Russell Investments

RUSSELL INVESTMENTS DUE DILIGENCE

“Classic Plus” Capacity for Loss Guide

February 2024

“A client’s ability to absorb falls in the value of their investment. If any loss of capital would have a materially detrimental effect on their standard of living, this should be taken into account in assessing the risk that they are able to take”.

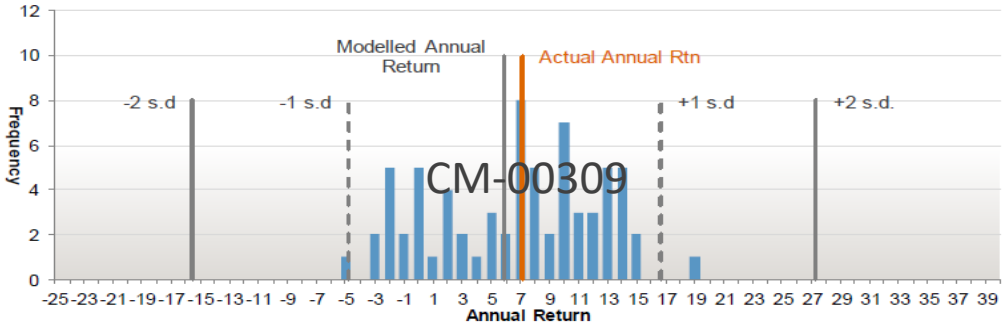
- Financial Services Authority, Guidance Consultation: Assessing Suitability, January 2011

All information contained in this report is correct at the time of production, is strictly for illustrative purposes only, and does not constitute investment advice. This report is designed for use by the financial advisor to assist in making a personal recommendation or managing investments for the underlying client.

Notes on Illustrations

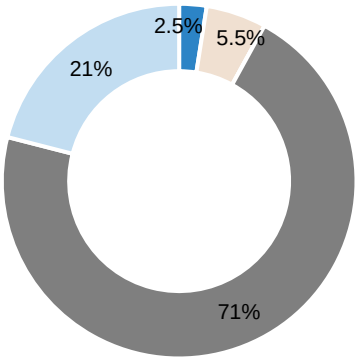
Historic Returns

Traditionally, investment performance of portfolios has been reported on a cumulative return basis since inception of the fund, or over 3 or 5 year periods. This neither reflects the actual investment periods of individual clients, nor illustrates the range of returns clients have experienced over discrete periods during their investment.
In these illustrations we have broken down the performance of each portfolio into all the individual 12-month returns, and 000 plotted these on a frequency distribution chart to illustrate how many times a portfolio experienced a given return over these 12-month periods.
In the example below for the Progressive Portfolio, the blue bar above the '5' on the horizontal axis shows that the portfolio has had a return of 5% once since inception (over a 12-month period).
We have overlayed the chart with the average annual return achieved, as well as the projected annual return and the maximum and minimum projected returns as represented by the 2 standard deviation range either side of the average projected return.



Capacity for Loss

Secure Model Portfolio

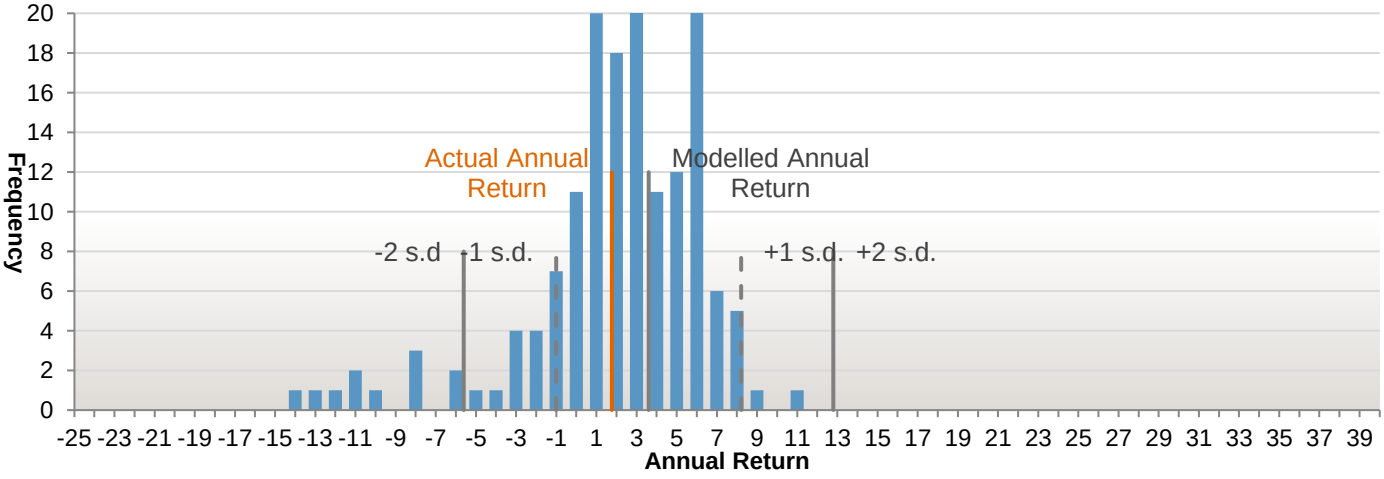


- UK Growth Assets
- International Growth Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	1 / 10	Projected Annual Return (%)	3.6
DT Risk Score	3 / 10	Since Inception Annual Return (%)	1.8
Max 12-month Return (%)	10.1	Projected Annual Volatility (%)	4.6
Min 12-month Return (%)	-14.4	Since Inception Annual Volatility (%)	4.3

