



PUBLIC TRANSPARENCY REPORT

2023

Russell Investments

Generated 15-12-2023

About this report

PRI reporting is the largest global reporting project on responsible investment. It was developed with investors, for investors.

PRI signatories are required to report publicly on their responsible investment activities each year. In turn, they receive a number of outputs, including a public and private Transparency Report.

The public Transparency Reports, which are produced using signatories' reported information, provide accountability and support signatories to have internal discussions about their practices and to discuss these with their clients, beneficiaries, and other stakeholders.

This public Transparency Report is an export of the signatory's responses to the PRI Reporting Framework during the 2023 reporting period. It includes the signatory's responses to core indicators, as well as responses to plus indicators that the signatory has agreed to make public.

In response to signatory feedback, the PRI has not summarised signatories' responses – the information in this document is presented exactly as it was reported.

For each of the indicators in this document, all options selected by the signatory are presented, including links and qualitative responses. In some indicators, all applicable options are included for additional context.

Disclaimers

Responsible investment definitions

Within the PRI Reporting Framework Glossary, we provide definitions for key terms to guide reporting on responsible investment practices in the Reporting Framework. These definitions may differ from those used or proposed by other authorities and regulatory bodies due to evolving industry perspectives and changing legislative landscapes. Users of this report should be aware of these variations, as they may impact interpretations of the information provided.

Data accuracy

This document presents information reported directly by signatories in the 2023 reporting cycle. This information has not been audited by the PRI or any other party acting on its behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented.

The PRI has taken reasonable action to ensure that data submitted by signatories in the reporting tool is reflected in their official PRI reports accurately. However, it is possible that small data inaccuracies and/or gaps remain, and the PRI shall not be responsible or liable for such inaccuracies and gaps.

Table of Contents

Module	Page
SENIOR LEADERSHIP STATEMENT (SLS)	4
ORGANISATIONAL OVERVIEW (OO)	8
POLICY, GOVERNANCE AND STRATEGY (PGS)	26
MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)	67
LISTED EQUITY (LE)	81
FIXED INCOME (FI)	90
SUSTAINABILITY OUTCOMES (SO)	99
CONFIDENCE-BUILDING MEASURES (CBM)	114

SENIOR LEADERSHIP STATEMENT (SLS)

SENIOR LEADERSHIP STATEMENT

SENIOR LEADERSHIP STATEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SLS 1	CORE	N/A	N/A	PUBLIC	Senior Leadership Statement	GENERAL

Section 1. Our commitment

- Why does your organisation engage in responsible investment?
- What is your organisation's overall approach to responsible investment, and what major responsible investment commitment(s) have you made?

Responsible investing is at the heart of our investment beliefs. As a global investment solutions provider, we believe that investing responsibly can help to deliver attractive investment returns and meet client objectives in the long term. To this end, we execute an integrated responsible investing practice across the firm. This practice is founded on the following set of four core beliefs, codified in 2015:

- ESG factors impact security prices
- A deep understanding of how ESG factors impact security prices is value-adding to a skilful investment process
- Active ownership is an effective tool for improving investment outcomes
- Embedding ESG considerations into a firm's culture and process improves the likelihood of prolonged and successful investing

Drawing on the core responsible investing beliefs outlined above, Russell Investments has developed formal policies on responsible investing, climate change risk and sustainability risks.

These policies are the foundation of our efforts to efficiently integrate ESG considerations into our investment manager evaluation process, our portfolio management, our advisory services, and when implementing proprietary solutions as desired by clients.

These policies are regularly reviewed to evolve in accordance with market best practice. Further information regarding how we integrate stewardship and investments can be found in our Investment Stewardship Report.

Section 2. Annual overview

- Discuss your organisation's progress during the reporting year on the responsible investment issue you consider most relevant or material to your organisation or its assets.
- Reflect on your performance with respect to your organisation's responsible investment objectives and targets during the reporting year. Details might include, for example, outlining your single most important achievement or describing your general progress on topics such as the following (where applicable):
 - refinement of ESG analysis and incorporation
 - stewardship activities with investees and/or with policymakers
 - collaborative engagements
 - attainment of responsible investment certifications and/or awards

At Russell Investments, we apply multi-faceted approach, where sustainability is assessment holistically as opposed to giving one factor priority over another. Our approach has evolved to encompass enhanced ESG solutions, climate risk management, and stewardship with a persistent focus on creating a framework built for client-led solutions.

Solutions

We are most proud of our innovative solutions, which include Article 8-designated products under the EU's Sustainable Finance Disclosure Regulation (SFDR), listed and unlisted infrastructure ESG strategies, sustainable model strategies launched in Australia, and bespoke ESG client mandates.

These exemplify our commitment to a client-focused approach and our ability to tailor portfolios that align with investor goals, circumstances, and preferences, ensuring superior investment outcomes. Some additional milestones and highlights achieved during 2022 are listed below:

- £29bn global assets in ESG approach
- 12 flagship EMEA strategies across equities and fixed income evolved to "Light Green / Article 8" status under SFDR with over \$6B in AUM
- Both listed and unlisted infrastructure ESG strategy launches
- Sustainable model strategies launched in Australia
- A number of individual client mandates evolved to include bespoke ESG requirements

Active Ownership

In 2022, we materially increased both the number and quality of our engagements and collaborations in pursuit of engagement outcomes.

We also successfully launched an internal information sharing platform that connects our sustainable risk practices with our manager oversight and active ownership efforts. Going forward, we look to deepen our collaborative engagement relationships with investor groups and our sub-adviser partners.

