market high yield index which does not focus on the reduction of carbon exposure or improve ESG characteristics. The ICE Developed Markets High Yield Constrained Index was selected for this purpose, based on the large overlap between the types of corporate debt instruments held by the Russell Investments Unconstrained Bond Fund and the constituents of the ICE Developed Markets High Yield Constrained Index. The Principal Money Manager (or its duly appointed delegate) is in no way constrained by the ICE Developed Markets High Yield Constrained Index, in the selection of investments. Further details regarding the ICE Developed Markets High Yield Constrained Index (including its constituents, composition and methodology) are available from the Principal Money Manager upon request.

The Principal Money Manager (or its duly appointed delegate) may manage a portion of the assets within the Russell Investments Unconstrained Bond Fund with reference to a specific index which is not the 3-Month LIBOR. Any such index(es) used by the Principal Money Manager (or its duly appointed delegate) will be relevant to the strategy for which they are appointed and may be used as the basis for portfolio constraints (in terms of focus, as described further below) or for performance measurement purposes.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Unconstrained Bond Fund (i.e. the Russell Investments Unconstrained Bond Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). The purpose of using such an index(es) is to deliver a more focused strategy by the Principal Money Manager (or its duly appointed delegate) in terms of style, geographical or sector focus for the purposes of delivering on the overall objective of the Russell Investments Unconstrained Bond Fund. Details on any such indexes are available from the Manager upon request and will be published in the audited financial statements of the Company.

### SFDR Classification

~~The Russell Investments Unconstrained Bond Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.~~

### Taxonomy Regulation

~~The investments underlying the Russell Investments Unconstrained Bond Fund do not take into account the EU criteria for environmentally sustainable economic activities.~~

### Risk Measurement

In order to protect Shareholders' interests, the Fund will use VaR as a risk measurement technique to accurately measure, monitor and manage risks. The Fund will use the absolute VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The VaR of the Fund calculated daily shall not exceed 3.16 per cent of the Net Asset Value of the Fund, based on a 1 day holding period and a "one-tailed" 95 per cent confidence interval using a historical observation period of at least 1 year.

The Fund will monitor its use of financial derivative instruments. The level of exposure (calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank) is expected to be 3000 per cent of the Fund's Net Asset Value. It is possible that this could increase, for example, during abnormal market conditions and at times when there is low volatility. The expected level of exposure figure is calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank. This figure does not take into account any netting and hedging arrangements that the Fund has in place at any time even though these netting and hedging arrangements are used for risk reduction purposes and is therefore not a risk-adjusted method of measuring exposure which means this figure can be higher than it otherwise would be if such netting and hedging arrangements were taken into account. As these netting and hedging arrangements, if taken into account, may reduce the level of exposure, this calculation may not provide an accurate measure of the Fund's actual level of exposure. In addition there are limitations in using VaR as a statistical measure of risk because it does not directly limit the level of exposure in the Fund and only describes the risk of loss in prevailing market conditions and would not capture future significant changes in volatility.

#### [SEDR Classification](#)

[The Principal Money Manager classifies the Russell Investments Unconstrained Bond Fund as being an Article 8 financial product that promotes, amongst other characteristics, environmental and/or social characteristics or a combination of those characteristics](#)

[The Russell Investments Unconstrained Bond Fund does not have as its objective sustainable investment](#)

[The companies in which the Russell Investments Unconstrained Bond Fund invests will follow good governance practices \(as detailed in the section entitled "Good Governance Practices"\)](#)

#### [Taxonomy Regulation](#)

[The Russell Investments Unconstrained Bond Fund promotes environmental characteristics as described in Article 8 of SEDR. It is therefore required to disclose, according to Article 6 of the Taxonomy Regulation, information on how and to what extent its investments are in economic activities that qualify as environmentally sustainable in accordance with the Taxonomy Regulation. For the purposes of the Taxonomy Regulation, as at the date of this Supplement, 0% of the Russell Investments Unconstrained Bond Fund's investments are invested in economic activities that qualify as environmentally sustainable under the Taxonomy Regulation.](#)

[The "do no significant harm" principle applies only to those investments underlying the Russell Investments Unconstrained Bond Fund that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of the Russell Investments Unconstrained Bond Fund do not take into account the EU criteria for environmentally sustainable economic activities.](#)

The Directors have authorised the issuance of the Classes of Shares set out in Schedule II.