Historic Returns

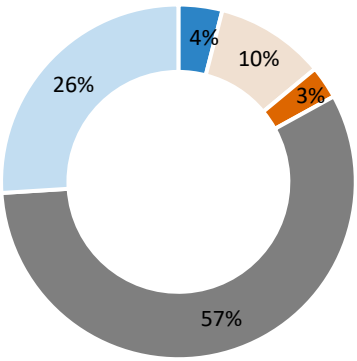
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Cautious Model Portfolio

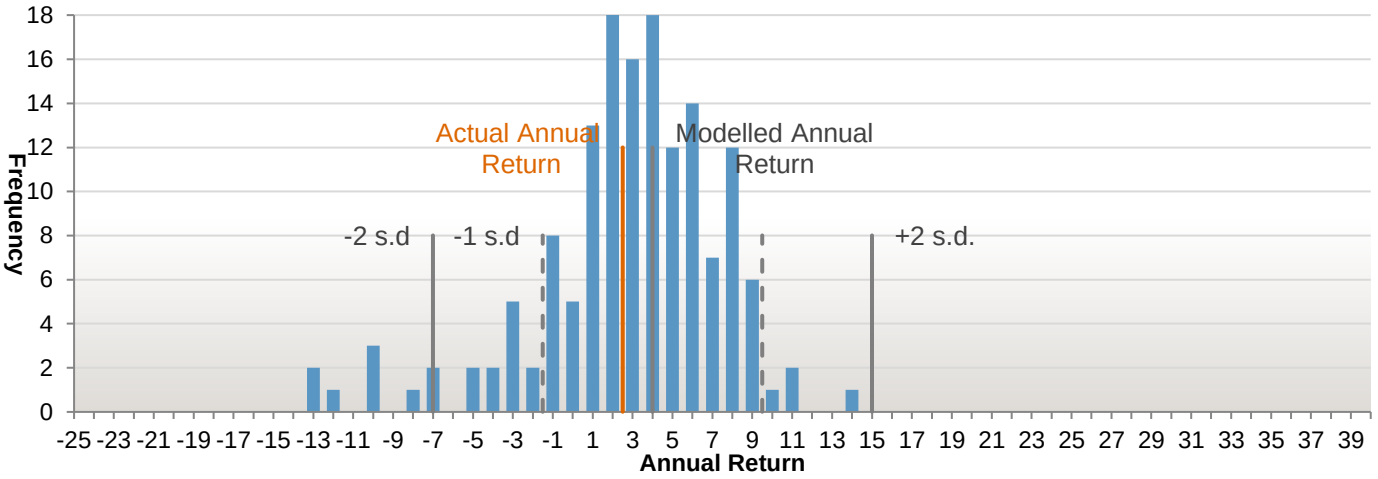


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	2 / 10	Projected Annual Return (%)	4.0
DT Risk Score	3 / 10	Since Inception Annual Return (%)	2.5
Max 12-month Return (%)	13.3	Projected Annual Volatility (%)	5.5
Min 12-month Return (%)	-13.8	Since Inception Annual Volatility (%)	4.9

Historic Returns

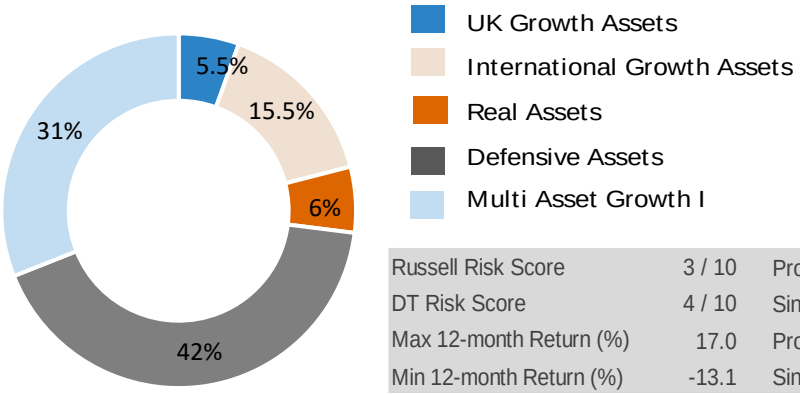
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