- 9,949 meetings and 101,293 proposals voted in 2022
- 13% votes against management
- 6% votes against proxy advisor
- 365 proposals referred to the Active Ownership committee for a vote in 2022
- 411 engagements with 189 issuers
- Environmental – 45% Social- 19% Governance – 25%

Stewardship

During 2022, in response to rising requirements across our business, we took action to increase the resources and senior management focused on responsible investing.

We believe that these enhancements demonstrate our firm-wide commitment to responsible investing and will strengthen our ability to meet client-led requirements in this area. We actively collaborate in initiatives with industry participants, regulatory working group and other stakeholders to collectively deliver a well-functioning financial system

- 25% increase in the number of associates dedicated to advancing our ESG efforts
- Participation in 5 industry-wide consultations in 2022
- TCFD enabled data, tools and capabilities to produce TCFD aligned reporting
- Up to 20 hours of on-demand training on specific ESG matters for associates

Net zero interim targets

In 2021, Russell Investments signed up to the Net Zero Asset Manager Commitment initiative (NZAMI) to support the goal of net zero GHG emissions by 2050.

As part of this commitment, we work in partnership with interested clients to develop a roadmap for portfolio alignment. The firm's overarching interim goal is to manage 25% of its global AUM in line with net zero standards by 2030. Further information has been provided on the Sustainability Outcomes module of this submission.

Section 3. Next steps

- What specific steps has your organisation outlined to advance your commitment to responsible investment in the next two years?

We have taken steps to advance our commitment to responsible investing in the following areas and expect this evolution to continue over the next couple of years:

Climate risk management

We are committed to working in collaboration with other leading industry participants to formulate best practice principles and frameworks. Our enhancements over the next year will include leveraging our partnership with a specialist climate risk provider, integration of additional climate risk metrics into our investment practices, and further collaboration with industry peers. We will continue to provide training to our associates to build familiarity with new and complex systems.

Similarly, we recognise that asset-owner clients are eager for more education on climate risk. Looking forward, we will continue to provide outreach and consulting services to help our clients move up the learning curve.

ESG Integration

We have put meaningful resources into improving the data and analytics available to our portfolio managers who seek monitor and manage ESG risks. Among our achievements: streamlining the transmission of ideas and information from portfolio management to active ownership and using improved data and scenarios on climate risk to enhance our asset allocation capabilities.

We expect the use of data and the development of analytical tools to continue in 2023.

Our work to strengthen responsible investing practices in fixed income, real assets, private markets, and alternatives also remains a priority. In these non-equity asset classes, while we await standardisation of reporting, our initial due diligence and monitoring compensate for absent and inconsistent data, and across all asset classes our methods of constructing multi-manager ESG portfolios will continue to adapt to client needs and regulatory expectations.

Active ownership

In 2022, we materially increased both the number and quality of our engagements and collaborations in pursuit of engagement outcomes.

We also successfully launched an internal information sharing platform that connects our sustainable risk practices with our manager oversight and active ownership efforts. Going forward, we look to deepen our collaborative engagement relationships with investor groups and our sub-adviser partners. We expect that increased internal and external communication will further the success of our engagement objectives, including those which support our clients' net zero goals. We have begun tracking the outcomes targeted by our engagement work, and we will evolve our reporting to highlight this progress.

Transparency and reporting

The improvement of portfolio viewing capabilities and data quality continues to be a critical area of development from a stewardship perspective.

Our Enterprise Risk Management System ('ERMS') risk engine is now in use across all our portfolios, enabling total solution analysis for clients, supporting crosscutting multi-lens risk analysis which encompasses multi-asset combinations. We will continue to enhance this dataset and analytic competence to improve client reporting across the board including, but not limited to, ESG metrics and objectives. While ESG data and metrics have improved considerably in recent years, we believe that gaps still exist. Continued enhancements will contribute to helping clients further understand our stewardship efforts, as well as the risks and opportunities within their mandates.

Solutions

Similarly, evolving and developing new investment solutions is fundamental to addressing our clients' ESG needs. We leverage innovation and industry leading insight to set total portfolio-level direction that aligns to targeted outcomes.

We will continue to monitor the rapidly changing regulatory environment in the EU and beyond, providing choice for clients through both "light" and "dark" green sustainable solutions.

This will be supported through expanding our list of recommended ESG products within our sustainable research universe, advancing our market-leading overlay capabilities, and moving beyond carbon-focused metrics to include forward-looking sustainability projections. Increasing our ability to customise and deliver tailored ESG outcomes for clients remains a critical objective, and our global solutions platform is being built with that in mind.

Training and development

Russell Investments has provided training and development on ESG matters to both our clients and internal associates.

We have made ESG training available to our clients through webinars, conferences, and whitepapers, enabling them to understand the significance of ESG factors in investment decisions. We have also greatly enhanced the internal training provided to our associates. We have developed a comprehensive ESG curriculum that covers foundational ESG principles, analysis, and integration into investment processes.

Section 4. Endorsement

'The Senior Leadership Statement has been prepared and/or reviewed by the undersigned and reflects our organisation-wide commitment and approach to responsible investment'.

Name

Kate El-Hillow

Position

President, Chief Investment Officer

Organisation's Name

Russell Investments

Ⓐ A

'This endorsement applies only to the Senior Leadership Statement and should not be considered an endorsement of the information reported by the above-mentioned organisation in the various modules of the Reporting Framework. The Senior Leadership Statement serves as a general overview of the above-mentioned organisation's responsible investment approach. The Senior Leadership Statement does not constitute advice and should not be relied upon as such. Further, it is not a substitute for the skill, judgement and experience of any third parties, their management, employees, advisors and/or clients when making investment and other business decisions'.