It is anticipated that the Russell Investments Emerging Market Debt Fund will have 190 per cent long exposure and 150 per cent short exposure. Short exposure will only be gained through the use of financial derivative instruments. It is possible that the Fund may be subject to higher exposure levels from time to time. The anticipated range of long and short exposures is calculated on a gross basis.

#### How indexes are used by the Russell Investments Emerging Market Debt Fund

The Russell Investments Emerging Market Debt Fund will be actively managed with reference to the *JP Morgan EMBIG Index* (the “JPM EMBIG Index”).

The Principal Money Manager (or its duly appointed delegate) have full discretion to select investments for the Russell Investments Emerging Market Debt Fund and in doing so may take into consideration the JPM EMBIG Index but the Fund is not constrained by it.

The Principal Money Manager (or its duly appointed delegate) may manage a portion of the Fund with reference to an index which is not the JPM EMBIG Index. Any such index(es) used by the Principal Money Manager (or its duly appointed delegate) will be relevant to the strategy for which they are appointed and may be used as the basis for portfolio constraints (in terms of focus, as further described below) or for performance measurement purposes.

Any use of such an index(es) will not result in a constraint on the overall portfolio of the Russell Investments Emerging Market Debt Fund (i.e. the Russell Investments Emerging Market Debt Fund will continue to be managed on a fully discretionary basis and in accordance with the investment objective). The purpose of using such an index(es) is to deliver a more focused strategy by the Principal Money Manager (or its duly appointed delegate) in terms of style, geographical or sector focus for the purposes of delivering on the overall objective of the Russell Investments Emerging Market Debt Fund. Details on any such indexes are available from the Manager upon request and will be published in the audited financial statements of the Company.

Russell Investments Emerging Market Debt Fund also references the JPM EMBIG Index for performance measurement purposes (this may include measurement of net returns and various other portfolio management and risk management metrics). Russell Investments Emerging Market Debt Fund seeks to outperform the JPM EMBIG Index by 1.00% over the medium to long term.

#### SFDR Classification

~~The Russell Investments Emerging Market Debt Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.~~

#### Taxonomy Regulation

~~The investments underlying the Russell Investments Emerging Market Debt Fund do not take into account the EU criteria for environmentally sustainable economic activities.~~

#### Risk Measurement

In order to protect Shareholders’ interests, the Fund will use VaR as a risk measurement technique to accurately measure, monitor and manage risks. The Fund will use the absolute VaR approach to measure the maximum potential loss due to market risk at a given confidence level over a specified time period under prevailing market conditions. The VaR of the Fund calculated daily shall not exceed 3.16 per cent of the Net Asset Value of the Fund, based on a 1 day holding period and a “one-tailed” 95 per cent confidence interval using a historical observation period of at least 1 year.

The Fund will monitor its use of financial derivative instruments. The level of exposure (calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank) is expected to be 240 per cent of the Fund’s Net Asset Value. It is possible that this could increase, for example, during abnormal market conditions and at times when there is low volatility. The expected level of exposure figure is calculated based on the sum of the absolute value of notionals of the derivatives used, in accordance with the requirements of the Central Bank. This figure does not take into account any netting and hedging arrangements that the Fund has in place at any time even though these netting and hedging arrangements are used for risk reduction purposes and is therefore not a risk-adjusted method of measuring exposure which means this figure can be higher than it otherwise would be if such netting and hedging arrangements were taken into account. As these netting and hedging arrangements, if taken into account, may reduce the level of exposure, this calculation may not provide an accurate measure of the Fund’s actual level of exposure. In addition there are limitations in using VaR as a statistical measure of risk because it does not directly limit the level of exposure in the

Fund and only describes the risk of loss in prevailing market conditions and would not capture future significant changes in volatility.

[SEDR Classification](#)

The Russell Investments Emerging Market Debt Fund does not have as its objective sustainable investment nor does it promote environmental and/or social characteristics.