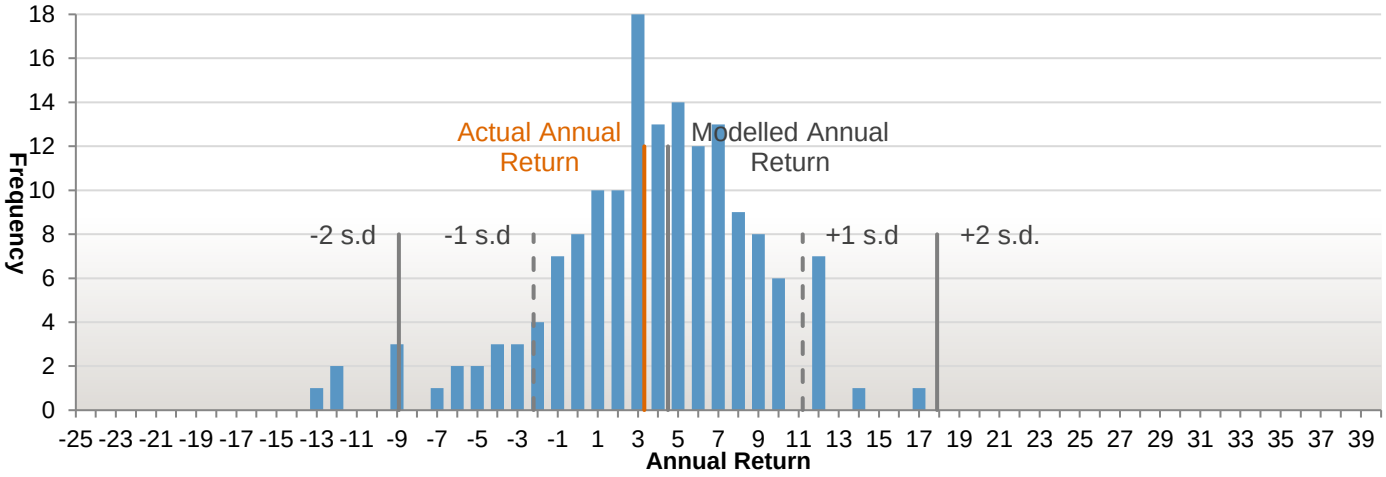
Conservative Model Portfolio



Russell Risk Score	3 / 10	Projected Annual Return (%)	4.5
DT Risk Score	4 / 10	Since Inception Annual Return (%)	3.3
Max 12-month Return (%)	17.0	Projected Annual Volatility (%)	6.7
Min 12-month Return (%)	-13.1	Since Inception Annual Volatility (%)	5.7

Historic Returns

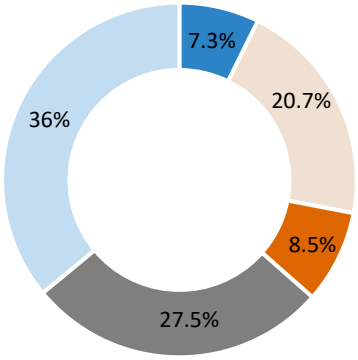
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Moderate Model Portfolio

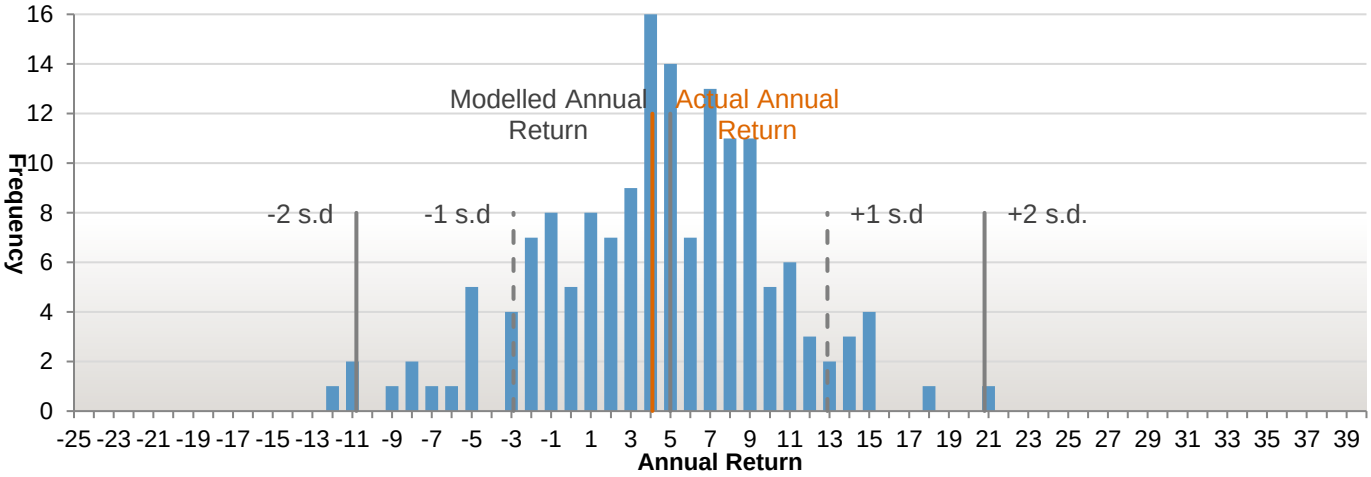


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	4 / 10	Projected Annual Return (%)	5.0
DT Risk Score	4 / 10	Since Inception Annual Return (%)	4.1
Max 12-month Return (%)	20.6	Projected Annual Volatility (%)	7.9
Min 12-month Return (%)	-12.6	Since Inception Annual Volatility (%)	6.5

Historic Returns

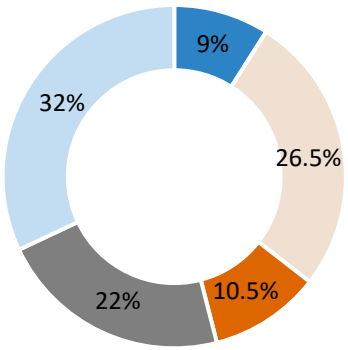
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Balanced Model Portfolio