Ⓑ B

ORGANISATIONAL OVERVIEW (OO)

ORGANISATIONAL INFORMATION

REPORTING YEAR

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 1	CORE	N/A	N/A	PUBLIC	Reporting year	GENERAL

What is the year-end date of the 12-month period you have chosen to report for PRI reporting purposes?

	Date	Month	Year
Year-end date of the 12-month period for PRI reporting purposes:	31	12	2022

SUBSIDIARY INFORMATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 2	CORE	N/A	OO 2.1	PUBLIC	Subsidiary information	GENERAL

Does your organisation have subsidiaries?

- (A) Yes
- (B) No

ASSETS UNDER MANAGEMENT

ALL ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 4	CORE	OO 3	N/A	PUBLIC	All asset classes	GENERAL

What are your total assets under management (AUM) at the end of the reporting year, as indicated in [OO 1]?

USD

(A) AUM of your organisation,
including subsidiaries, and
excluding the AUM subject to
execution, advisory, custody, or
research advisory only US\$ 181,199,000,000.00

(B) AUM of subsidiaries that are
PRI signatories in their own right
and excluded from this
submission, as indicated in [OO
2.2] US\$ 0.00

(C) AUM subject to execution,
advisory, custody, or research
advisory only US\$ 956,000,000,000.00

Additional information on the exchange rate used: (Voluntary)

AUM excludes derivatives overlay AUM of USD95.3bn

ASSET BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5	CORE	OO 3	Multiple indicators	PUBLIC	Asset breakdown	GENERAL

Provide a percentage breakdown of your total AUM at the end of the reporting year as indicated in [OO 1].

(1) Percentage of Internally managed AUM (2) Percentage of Externally managed AUM

(A) Listed equity	>10-50%	>10-50%
(B) Fixed income	>0-10%	>10-50%
(C) Private equity	0%	>0-10%
(D) Real estate	0%	>0-10%
(E) Infrastructure	0%	>0-10%
(F) Hedge funds	0%	>0-10%
(G) Forestry	0%	0%
(H) Farmland	0%	0%
(I) Other	0%	>0-10%
(J) Off-balance sheet	>0-10%	0%

(I) Other - (2) Percentage of Externally managed AUM - Specify:

Commodities, currency, cash, other alternatives

(J) Off-balance sheet - (1) Percentage of Internally managed AUM - Specify:

Commodities, currency, cash, other alternatives

ASSET BREAKDOWN: EXTERNALLY MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.1	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a further breakdown of your organisation's externally managed listed equity and/or fixed income AUM.

	(1) Listed equity	(2) Fixed income - SSA	(3) Fixed income - corporate	(4) Fixed income - securitised	(5) Fixed income - private debt
(A) Active	>75%	>50-75%	>10-50%	0%	0%
(B) Passive	0%	0%	0%		

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.2	CORE	OO 5, OO 5.1	SAM 3, SAM 8	PUBLIC	Asset breakdown: Externally managed assets	GENERAL

Provide a breakdown of your organisation's externally managed AUM between segregated mandates and pooled funds or investments.

	(1) Segregated mandate(s)	(2) Pooled fund(s) or pooled investment(s)
(A) Listed equity - active	>10-50%	>50-75%
(C) Fixed income - active	>10-50%	>50-75%
(E) Private equity	>10-50%	>50-75%
(F) Real estate	>10-50%	>50-75%
(G) Infrastructure	>0-10%	>75%
(H) Hedge funds	>75%	>0-10%

ASSET BREAKDOWN: INTERNALLY MANAGED LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 LE	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed listed equity	GENERAL

Provide a further breakdown of your internally managed listed equity AUM.

- (A) Passive equity 0%
- (B) Active – quantitative >10-50%
- (C) Active – fundamental >50-75%
- (D) Other strategies 0%

ASSET BREAKDOWN: INTERNALLY MANAGED FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 5.3 FI	CORE	OO 5	Multiple	PUBLIC	Asset breakdown: Internally managed fixed income	GENERAL

Provide a further breakdown of your internally managed fixed income AUM.

- (A) Passive – SSA >0-10%
- (B) Passive – corporate >0-10%
- (C) Active – SSA >50-75%
- (D) Active – corporate >10-50%
- (E) Securitised 0%

(F) Private debt 0%

MANAGEMENT BY PRI SIGNATORIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 6	CORE	OO 5	N/A	PUBLIC	Management by PRI signatories	GENERAL

What percentage of your organisation's externally managed assets are managed by PRI signatories?

>75%

GEOGRAPHICAL BREAKDOWN

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 7	CORE	Multiple, see guidance	N/A	PUBLIC	Geographical breakdown	GENERAL

How much of your AUM in each asset class is invested in emerging markets and developing economies?

AUM in Emerging Markets and Developing Economies

(A) Listed equity	(2) >0 to 10%
(B) Fixed income – SSA	(2) >0 to 10%
(C) Fixed income – corporate	(2) >0 to 10%
(F) Private equity	(1) 0%
(G) Real estate	(1) 0%
(H) Infrastructure	(1) 0%
(I) Hedge funds	(1) 0%

STEWARDSHIP

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 8	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship	GENERAL

Does your organisation conduct stewardship activities, excluding (proxy) voting, for any of your assets?

