

1. Introduction

This Investment Policy Implementation Document (“IPID”) for the Russell Investments Pension Plan (“the Plan”) sets out details of the Plan’s investment arrangements, based on the principles set out in its Statement of Investment Principles (“SIP”) dated [to be inserted].

The IPID should be read in conjunction with the SIP.

The IPID has been prepared by the Trustees of the Plan, and the Trustees are responsible for ensuring it reflects the current investment arrangements.

The Trustees make available a range of passively and actively managed self-select funds, a default lifestyle strategy (the “Default”) and 7 additional default funds.

Details of the self-select funds, the Default option and additional defaults are set out below (additional default funds are highlighted in bold in sections 2 and 3). The relevant members are provided with clear information on the investment options and their characteristics that will allow the members to make an informed choice.

The fund options are provided to members via an investment management agreement with the fund managers. The funds are priced daily or weekly and are open ended.

2. Legal and General self-select fund options

The Trustees makes available the following funds managed by Legal & General.

Fund	Objective	Tracking error
L&G All Stocks Index Linked Gilts	To track the FTSE A UK Index-Linked Gilts All Stocks Index	+/- 0.25% pa
L&G Asia Pacific ex-Japan Developed Equity	To track the FTSE World Asia Pacific (ex Japan) Index	+/- 0.75% pa
L&G Cash	To track the 7 Day LIBID	N/A
L&G Europe ex-UK Equity	To track the FTSE Developed Europe ex UK Index	+/- 0.5% pa
L&G Global Emerging Markets	To track the S&P/IFCI Composite Global Emerging Markets Index	+/- 1.5% pa
L&G Over 5 Years Index Linked Gilt	To track the FTSE A UK Index-Linked Gilts Over 5 Years Index	+/- 0.25% pa
L&G Japan Equity	To track the FTSE Japan Index	+/- 0.5% pa
L&G North America Equity	To track the FTSE North America Index	+/- 0.5% pa
L&G UK Equity	To track the FTSE All-Share Index	+/- 0.25% pa

Fund	Objective	Tracking error
L&G World Emerging Markets	To track the FTSE AW-Emerging Index (including re-invested income)	+/- 1.5% pa
L&G World ex-UK Equity	To track the FTSE World (ex UK) Index	+/- 0.5% pa
L&G UK Fixed Interest	To exceed the FTSE Actuaries UK Conventional Gilts All Stocks Index by 0.75%pa (before fees) over a three-year rolling period.	N/A

3. Russell Investments self-select fund options

The Trustees make available the following actively managed pooled funds as self-select options all of which are managed by Russell Investments:

	Objective
Russell Unconstrained Bond Fund	Achieve a total return of 3% over the 3-Month USD Interest Rate LIBOR.
Russell Asia Pacific Ex Japan Fund / Russell Asia Pacific Ex Japan Fund Sterling Hedged	Outperform the MSCI AC Asia Pacific ex-Japan IMI Index (USD) – Net Returns by 2% over the medium to long term.
Russell Continental European Equity / Russell Continental European Equity Sterling Hedged	Outperform the MSCI Europe ex UK Index (Eur) Net Returns by 1.75% over the medium to long term.
Russell Emerging Markets Debt Local Currency Fund	Outperform the JP-Morgan GBI-EM Global Diversified (USD) Index by 1% over the medium to long term.
Russell Emerging Markets Equity	Outperform the MSCI Emerging Markets Index (USD) - Net Returns by 2% over the medium to long term.
Russell Eurozone Equity	Outperform the MSCI EMU Index (EUR) - Net Returns by 2% over the medium to long term.
Russell Global Bond / Russell Global Bond Sterling Hedged	Outperform the Bloomberg Barclays Global Aggregate Bond Index (USD) – Total Returns by 1% over the medium to long term.
Russell Global Credit - Sterling Hedged	Outperform the Bloomberg Barclays Global Aggregate Credit Index (USD) - Total Returns by 0.75% over the medium to long term.
Russell Global Real Estate Securities	Outperform the FTSE EPRA/NAREIT Developed Real Estate Index (USD) - Net Returns by 1.75% over the medium to long term.