[Taxonomy Regulation](#)

The investments underlying the Russell Investments Emerging Market Debt Fund do not take into account the EU criteria for environmentally sustainable economic activities.

their home jurisdiction; and (2) be located in an OECD Member State, which together will constitute the Company's criteria to select counterparties. Counterparties need not have a minimum credit rating. In accordance with the Credit Ratings Agencies Directive (2013/14/EU) ("CRAD"), the Principal Money Manager shall not solely or mechanistically rely on credit ratings in determining the credit quality of an issuer or counterparty. However, where a counterparty is downgraded to A-2 or below (or comparable rating) this shall result in a new credit assessment being conducted of the counterparty without delay.

From time to time, a Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to the section headed "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the relevant Fund's semi-annual and annual reports.

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of OTC FDI transactions or Securities Financing Transactions. Please refer to the section entitled "Collateral" for further details.

Repurchase/reverse repurchase agreements do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the Regulations respectively.

The use of FDI and Securities Financing Transactions for the purposes outlined above will expose the Fund to the risks disclosed in the section headed "Risk Factors". The risks arising from the use of Securities Financing Transactions shall be adequately captured in the Company's risk management process.

## **SFDR Information**

### [Equity Funds:](#)

#### *Decarbonisation Overlay Strategy*

For the purpose of this section, the following definitions shall apply:

"Article 8 [Equity Funds](#)" means the Russell Investments Continental European [Equity Fund, the Russell Investments Japan Equity Fund, the Russell Investments Emerging Markets Equity Fund, the Russell Investments U.K. Equity Fund and the Russell Investments World Equity Fund II](#).

"Carbon Emissions" means:

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

"Carbon Footprint" means Carbon Emissions in metric tons of carbon dioxide equivalent (CO<sub>2</sub>-e), divided by company revenue (USD).

"Decarbonisation Overlay Strategy" means the proprietary quantitative overlay strategy used by the Principal Money Manager in order to identify those securities that will allow the Article 8 [Equity](#) Fund to reduce its carbon exposure compared to the Index.

"Index" means, for each of the Article 8 [Equity Funds](#), the relevant reference benchmark set out in each of the investment policies of the Article 8 [Equity Funds](#).

"Prohibited Coal Companies" means companies which derive more than 10 per cent. of their revenue from coal power generation or thermal coal production except for companies which either: (i) derive at least 10% of their power generation from renewable energy sources; or (ii) have made a public commitment to divest



from their coal related activities or reach zero emissions by 2050, provided that any such companies derive less than 25 per cent. of their revenue from coal power generation or thermal coal production.

The Decarbonisation Overlay Strategy is a proprietary quantitative overlay strategy forming part of the investment policy of each of the Article 8 [Equity](#) Funds. The Decarbonisation Overlay Strategy uses quantitative data relating to Carbon Footprint and involves an assessment of the involvement in the extraction of coal of each constituent of the Index to enable the Principal Money Manager to evaluate the carbon exposure of a particular constituent of the Index. Following the selection of the equity securities by the Principal Money Manager, in accordance with the investment policy of the relevant Article 8 [Equity](#) Fund, the Decarbonisation Overlay Strategy is applied to identify those securities that will allow the Article 8 [Equity](#) Fund to reduce its carbon exposure compared to the Index.

Using the Decarbonisation Overlay Strategy, the Principal Money Manager will seek to reduce each Article 8 [Equity](#) Fund's exposure to companies which engage in carbon-intensive activities or which have a significant Carbon Footprint. The Decarbonisation Overlay Strategy uses a systematic optimisation strategy to: (i) exclude all Prohibited Coal Companies (which are prohibited from being held by the Article 8 [Equity](#) Funds); (ii) evaluate the carbon exposure of investee companies; and (iii) adjust the holdings of the relevant Article 8 [Equity](#) Fund to reduce its aggregate carbon exposure relative to the Index.

The carbon exposure of a company (referred to in (ii) above) is evaluated using third-party Carbon Footprint data as well as data relating to the involvement of the company in the extraction of coal. Based on this evaluation, the Decarbonisation Overlay Strategy adjusts the holdings of each Article 8 [Equity](#) Fund to reduce its aggregate carbon exposure relative to the Index. At a minimum, the portfolio of each of the Article 8 [Equity](#) Funds will always have no less than a 20 per cent lower aggregate Carbon Footprint compared to the relevant Index of the Article 8 [Equity](#) Fund.

The Decarbonisation Overlay Strategy is binding and significantly integrated into the analysis undertaken by the Principal Money Manager when making investment decisions in respect of the Article 8 [Equity](#) Funds. The Principal Money Manager will use the Decarbonisation Overlay Strategy to assess, measure and monitor the carbon exposure of the Article 8 [Equity](#) Funds, to ensure their investment objectives are achieved.