	(1) Listed equity - active	(3) Fixed income - active	(4) Fixed income - passive	(5) Private equity
(A) Yes, through internal staff	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	(6) Real estate	(7) Infrastructure	(8) Hedge funds	(11) Other
(A) Yes, through internal staff	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(C) Yes, through external managers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) We do not conduct stewardship	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9 HF	CORE	OO 5	OO 9	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation have direct investments in listed equity across your hedge fund strategies?

- (A) Yes
- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Stewardship: (Proxy) voting	GENERAL

Does your organisation conduct (proxy) voting activities for any of your listed equity holdings?

(1) Listed equity - active

(A) Yes, through internal staff	<input checked="" type="checkbox"/>
(B) Yes, through service providers	<input type="checkbox"/>
(C) Yes, through external managers	<input type="checkbox"/>
(D) We do not conduct (proxy) voting	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 9.1	CORE	OO 9	PGS 10.1, PGS 31	PUBLIC	Stewardship: (Proxy) voting	GENERAL

For each asset class, on what percentage of your listed equity holdings do you have the discretion to vote?

Percentage of your listed equity holdings over which you have the discretion to vote

(A) Listed equity – active (11) >90 to <100%

ESG INCORPORATION

INTERNAL MANAGED ASSETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 11	CORE	Multiple, see guidance	Multiple indicators	PUBLIC	Internally managed assets	1

For each internally managed asset class, does your organisation incorporate ESG factors into your investment decisions?

(1) Yes, we incorporate ESG factors into our investment decisions

(2) No, we do not incorporate ESG factors into our investment decisions

(B) Listed equity - active - quantitative

(C) Listed equity - active - fundamental

(E) Fixed income - SSA

(F) Fixed income - corporate

EXTERNAL MANAGER SELECTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 12	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager selection	1

For each externally managed asset class, does your organisation incorporate ESG factors when selecting external investment managers?

	(1) Yes, we incorporate ESG factors when selecting external investment managers	(2) No, we do not incorporate ESG factors when selecting external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Commodities, currency, cash, other alternatives	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER APPOINTMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 13	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager appointment	1

For each externally managed asset class, does your organisation incorporate ESG factors when appointing external investment managers?

	(1) Yes, we incorporate ESG factors when appointing external investment managers	(2) No, we do not incorporate ESG factors when appointing external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Commodities, currency, cash, other alternatives	<input checked="" type="radio"/>	<input type="radio"/>

EXTERNAL MANAGER MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 14	CORE	OO 5, OO 5.1	Multiple indicators	PUBLIC	External manager monitoring	1

For each externally managed asset class, does your organisation incorporate ESG factors when monitoring external investment managers?

	(1) Yes, we incorporate ESG factors when monitoring external investment managers	(2) No, we do not incorporate ESG factors when monitoring external investment managers
(A) Listed equity - active	<input checked="" type="radio"/>	<input type="radio"/>
(C) Fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>
(E) Private equity	<input checked="" type="radio"/>	<input type="radio"/>
(F) Real estate	<input checked="" type="radio"/>	<input type="radio"/>
(G) Infrastructure	<input checked="" type="radio"/>	<input type="radio"/>
(H) Hedge funds	<input checked="" type="radio"/>	<input type="radio"/>
(K) Other: Commodities, currency, cash, other alternatives	<input checked="" type="radio"/>	<input type="radio"/>

ESG IN OTHER ASSET CLASSES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 15	CORE	OO 11, OO 12–14	N/A	PUBLIC	ESG in other asset classes	1

Describe how your organisation incorporates ESG factors into the following asset classes.

- Externally managed
- (F) Other

ESG issues are incorporated into our research through our investment manager evaluation process, where the ESG information is considered a key driver of our ranks, alongside other investment components including portfolio construction, research, risk management, organizational structure and staffing.

ESG STRATEGIES

LISTED EQUITY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 LE	CORE	OO 11	OO 17.1 LE, LE 12	PUBLIC	Listed equity	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active listed equity?

Percentage out of total internally managed active listed equity

- | | |
|-------------------------------|---------|
| (A) Screening alone | 0% |
| (B) Thematic alone | 0% |
| (C) Integration alone | >10-50% |
| (D) Screening and integration | >10-50% |
| (E) Thematic and integration | 0% |
| (F) Screening and thematic | 0% |

(G) All three approaches combined >10-50%

(H) None 0%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 LE	CORE	OO 17 LE	LE 9	PUBLIC	Listed equity	1

What type of screening does your organisation use for your internally managed active listed equity assets where a screening approach is applied?

Percentage coverage out of your total listed equity assets where a screening approach is applied

(A) Positive/best-in-class screening only 0%

(B) Negative screening only >75%

(C) A combination of screening approaches 0%

FIXED INCOME

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17 FI	CORE	OO 5.3 FI, OO 11	Multiple, see guidance	PUBLIC	Fixed income	1

Which ESG incorporation approach and/or combination of approaches does your organisation apply to your internally managed active fixed income?

(1) Fixed income - SSA (2) Fixed income - corporate

(A) Screening alone 0% 0%

(B) Thematic alone 0% 0%

(C) Integration alone	0%	0%
(D) Screening and integration	0%	>10-50%
(E) Thematic and integration	0%	0%
(F) Screening and thematic	0%	0%
(G) All three approaches combined	0%	0%
(H) None	>75%	>75%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 17.1 FI	CORE	OO 17 FI	N/A	PUBLIC	Fixed income	1

What type of screening does your organisation use for your internally managed active fixed income where a screening approach is applied?