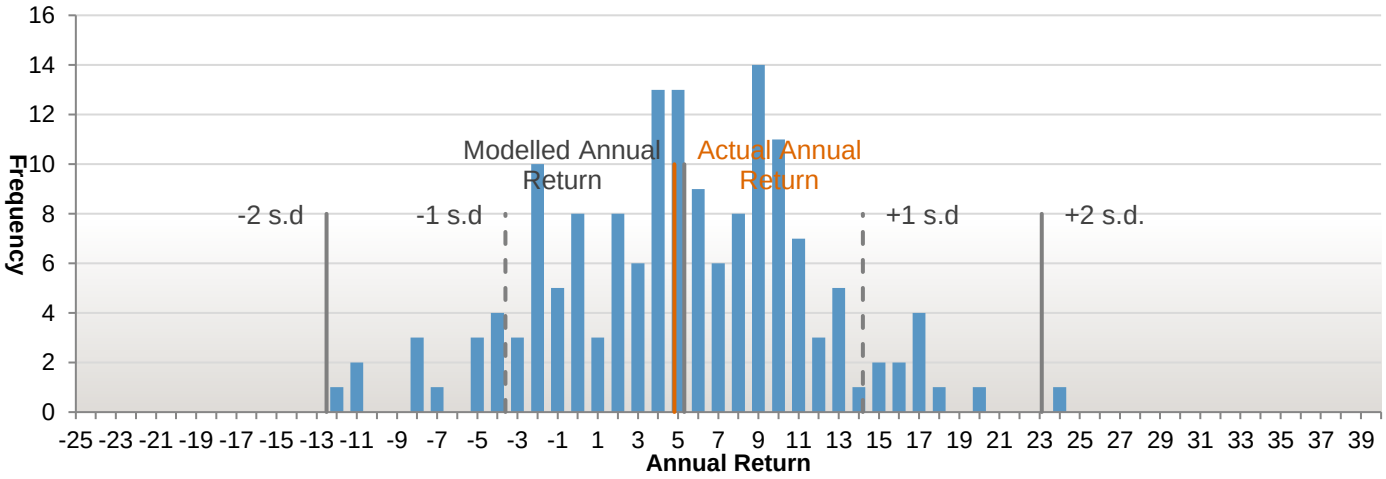


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	5 / 10	Projected Annual Return (%)	5.3
DT Risk Score	5 / 10	Since Inception Annual Return (%)	4.8
Max 12-month Return (%)	23.7	Projected Annual Volatility (%)	8.9
Min 12-month Return (%)	-12.2	Since Inception Annual Volatility (%)	7.3

Historic Returns

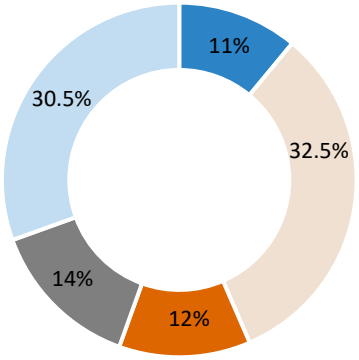
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Progressive Model Portfolio

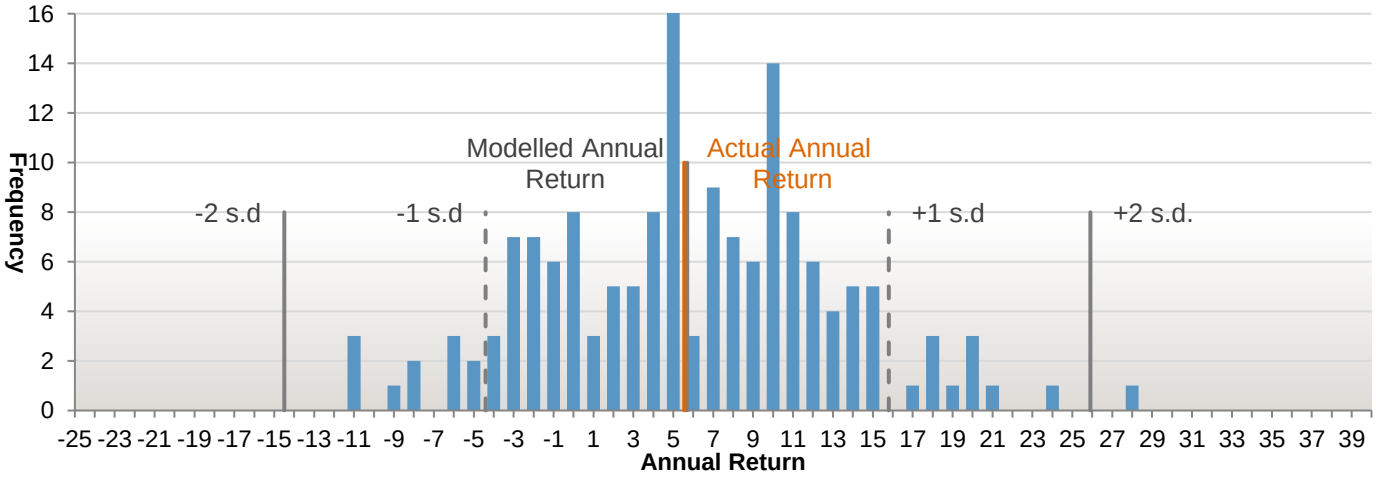


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	6 / 10	Projected Annual Return (%)	5.7
DT Risk Score	5 / 10	Since Inception Annual Return (%)	5.5
Max 12-month Return (%)	27.2	Projected Annual Volatility (%)	10.1
Min 12-month Return (%)	-11.8	Since Inception Annual Volatility (%)	8.2

Historic Returns

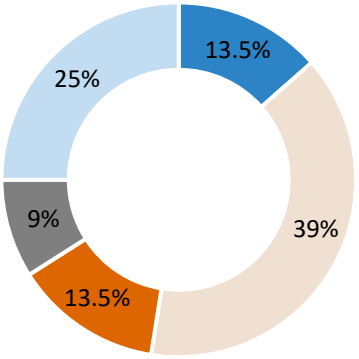
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Adventurous Model Portfolio