For the purposes of the Decarbonisation Overlay Strategy, the Principal Money Manager will utilise data sourced from independent vendors as well as publicly available information which may include company reports.

#### [Fixed Income Funds:](#)

##### [Fixed Income Carbon Reduction Strategy](#)

[For the purpose of this section, the following definitions shall apply:](#)

["Article 8 Fixed Income Funds" means the Russell Investments Global Bond Fund, Russell Investments Global Credit Fund, Russell Investments Global High Yield Fund and Russell Investments Unconstrained Bond Fund.](#)

["Fixed Income Carbon Reduction Strategy" means the strategy implemented by the Article 8 Fixed Income Funds to reduce their carbon exposure compared to the Index.](#)

["Index" means, for the Russell Investments Unconstrained Bond Fund, the ICE Developed Markets High Yield Constrained Index and for the remaining Article 8 Fixed Income Funds, the relevant reference benchmark set out in each of the investment policies of the Article 8 Fixed Income Funds.](#)

["Carbon Footprint", "Carbon Emissions" and "Prohibited Coal Companies" each have the same meaning as set out in the Equity Funds section above.](#)

["Corporate Debt" means investment grade corporate debt and high yield corporate debt.](#)

[The Article 8 Fixed Income Funds promote a reduction in Carbon Emissions. This is primarily achieved using an exclusions policy, forming a binding part of the investment policy of each of the Article 8 Fixed Income Funds. The Principal Money Manager \(or its delegate\(s\)\) will exclude from investment, all Prohibited Coal Companies. These companies have been identified by the Principal Money Manager as](#)

having a relatively high exposure to carbon-intensive activities.

Each of the Article 8 Fixed Income Funds will have a Carbon Footprint reduction target in respect of the Corporate Debt portion of its investments (as set out in the table below). The Carbon Footprint reduction targets will primarily be met by excluding the Prohibited Coal Companies from investment. If, however, following the application of the exclusions policy, an Article 8 Fixed Income Fund has not met its Carbon Footprint reduction target, the Principal Money Manager (or its delegate(s)) will evaluate the Carbon Footprint of all remaining investments of the relevant Article 8 Fixed Income Fund and will take measures to ensure that its holdings are adjusted to sufficiently reduce its Carbon Footprint in order to meet its Carbon Footprint reduction target.

<u>Fund</u>	<u>Carbon Reduction Target for Corporate Debt</u>
<u>Russell Investments Global Bond Fund</u>	<u>At least 20% lower aggregate Carbon Footprint as compared to the Corporate Debt portion of the Index.</u>
<u>Russell Investments Global Credit Fund</u>	<u>At least 20% lower aggregate Carbon Footprint as compared to the Corporate Debt portion of the Index.</u>
<u>Russell Investments Unconstrained Bond Fund</u>	<u>A lower aggregate Carbon Footprint as compared to the Index (which represents the Corporate Debt portion of the Fund).</u>
<u>Russell Investments Global High Yield Fund</u>	<u>A lower aggregate Carbon Footprint as compared to the Corporate Debt portion of the Index.</u>

The Article 8 Fixed Income Funds do not currently have Carbon Emissions reduction targets in respect of their non-Corporate Debt investments, due to the low Carbon Emissions data coverage rates available for these investments. If the Principal Money Manager becomes satisfied that sufficiently reliable Carbon Emissions data is available for any other portion of the Article 8 Fixed Income Funds' investments, the carbon reduction targets may be revised to incorporate the Carbon Emissions resulting from these investments.

For the purposes of implementing the Fixed Income Carbon Reduction Strategy and evaluating the carbon exposure of an investee company, the Article 8 Fixed Income Funds will utilise third-party Carbon Footprint data sourced from independent vendors as well as publicly available information which may include company reports.

#### *Good Governance Practices*

~~In respect of the~~The Article 8 Equity Funds and the Article 8 Fixed Income Funds (collectively, the "Article 8 Funds; ~~the Principal Money Manager~~") will invest in corporations which follow good governance practices by international standards.