(2) Fixed income - corporate

(A) Positive/best-in-class screening only	0%
(B) Negative screening only	>75%
(C) A combination of screening approaches	0%

ESG/SUSTAINABILITY FUNDS AND PRODUCTS

LABELLING AND MARKETING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18	CORE	OO 11–14	OO 18.1	PUBLIC	Labelling and marketing	1

Do you explicitly market any of your products and/or funds as ESG and/or sustainable?

- (A) Yes, we market products and/or funds as ESG and/or sustainable

Provide the percentage of AUM that your ESG and/or sustainability-marketed products or funds represent:

>10-50%

- (B) No, we do not offer products or funds explicitly marketed as ESG and/or sustainable
- (C) Not applicable; we do not offer products or funds

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 18.1	CORE	OO 18	OO 18.2	PUBLIC	Labelling and marketing	1

Do any of your ESG and/or sustainability-marketed products and/or funds hold formal ESG and/or RI certification(s) or label(s) awarded by a third party?

- (A) Yes, our ESG and/or sustainability-marketed products and/or funds hold formal labels or certifications
- (B) No, our ESG and/or sustainability-marketed products and/or funds do not hold formal labels or certifications

PASSIVE INVESTMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 19	CORE	OO 5.3 FI, OO 11	LE 8, FI 10	PUBLIC	Passive investments	1

What percentage of your total internally managed passive listed equity and/or fixed income passive AUM utilise an ESG index or benchmark?

Percentage of AUM that utilise an ESG index or benchmark

(B) Fixed income - passive	0%
----------------------------	----

SUMMARY OF REPORTING REQUIREMENTS

SUMMARY OF REPORTING REQUIREMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 21	CORE	Multiple indicators	Multiple indicators	PUBLIC	Summary of reporting requirements	GENERAL
The following table shows which modules are mandatory or voluntary to report on in the separate PRI asset class modules. Where a module is voluntary, indicate if you wish to report on it.						
Applicable modules		(1) Mandatory to report (pre-filled based on previous responses)	(2.1) Voluntary to report. Yes, I want to opt-in to reporting on the module	(2.2) Voluntary to report. No, I want to opt-out of reporting on the module		
Policy, Governance and Strategy		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
Confidence Building Measures		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
(B) Listed equity – active – quantitative		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
(C) Listed equity – active – fundamental		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
(E) Fixed income – SSA		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
(F) Fixed income – corporate		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		
(T) External manager selection, appointment and monitoring (SAM) – listed equity - active		<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>		

(V) External manager selection, appointment and monitoring (SAM) – fixed income - active	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
(X) External manager selection, appointment and monitoring (SAM) – private equity	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(Y) External manager selection, appointment and monitoring (SAM) – real estate	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(Z) External manager selection, appointment and monitoring (SAM) – infrastructure	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
(AA) External manager selection, appointment and monitoring (SAM) – hedge funds	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

SUBMISSION INFORMATION

REPORT DISCLOSURE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
OO 32	CORE	OO 3, OO 31	N/A	PUBLIC	Report disclosure	GENERAL

How would you like to disclose the detailed percentage figures you reported throughout the Reporting Framework?

- (A) Publish as absolute numbers
- (B) Publish as ranges

POLICY, GOVERNANCE AND STRATEGY (PGS)

POLICY

RESPONSIBLE INVESTMENT POLICY ELEMENTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 1	CORE	OO 8, OO 9	Multiple indicators	PUBLIC	Responsible investment policy elements	1, 2

Which elements are covered in your formal responsible investment policy(ies)?

- (A) Overall approach to responsible investment
- (B) Guidelines on environmental factors
- (C) Guidelines on social factors
- (D) Guidelines on governance factors
- (E) Guidelines on sustainability outcomes
- (F) Guidelines tailored to the specific asset class(es) we hold
- (G) Guidelines on exclusions
- (H) Guidelines on managing conflicts of interest related to responsible investment
- (I) Stewardship: Guidelines on engagement with investees
- (J) Stewardship: Guidelines on overall political engagement
- (K) Stewardship: Guidelines on engagement with other key stakeholders
- (L) Stewardship: Guidelines on (proxy) voting
- (M) Other responsible investment elements not listed here
- (N) Our organisation does not have a formal responsible investment policy and/or our policy(ies) do not cover any responsible investment elements

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 2	CORE	PGS 1	Multiple, see guidance	PUBLIC	Responsible investment policy elements	1

Does your formal responsible investment policy(ies) include specific guidelines on systematic sustainability issues?

- (A) Specific guidelines on climate change (may be part of guidelines on environmental factors)
- (B) Specific guidelines on human rights (may be part of guidelines on social factors)
- (C) Specific guidelines on other systematic sustainability issues

Specify:

Natural capital, UN Global Compact, Governance

- (D) Our formal responsible investment policy(ies) does not include guidelines on systematic sustainability issues

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 3	CORE	PGS 1, PGS 2	N/A	PUBLIC	Responsible investment policy elements	6

Which elements of your formal responsible investment policy(ies) are publicly available?