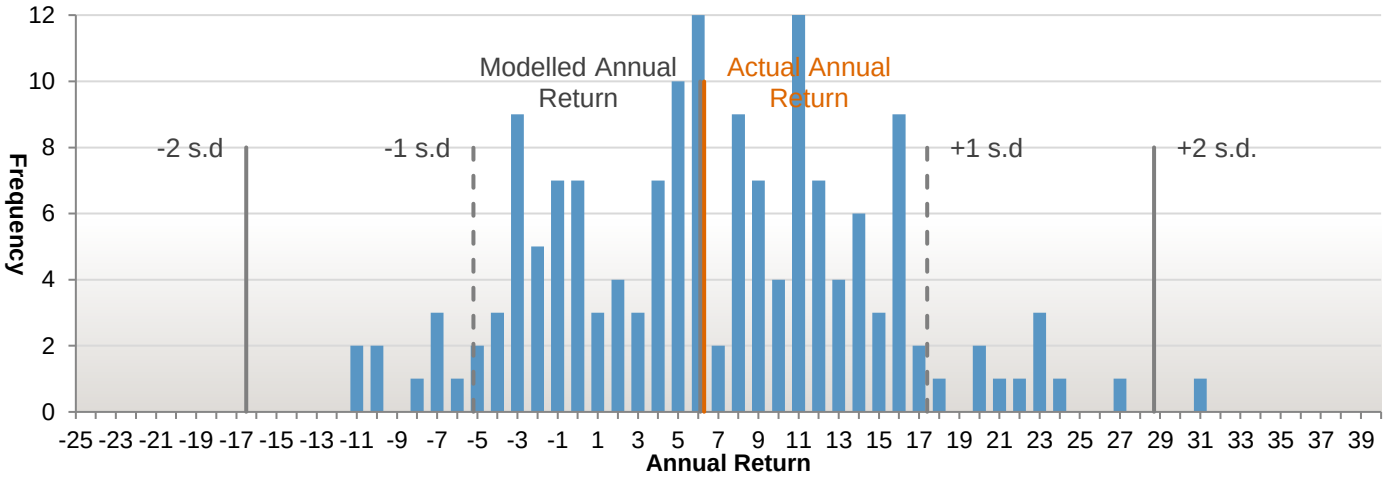


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	7 / 10	Projected Annual Return (%)	6.1
DT Risk Score	6 / 10	Since Inception Annual Return (%)	6.3
Max 12-month Return (%)	30.8	Projected Annual Volatility (%)	11.3
Min 12-month Return (%)	-11.5	Since Inception Annual Volatility (%)	9.1

Historic Returns

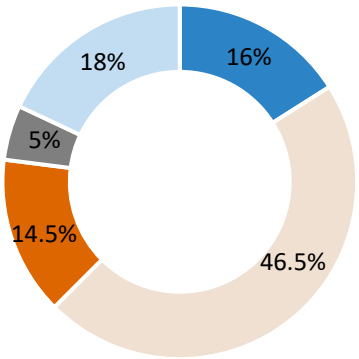
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Growth Model Portfolio

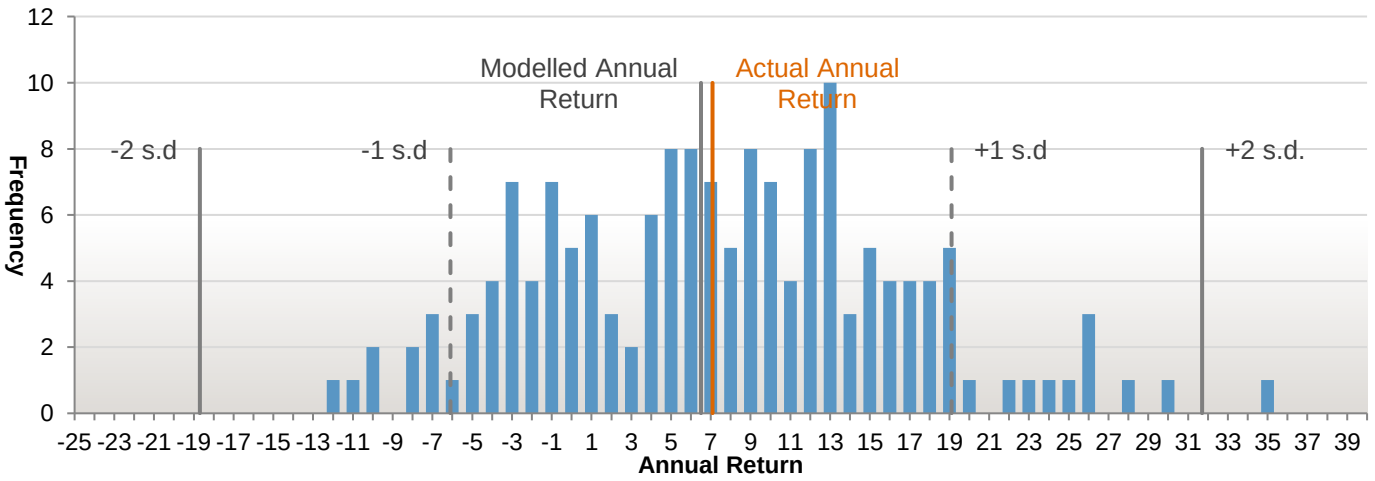


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	8 / 10	Projected Annual Return (%)	6.5
DT Risk Score	6 / 10	Since Inception Annual Return (%)	7.1
Max 12-month Return (%)	34.7	Projected Annual Volatility (%)	12.6
Min 12-month Return (%)	-12.4	Since Inception Annual Volatility (%)	10.1

Historic Returns

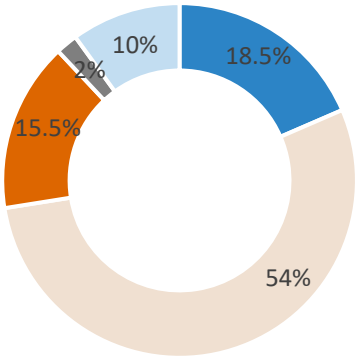
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Aggressive Model Portfolio