Russell Global High Yield / Russell Global High Yield Sterling Hedged	Outperform the ICE BofA Developed Markets HY Constrained Index (EUR) by 0.75% over the medium to long term.
Russell Japan Equity / Russell Japan Equity Sterling Hedged	Outperform the Topix Dividends Index (JPY) - Net Returns 1.75% over the medium to long term.
Russell (MAGS) Multi Asset Growth Strategy	Generate returns equivalent to Cash plus 4.5% pa over the long term.
Russell OpenWorld Global High Dividend Equity / Russell OpenWorld Global High Dividend Equity Sterling Hedged	Outperform the MSCI ACWI (USD) - Net Returns by 1.25% over the medium to long term.
Russell OpenWorld Global Listed Infrastructure	Outperform the S&P Global Infrastructure Index (USD) - Net Returns by 2% over the medium to long term.
Russell Pan European Equity	Outperform the MSCI Europe Index (EUR) - Net Returns by 1.75% over the medium to long term.
Russell Sterling Liquidity	To track the ICE BofA Sterling 3-Month Government Bill.
Russell UK Equity	Outperform the FTSE All Shares Index (GBP) - Total Returns by 1.5% over the medium to long term.
Russell UK Sterling Bonds	Outperform the ICE BofA Sterling Broad Market Index by 0.6% over the medium to long term.
Russell US Equity	Outperform the Russell 1000 Index (USD) Net Returns of Withholding Tax 30% by 1.25% over the medium to long term.
Russell US Quant	Outperform the Russell 1000 Index Net Returns of Withholding Tax 30% by 1.15% over the medium to long term.
Russell US Small Cap Equity	Outperform the Russell 2000 Index (USD) Net Returns of Withholding Tax 30% by 2% over the medium to long term.
Russell World Equity / Russell World Equity Sterling Hedged	Outperform the MSCI World Index (USD) - Net Returns by 2% over the medium to long term.
Russell World Equity II / Russell World Equity II Sterling Hedged	Outperform the MSCI ACWI (USD) - Net Returns by 2% over the medium to long term.

4. The default strategy

For members that do not make an active choice regarding investment of their contributions the Trustees have set the Default option to be a lifestyle strategy. The lifestyle option follows a pre-agreed investment strategy and provides an automated investment switching facility, which will move members' funds from higher risk/return investments into lower risk/return investments as retirement approaches.

YEARS TO RETIREMENT	RUSSELL (MAGS) MULTI-ASSET GROWTH STRATEGY FUND	RUSSELL WORLD EQUITY FUND II (STERLING HEDGED)	GROWTH ASSETS:	RUSSELL GLOBAL BONDS (STERLING HEDGED) FUND	RUSSELL STERLING LIQUIDITY FUND	LOWER-GROWTH ASSETS:
20+	20%	80%	100%	0%	0%	0%
19	28%	72%	100%	0%	0%	0%
18	36%	64%	100%	0%	0%	0%
17	44%	56%	100%	0%	0%	0%
16	52%	48%	100%	0%	0%	0%
15	60%	40%	100%	0%	0%	0%
14	68%	32%	100%	0%	0%	0%
13	76%	24%	100%	0%	0%	0%
12	84%	16%	100%	0%	0%	0%
11	92%	8%	100%	0%	0%	0%
10	100%	0%	100%	0%	0%	0%
9	97%	0%	97%	3%	0%	3%
8	94%	0%	94%	6%	0%	6%
7	91%	0%	91%	9%	0%	9%
6	88%	0%	88%	12%	0%	12%
5	85%	0%	85%	15%	0%	15%
4	80%	0%	80%	16%	4%	20%
3	75%	0%	75%	17%	8%	25%
2	70%	0%	70%	18%	12%	30%
1	65%	0%	65%	19%	16%	35%
0	60%	0%	60%	20%	20%	40%

The Plan also has other default arrangements (the “Additional Default Funds”) for governance purposes that were created when members’ funds were compulsorily mapped into a target fund chosen by the Trustees (i.e. moved without member consent) when one of their existing investment fund options closed.

The Trustees believe these funds to be appropriate default funds for those members that were switched into these funds automatically. The objectives of Additional Default Funds are shown in the tables in section 2 and 3, highlighted in **bold**.

Approved at a meeting held on 12 February 2021 by the Trustees of the Russell Investments Pension Plan and following consultation with Russell Investments Systems Limited.