(A) Overall approach to responsible investment

Add link:

<https://russellinvestments.com/-/media/files/emea/about/investment-stewardship-report.pdf>

(B) Guidelines on environmental factors

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-engagement-policy.pdf>

(C) Guidelines on social factors

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-engagement-policy.pdf>

(D) Guidelines on governance factors

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-engagement-policy.pdf>

(E) Guidelines on sustainability outcomes

Add link:

<https://russellinvestments.com/de/about-us/newsroom/2021/russell-investments-announces-net-zero-carbon-emissions-goal>

(F) Specific guidelines on climate change (may be part of guidelines on environmental factors)

Add link:

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climate-related-financial-disclosures-tcfd-report.pdf>

(H) Specific guidelines on other systematic sustainability issues

Add link:

<https://russellinvestments.com/-/media/files/emea/about/investment-stewardship-report.pdf>

(I) Guidelines tailored to the specific asset class(es) we hold

(J) Guidelines on exclusions

(K) Guidelines on managing conflicts of interest related to responsible investment

Add link:

<https://russellinvestments.com/-/media/files/emea/about/investment-stewardship-report.pdf>

(L) Stewardship: Guidelines on engagement with investees

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-engagement-policy.pdf>

(N) Stewardship: Guidelines on engagement with other key stakeholders

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-engagement-policy.pdf>

(O) Stewardship: Guidelines on (proxy) voting

Add link:

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-proxy-voting-guidelines.pdf>

- (Q) No elements of our formal responsible investment policy(ies) are publicly available

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 4	PLUS	PGS 1	N/A	PUBLIC	Responsible investment policy elements	1 – 6

Does your formal responsible investment policy(ies) identify a link between your responsible investment activities and your fiduciary duties or equivalent obligations?

(A) Yes

Elaborate:

As a global investment solutions provider, we firmly believe that the inclusion of ESG factors can provide investors with valuable insights into the long-term sustainability and profitability of companies. We recognize that responsible investing not only helps deliver attractive investment returns but also aligns with our clients' objectives.

Our Responsible Investing Policy is as follows:

"Russell Investments' policy is to integrate responsible investing throughout our investment manager evaluation process, portfolio management, advisory services, and when implementing proprietary solutions as desired by clients.

Responsible investment entails considering environmental, social and governance (ESG) issues when making investment decisions and leveraging active ownership to more effectively manage risk and generate sustainable, long-term returns. Our approach in all cases is guided by our fiduciary duty."

At our firm, we view sustainable investing as intelligent investing, and we have built our responsible investing practice on our four core beliefs, as described in our Investment Stewardship Report:

- ESG factors impact security prices
- A deep understanding of how ESG factors impact security prices is value-adding to a skillful investment process
- Active ownership is an effective tool for improving investment outcomes
- Embedding ESG considerations into a firm's culture and process improves the likelihood of prolonged and successful investing

Our professionals possess a deep understanding of how sustainability issues impact the financial performance of various investments across asset classes, and their aim is to identify and act on material financial risks and opportunities.

We believe that companies with robust ESG practices are more likely to mitigate governance and environmental risks, enhance their brand reputation, attract top talent, and maintain stronger stakeholder relationships, all of which contribute to their long-term financial resilience.

- (B) No

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 5	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Which elements are covered in your organisation's policy(ies) or guidelines on stewardship?

- (A) Overall stewardship objectives
- (B) Prioritisation of specific ESG factors to be advanced via stewardship activities
- (C) Criteria used by our organisation to prioritise the investees, policy makers, key stakeholders, or other entities on which to focus our stewardship efforts
- (D) How different stewardship tools and activities are used across the organisation
- (E) Approach to escalation in stewardship
- (F) Approach to collaboration in stewardship
- (G) Conflicts of interest related to stewardship
- (H) How stewardship efforts and results are communicated across the organisation to feed into investment decision-making and vice versa
- (I) Other
- (J) None of the above elements is captured in our policy(ies) or guidelines on stewardship

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 6	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy elements	2

Does your policy on (proxy) voting include voting principles and/or guidelines on specific ESG factors?

- (A) Yes, it includes voting principles and/or guidelines on specific environmental factors
- (B) Yes, it includes voting principles and/or guidelines on specific social factors
- (C) Yes, it includes voting principles and/or guidelines on specific governance factors
- (D) Our policy on (proxy) voting does not include voting principles or guidelines on specific ESG factors

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 7	CORE	OO 9	N/A	PUBLIC	Responsible investment policy elements	2

Does your organisation have a policy that states how (proxy) voting is addressed in your securities lending programme?

- (A) We have a publicly available policy to address (proxy) voting in our securities lending programme

Add link(s):

<https://russellinvestments.com/-/media/files/emea/legal/russell-investments-proxy-voting-guidelines.pdf>

- (B) We have a policy to address (proxy) voting in our securities lending programme, but it is not publicly available
- (C) We rely on the policy of our external service provider(s)
- (D) We do not have a policy to address (proxy) voting in our securities lending programme
- (E) Not applicable; we do not have a securities lending programme

RESPONSIBLE INVESTMENT POLICY COVERAGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 8	CORE	PGS 1	N/A	PUBLIC	Responsible investment policy coverage	1

What percentage of your total AUM is covered by the below elements of your responsible investment policy(ies)?

Combined AUM coverage of all policy elements

- (A) Overall approach to responsible investment
(B) Guidelines on environmental factors
(C) Guidelines on social factors
(D) Guidelines on governance factors
- (7) 100%

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 9	CORE	PGS 2	N/A	PUBLIC	Responsible investment policy coverage	1

What proportion of your AUM is covered by your formal policies or guidelines on climate change, human rights, or other systematic sustainability issues?

AUM coverage

(A) Specific guidelines on climate change (1) for all of our AUM

(C) Specific guidelines on other systematic sustainability issues (1) for all of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10	CORE	OO 8, OO 9, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

Per asset class, what percentage of your AUM is covered by your policy(ies) or guidelines on stewardship with investees?