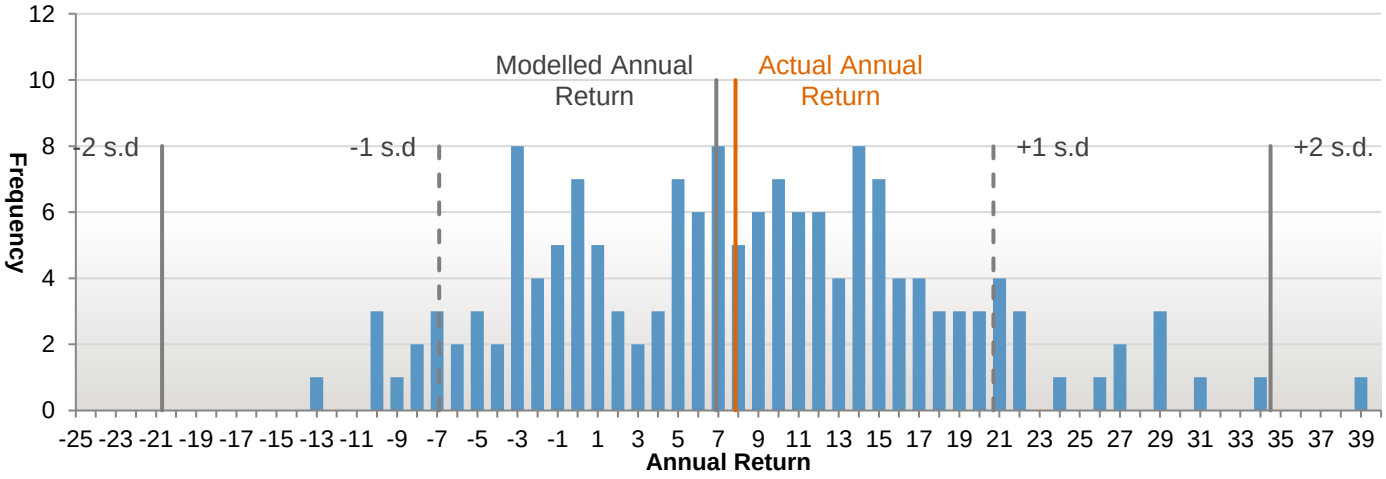


- UK Growth Assets
- International Growth Assets
- Real Assets
- Defensive Assets
- Multi Asset Growth I

Russell Risk Score	9 / 10	Projected Annual Return (%)	6.9
DT Risk Score	7 / 10	Since Inception Annual Return (%)	7.9
Max 12-month Return (%)	38.6	Projected Annual Volatility (%)	13.8
Min 12-month Return (%)	-13.7	Since Inception Annual Volatility (%)	11.1

Historic Returns

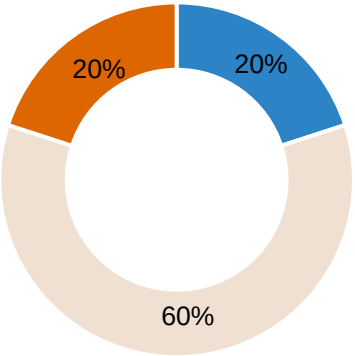
The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Capacity for Loss

Aggressive PLUS Model Portfolio

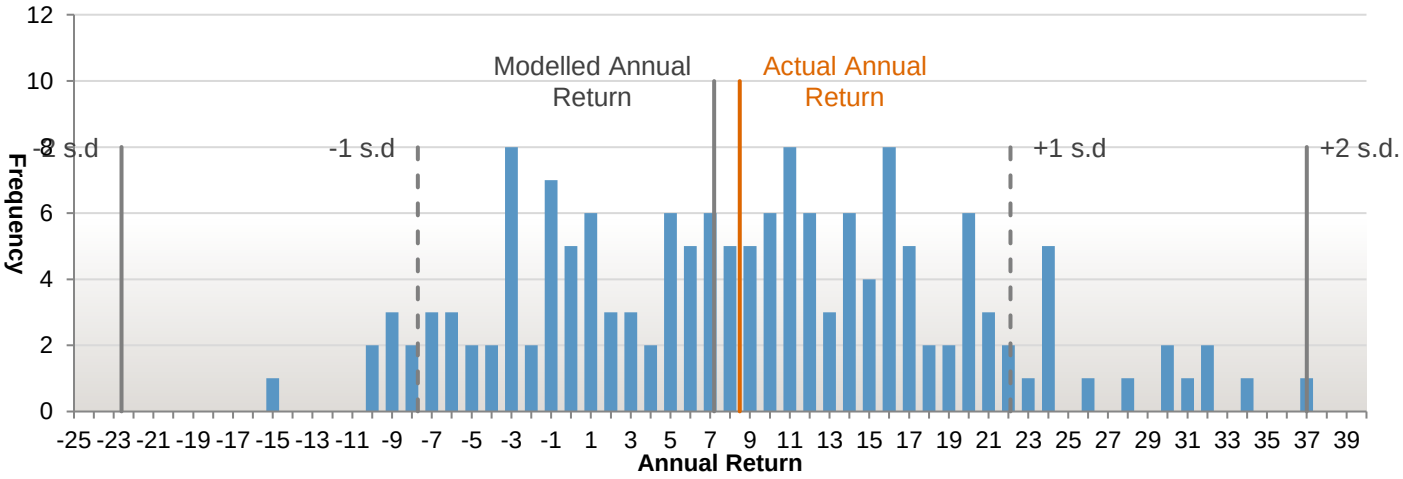


Real Assets
International Growth Assets
UK Growth Assets

Russell Risk Score	10 / 10	Projected Annual Return (%)	7.2
DT Risk Score	7 / 10	Since Inception Annual Return (%)	8.5
Max 12-month Return (%)	41.9	Projected Annual Volatility (%)	14.9
Min 12-month Return (%)	-15.1	Since Inception Annual Volatility (%)	12.0

Historic Returns

The number of times a portfolio has experienced a given return (horizontal axis) in any 12-month period since launch. Standard deviation is applied to the annual rate of return of an investment to measure the investment's volatility, it is a statistical measurement that illustrates historical volatility. For example, a volatile stock has a high standard deviation, while the deviation of a stable stock is lower. A large dispersion indicates how much the return on the fund is deviating from the expected normal returns.