The Principal Money Manager utilises the services of a highly reputable third party data provider to identify corporations which are aligned to the United Nations Global Compact Principles ("UNGC Principles") and are therefore deemed by the Principal Money Manager as having good governance practices. This identification process includes a holistic assessment of core metrics for measuring good governance, including company responsibility, company management and the severity of impacts on stakeholders and/or the environment. The Principal Money Manager's default position, as regards the selection of investments, is that the Article 8 Funds will not invest in corporations that are identified as breaching any of the UNGC Principles.

In cases where a corporation is deemed to have breached a UNGC Principle, the Principal Money Manager may elect to initiate an engagement and review process in respect of the relevant corporation's governance practices. Under this process, the Principal Money Manager will engage with the relevant corporation to understand why a breach of the UNGC Principles has been identified and to promote improvements in the governance practices within the corporation, if deemed necessary. Following this engagement process the Principal Money Manager may make a determination that the relevant corporation exhibits good governance practices, despite the initial assessment of the corporation, and can therefore form part of the portfolio of the relevant Article 8 Fund.

If a corporation held by an Article 8 Fund is identified as having breached a UNGC Principle following the initial assessment described above, the relevant Article 8 Fund may continue to hold shares of the

corporation, provided that the engagement and review process has been initiated and only until such time as it has been completed. If the relevant corporation refuses to actively engage with the Principal Money Manager or if at the end of the review period the corporation has not demonstrated sufficient good governance practices, the Principal Money Manager (or its delegate) will divest of its holdings in the corporation.

The Principal Money Manager has in place a robust governance process around decisions that are made following each engagement and review process outlined above, with each determination being overseen and managed by the Principal Money Manager's Global Exclusions Committee.

## **General**

Unless specifically otherwise stated in a Fund's investment objectives and policies, no Fund may invest more than 10 per cent of its net assets in units or shares of open-ended collective investment schemes.

Subject to the Central Bank Rules and where more than one Fund is established within the Company, each of the Funds may invest in the other Funds of the Company where such investment is appropriate to the investment objectives and policies of the relevant Fund. Any commission received by the Principal Money Manager (including a rebated commission) in respect of such investment will be paid into the assets of the relevant Fund. In addition, no preliminary charge, repurchase charge or exchange charge may be charged on the cross-investing Fund's investment.

In order to avoid double-charging of any management fee, investment management fee and/or any performance fee, any Fund that is invested in another Fund may not be charged a management fee, an investment management fee and/or performance fee in respect of that part of its assets invested in other Funds unless such investment in another Fund is made into a Class of Shares that does not attract any management fee, investment management fee and/or performance fee. Investment may not be made by a Fund in a Fund which itself cross-invests in another Fund within the Company.

If a Fund invests a substantial proportion of its Net Asset Value in other collective investment schemes and/or other Funds of the Company, the maximum level of the management fees that may be charged to the Fund by the other collective investment schemes or both, as the case may be, will be set out in the relevant Supplement for the relevant Fund. Details of such fees will also be contained in the relevant Fund's annual report. Such fees and expenses, in the aggregate, may exceed the fees and expenses that would typically be incurred by an investor making a direct investment in an underlying fund. In addition, performance based compensation arrangements may create an incentive for the investment managers of such underlying funds to make investments that are more risky or more speculative than would be the case if such arrangement were not in effect.

Unless specifically otherwise stated in a Fund's investment objectives and policies, a Fund may enter into securities lending arrangements.

Under the terms of the Depositary Agreement, the Depositary will be required, when exercising voting rights in respect of any securities, to vote with incumbent management unless otherwise directed by the Manager.

Fund performance data will generally be shown in fund documentation against the index of the relevant Fund (where applicable). The currency denomination of a Fund's index may differ from its Base Currency. In such circumstances, all performance data made available by the Principal Money Manager (or its duly appointed delegate) will be produced using the Fund's index converted into the Base Currency of the Fund. Similarly, where a Share Class is denominated in a currency which is different to the Fund's index, all performance data made available by the Principal Money Manager (or its duly appointed delegate) will be produced using the Fund's index converted into the currency of the relevant Share Class. Performance data for hedged Share Classes will generally be shown against a hedged version of the Fund's index unless otherwise stated in the document.

## **Management of the Funds**

Russell Investments Limited has been appointed as Principal Money Manager by the Manager with discretionary powers pursuant to the Principal Money Manager and Advisory Agreement (as further described below).