(A) Listed equity

- (1) Percentage of AUM covered
 - (1) >0% to 10%
 - (2) >10% to 20%
 - (3) >20% to 30%
 - (4) >30% to 40%
 - (5) >40% to 50%
 - (6) >50% to 60%
 - (7) >60% to 70%
 - (8) >70% to 80%
 - (9) >80% to 90%
 - (10) >90% to <100%
 - (11) 100%

(B) Fixed income

- (1) Percentage of AUM covered
 - (1) >0% to 10%
 - (2) >10% to 20%
 - (3) >20% to 30%
 - (4) >30% to 40%
 - (5) >40% to 50%
 - (6) >50% to 60%
 - (7) >60% to 70%
 - (8) >70% to 80%
 - (9) >80% to 90%
 - (10) >90% to <100%
 - (11) 100%

(C) Private equity

- (1) Percentage of AUM covered
 - (1) >0% to 10%
 - (2) >10% to 20%
 - (3) >20% to 30%
 - (4) >30% to 40%
 - (5) >40% to 50%
 - (6) >50% to 60%
 - (7) >60% to 70%
 - (8) >70% to 80%

- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(D) Real estate

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(E) Infrastructure

(1) Percentage of AUM covered

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

(F) Hedge funds

(I) Other

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 10.1	CORE	OO 9.1, PGS 1	N/A	PUBLIC	Responsible investment policy coverage	2

What percentage of your listed equity holdings is covered by your guidelines on (proxy) voting?

(A) Actively managed listed equity

(1) Percentage of your listed equity holdings over which you have the discretion to vote

- (1) >0% to 10%
- (2) >10% to 20%
- (3) >20% to 30%
- (4) >30% to 40%
- (5) >40% to 50%
- (6) >50% to 60%
- (7) >60% to 70%
- (8) >70% to 80%
- (9) >80% to 90%
- (10) >90% to <100%
- (11) 100%

GOVERNANCE

ROLES AND RESPONSIBILITIES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11	CORE	N/A	Multiple indicators	PUBLIC	Roles and responsibilities	1

Which senior level body(ies) or role(s) in your organisation have formal oversight over and accountability for responsible investment?

- (A) Board members, trustees, or equivalent**
- (B) Senior executive-level staff, or equivalent**

Specify:

CIO and President

- (C) Investment committee, or equivalent**

Specify:

ID Responsible Investing Council (IDRIC)

Russell Investments' (IDRIC) is the principal body of responsible investing experts at Russell Investments. The Council is responsible for devising and leading the Investment Division's (ID) response to a broad set of challenges and requirements emanating from our clients, our business strategy, and a changing regulatory environment. The IDRIC, which reports to the ISC, guides the ID's responsible investment practice across our investment process.

- (D) Head of department, or equivalent**

Specify department:

Head ESG, Investment Management

- (E) None of the above bodies and roles have oversight over and accountability for responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.1	CORE	PGS 1, PGS 2, PGS 11	N/A	PUBLIC	Roles and responsibilities	1, 2

Does your organisation's senior level body(ies) or role(s) have formal oversight over and accountability for the elements covered in your responsible investment policy(ies)?

	(1) Board members, trustees, or equivalent	(2) Senior executive-level staff, investment committee, head of department, or equivalent
(A) Overall approach to responsible investment	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(B) Guidelines on environmental, social and/or governance factors	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Guidelines on sustainability outcomes	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Specific guidelines on climate change (may be part of guidelines on environmental factors)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Specific guidelines on other systematic sustainability issues	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Guidelines tailored to the specific asset class(es) we hold	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(H) Guidelines on exclusions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(I) Guidelines on managing conflicts of interest related to responsible investment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(J) Stewardship: Guidelines on engagement with investees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(L) Stewardship: Guidelines on engagement with other key stakeholders	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(M) Stewardship: Guidelines on (proxy) voting	<input type="checkbox"/>	<input checked="" type="checkbox"/>

(N) This role has no formal oversight over and accountability for any of the above elements covered in our responsible investment policy(ies)

○

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 11.2	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1 – 6

Does your organisation have governance processes or structures to ensure that your overall political engagement is aligned with your commitment to the principles of PRI, including any political engagement conducted by third parties on your behalf?

Ⓐ (A) Yes

Describe how you do this:

The Investment Division (ID) is responsible for undertaking all investment activities for clients. The ID is governed by the Investment Strategy Committee (ISC), which is authorized by the Executive Committee (EC) to oversee investment activities, review investment performance, and establish investment policy and strategy. The ISC is responsible for processes and standards of stewardship practice, with a focus on active ownership and creating long-term value through appropriate decision making around allocations and risk management. As regulatory standards and industry practices evolve, the ISC seeks to continually update investment processes, including stewardship practices.

The ISC's members comprise the Global Chief Investment Officer, who serves as the Chairperson, and senior ID and risk professionals.

The ISC delegates to numerous sub-committees to review and recommend proposals to create new investment products, launch new funds and hire/terminate investment managers.

Within the ID, our Active Ownership Committee manages a globally consistent and rigorous approach to proxy voting and engagement activities. The Active Ownership Team oversees our proxy voting policies, procedures, guidelines and voting decisions, whilst continuing to develop our processes to meet evolving client needs and expectations. The Active Ownership Committee is made up of tenured and experienced Russell Investments professionals from a variety of roles, including portfolio management, manager research and investment strategy.

All proxy voting and engagement activities are advised by a member of Russell Investments' legal team.

When an opportunity is identified from a political engagement perspective, the Active Ownership Committee is required to seek approval from the ISC. We have legal and compliance representation across our governance bodies ensure compliance with regulatory and legal standards

Russell Investments' Board of Directors has ultimate responsibility for the strategic priority, corporate governance, and long-term stewardship of the firm.