Source: Russell Investments, net returns in GBP from 01/02/2010 to 29/02/2024. Any past performance figures is not a guide to future performance.

Model Portfolio Performance

Performance data as at 29 February 2024

This table shows the performance of all ten Russell Investments Model Portfolios for different periods.

Portfolio Name	Cumulative Performance (%)						PA (%)
	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years	Since launch*
Secure	-0.1	3.0	5.2	-4.1	4.2	12.4	1.8
Cautious	0.1	3.3	5.6	-1.6	8.0	19.6	2.5
Conservative	0.5	3.8	6.1	1.3	12.4	28.3	3.3
Moderate	0.8	4.2	6.5	4.1	16.6	37.0	4.1
Balanced	1.1	4.6	7.1	6.5	20.5	45.3	4.8
Progressive	1.4	5.0	7.6	9.1	24.7	54.6	5.5
Adventurous	1.7	5.4	8.3	11.7	29.1	64.5	6.3
Growth	2.1	6.0	9.0	14.6	34.0	76.1	7.1
Aggressive	2.4	6.5	9.8	17.4	38.8	88.2	7.9
Aggressive Plus	2.6	6.8	10.2	20.2	42.8	98.6	8.5

Discrete Performance (%)										
29/02/24-28/02/23	28/02/23-28/02/22	28/02/22-28/02/21	28/02/21-29/02/20	29/02/20-28/02/19	28/02/19-28/02/18	28/02/18-28/02/17	28/02/17-29/02/16	29/02/16-28/02/15	28/02/15-28/02/14	28/02/14-28/02/13
5.2	-8.4	-0.5	2.5	6.1	0.9	1.2	7.8	-4.0	2.1	0.3
5.6	-7.5	0.7	3.9	5.6	0.9	1.8	9.6	-4.4	2.9	1.9
6.1	-6.4	2.1	5.6	5.1	0.9	2.5	11.7	-4.9	3.9	3.8
6.5	-5.4	3.3	7.2	4.6	0.9	3.1	13.8	-5.4	4.8	5.5
7.1	-4.7	4.3	8.5	4.3	1.0	3.9	15.5	-5.8	5.7	7.2
7.6	-3.8	5.3	9.9	4.0	1.0	4.7	17.4	-6.3	6.6	9.0
8.3	-2.9	6.3	11.3	3.8	1.1	5.5	19.3	-6.8	7.4	10.8
9.0	-2.0	7.3	12.9	3.6	1.1	6.5	21.4	-7.3	8.4	12.7
9.8	-1.2	8.2	14.4	3.4	1.1	7.5	23.5	-7.8	9.5	14.6
10.2	-0.4	9.5	15.2	3.1	1.2	8.2	25.4	-8.2	10.4	16.0

Source: Russell Investments as at 29/02/2024 (% change, GBP). Performance figures for the Russell Investments Model Portfolios are calculated using the performance of the underlying FP Russell Investments ICVC funds (C class shares) during the same period. The performance of the Model Portfolios is calculated using the current portfolio weightings of each fund as shown in the brochure "Helping you achieve outcomes that matter" dated June 2017. The since launch date (31/01/2010) is the date that we launched the Russell Investments Model Portfolios. 3, 5 and 10 year figures are cumulative, since inception annualised. All performance quoted net of C share class fees. Performance figures are calculated assuming a quarterly rebalance. Any past performance figures are not necessarily a guide to future performance.

Model Portfolio Performance

Performance data as at 29 February 2024

This table shows the performance of some common asset classes for different periods.

Common indices	Cumulative Performance (%)						PA (%)
	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years	Since launch*
Cash Bank of England Base	0.4	1.3	4.9	7.2	8.1	10.7	0.9
UK Gilts ICE BofA UK Gilts All Stocks	-1.2	1.9	1.0	-22.0	-16.3	5.9	2.0
Global Credit Bloomberg Global Agg Credit GBP Hedged	-1.1	2.4	5.7	-9.0	2.7	18.6	2.9
UK equities FTSE All Share	0.2	3.3	0.6	25.2	27.7	63.0	7.0
Global equities MSCI ACWI GBP Hedged	4.7	11.0	24.6	31.6	70.1	143.2	10.2
Emerging Markets MSCI Emerging Markets Index Net	5.5	3.9	4.1	-9.1	15.5	78.2	4.9
Property FTSE EPRA/NAREIT Global Developed	0.1	4.5	-3.9	6.2	4.1	73.0	7.3

Discrete Performance (%)										
29/02/24-28/02/23	28/02/23-28/02/22	28/02/22-28/02/21	28/02/21-29/02/20	29/02/20-28/02/19	28/02/19-28/02/18	28/02/18-28/02/17	28/02/17-29/02/16	29/02/16-28/02/15	28/02/15-28/02/14	28/02/14-28/02/13
4.9	2.0	0.1	0.1	0.8	0.6	0.3	0.4	0.5	0.5	0.5
1.0	-20.3	-3.0	-4.2	11.9	2.5	-1.2	6.1	5.5	11.7	-0.8
5.7	-10.6	-3.7	1.6	11.0	1.5	1.2	5.1	-0.3	7.3	2.1
0.6	7.3	16.0	3.5	-1.4	1.7	4.4	22.8	-7.3	5.6	13.3
24.6	-6.2	12.6	24.5	3.9	1.3	12.5	21.6	-10.0	14.7	21.4
4.1	-6.1	-6.9	24.3	2.2	-6.7	17.9	45.0	-15.1	13.9	-14.9
-3.9	-5.9	17.4	-7.6	6.1	16.0	-10.3	25.7	1.4	25.3	-6.1

Source: Russell Investments as at 29/02/2024 (% change, GBP). Performance figures for the Russell Investments Model Portfolios are calculated using the performance of the underlying FP Russell Investments ICVC funds (C class shares) during the same period. The performance of the Model Portfolios is calculated using the current portfolio weightings of each fund as shown in the brochure "Helping you achieve outcomes that matter" dated June 2017. The since launch date (31/01/2010) is the date that we launched the Russell Investments Model Portfolios. 3, 5 and 10 year figures are cumulative, since inception annualised. All performance quoted net of C share class fees. Performance figures are calculated assuming a quarterly rebalance. Any past performance figures are not necessarily a guide to future performance.

Benchmark Disclaimers:

FP Russell Investments Defensive Assets Fund:

"Benchmark:

The Bank of England Base Rate is the target benchmark against which the performance of the Fund has been set. The benchmark was chosen because the Fund aims to generate cash equivalent returns.
The Fund is intended to form a component part of a diversified portfolio of holdings, rather than as a standalone investment.

FP Russell Investments International Growth Assets Fund:

"Benchmark:

The MSCI All Country World Index has been chosen as a comparator benchmark for fund performance because it reflects the geographical diversification of the securities held by the Fund. The fund is net 50% hedged to GBP.
The Fund is not obliged to hold all constituents of the benchmark and its performance may deviate materially from the benchmark.

FP Russell Investments Multi Asset Growth Fund I, II, III, IV and V:

"Benchmark:

The Fund does not have a benchmark. The absence of a benchmark is because the Fund has a flexible allocation between equity and fixed income investments, meaning that there is no index or sector that would be an appropriate comparator. The Fund is managed with reference to the Synaptic risk ratings. The Synaptic risk ratings associate returns with a particular level of risk and enable comparison between funds which are managed on a similar basis. Performance of the Fund can be assessed against the range of asset classes in which it invests, in proportion to its holdings in these asset classes. Information to facilitate this assessment will provided to investors on a quarterly basis via the fund's factsheet. The factsheet will be made available to intermediaries.

FP Russell Investments Real Assets Fund:

"Benchmark:

The UK Retail Price Index is the target benchmark against which the performance of the Fund has been set. The benchmark was chosen because the Fund will invest in investments that are inflation-linked.

FP Russell Investments UK Growth Assets Fund:

"Benchmark:

The FTSE All Share Index has been chosen as a comparator benchmark for fund performance because it reflects the geographical composition of the securities held by the Fund. The Fund is not obliged to hold all constituents of the benchmark and its performance may deviate materially from the benchmark.

FP Russell Investments Multi Asset Income Fund:

The Fund does not have a benchmark.
The absence of a benchmark is because the Fund has a flexible allocation between equity and fixed income investments driven by the objective of targeting an annualised yield of 4%, meaning that there is no index or sector that would be an appropriate comparator. Performance of the Fund can be assessed against the range of asset classes in which it invests, in proportion to its holdings in these asset classes. Information to facilitate this assessment will be provided to investors on a quarterly basis via the fund's factsheet. The factsheet will be made available to intermediaries.

FOR MORE INFORMATION:

Call Russell Investments at +44(0)207 024 6601 or email ukadviser.support@russellinvestments.com

IMPORTANT INFORMATION:

For financial advisers to use with their clients.

Unless otherwise specified, Russell Investments is the source of all data. All information contained in this material is current at the time of issue and, to the best of our knowledge, accurate. Any opinion expressed is that of Russell Investments, is not a statement of fact, is subject to change and does not constitute investment advice.

Your clients must consult the prospectus and Key Investor Information Document (KIID) before deciding whether to invest.

Please note that the value of investment and the income derived from them may go down as well as up and an investor may not receive back the amount originally invested.

Any data on past performance, modeling or back-testing contained herein is no indication as to future performance. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any modeling or back-testing.

FP Russell Investments ICVC (the "Company") is an investment company with variable capital incorporated in England and Wales under registered number IC000708 and authorised by the Financial Conduct Authority with effect from 22 October 2008. FundRock Partners Limited (formerly Fund Partners Limited) is the Authorised Corporate Director (the "ACD") of the FP Russell Investments ICVC and is authorised and regulated by the FCA. Registered office: 52-54 Gracechurch Street, London EC3V 0EH

Russell Investments Limited has been appointed as the investment manager and distributor in respect of the Company. Applications for shares in the Company are subject to the terms and conditions set out in the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID), instrument of incorporation and latest annual and half-yearly long reports of the Company. Investors and potential investors must read the KIID and are also advised to read the remaining documents (and in particular the risk warnings) before making an investment in the Company. Copies are available free of charge on request from the ACD and Russell Investments Limited.

This document is issued by Russell Investments Limited, a company incorporated in England and Wales under registered number 02086230 and with its registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone 44 (0)20 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London E20 1JN.

PaR-00713-14-02-2025