○ (B) No

○ (C) Not applicable, our organisation does not conduct any form of political engagement directly or through any third parties

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 12	CORE	N/A	N/A	PUBLIC	Roles and responsibilities	1

In your organisation, which internal or external roles are responsible for implementing your approach to responsible investment?

(A) Internal role(s)

Specify:

The Investment Division is governed by the Investment Strategy Committee (ISC), which is authorized by the EC to oversee investment activities, review investment performance, and establish investment policy and strategy - The ISC is responsible for processes and standards of stewardship practice, with a focus on active ownership and creating long-term value through appropriate decision making around allocations and risk management.

(B) External investment managers, service providers, or other external partners or suppliers

Specify:

Russell Investments' portfolio managers select active managers from among those ranked highly by our manager research teams. The Investment Strategy Committee confirm that sub-advisers selected by portfolio managers have sufficient and appropriate ESG capabilities as needed for each client solution
Analysts leverage both quantitative and qualitative information in conducting each review, drawing on external data and research from providers including Sustainalytics and MSCI.

- (C) We do not have any internal or external roles with responsibility for implementing responsible investment

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 13	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your board members, trustees, or equivalent?

- (A) Yes, we use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent
- **(B) No, we do not use responsible investment KPIs to evaluate the performance of our board members, trustees, or equivalent**

Explain why: (Voluntary)

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 14	CORE	PGS 11	N/A	PUBLIC	Roles and responsibilities	1

Does your organisation use responsible investment KPIs to evaluate the performance of your senior executive-level staff (or equivalent), and are these KPIs linked to compensation?

(A) Yes, we use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

Indicate whether these responsible investment KPIs are linked to compensation

(1) KPIs are linked to compensation

- (2) KPIs are not linked to compensation as these roles do not have variable compensation
- (3) KPIs are not linked to compensation even though these roles have variable compensation

Describe: (Voluntary)

As a global organization, we have made the consideration of ESG and effective stewardship across all investment decisions a key objective. Senior portfolio managers are compensated based upon a combination of factors which encompass their success in delivering desired investment outcomes to clients, while effectively contributing to investment processes and providing suitable levels of stewardship of client assets. Within that overarching evaluation framework, portfolio managers are required to consider ESG factors and stewardship in evaluating and selecting sub-advisers, as well as evaluating ESG risks and exposures at the total portfolio level and pursuing engagement opportunities. Portfolio managers' effective incorporation of these factors is explicitly measured, included in annual assessments, and linked to compensation.

In addition to senior portfolio managers, all associates with specific responsibilities for ESG, stewardship and climate change have annual performance goals aligned with the success of the integration of these topics. These goals include evolving our responsible investing and stewardship practices to be in line with global standards; collaborating with leading industry bodies to advance industry frameworks; driving our engagement practices; and research and development. All these items are aimed at delivering robust stewardship practices to meet our clients' objectives. Success in meeting these specific stewardship and ESG-related performance goals is linked to remuneration.

- (B) No, we do not use responsible investment KPIs to evaluate the performance of our senior executive-level staff (or equivalent)

EXTERNAL REPORTING AND DISCLOSURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 16	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

What elements are included in your regular reporting to clients and/or beneficiaries for the majority of your AUM?

- (A) Any changes in policies related to responsible investment
- (B) Any changes in governance or oversight related to responsible investment
- (C) Stewardship-related commitments
- (D) Progress towards stewardship-related commitments
- (E) Climate-related commitments
- (F) Progress towards climate-related commitments
- (G) Human rights-related commitments
- (H) Progress towards human rights-related commitments
- (I) Commitments to other systematic sustainability issues
- (J) Progress towards commitments on other systematic sustainability issues
- (K) We do not include any of these elements in our regular reporting to clients and/or beneficiaries for the majority of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 17	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose climate-related information in line with the Task Force on Climate-Related Financial Disclosures' (TCFD) recommendations?

- (A) Yes, including all governance-related recommended disclosures
- (B) Yes, including all strategy-related recommended disclosures
- (C) Yes, including all risk management-related recommended disclosures
- (D) Yes, including all applicable metrics and targets-related recommended disclosures
- (E) None of the above

Add link(s):

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climate-related-financial-disclosures-tcfd-report.pdf>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 19	CORE	N/A	N/A	PUBLIC	External reporting and disclosures	6

During the reporting year, did your organisation publicly disclose its membership in and support for trade associations, think tanks or similar bodies that conduct any form of political engagement?

(A) Yes, we publicly disclosed our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement

Add link(s):

<https://russellinvestments.com/-/media/files/emea/about/investment-stewardship-report.pdf>

- (B) No, we did not publicly disclose our membership in and support for trade associations, think tanks, or similar bodies that conduct any form of political engagement
- (C) Not applicable, we were not members in or supporters of any trade associations, think tanks, or similar bodies that conduct any form of political engagement during the reporting year

STRATEGY

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 20	CORE	N/A	N/A	PUBLIC	Capital allocation	1

Which elements do your organisation-level exclusions cover?

- (A) Exclusions based on our organisation's values or beliefs regarding particular sectors, products or services
- (B) Exclusions based on our organisation's values or beliefs regarding particular regions or countries
- (C) Exclusions based on minimum standards of business practice aligned with international norms such as the OECD Guidelines for Multinational Enterprises, the International Bill of Human Rights, UN Security Council sanctions or the UN Global Compact
- (D) Exclusions based on our organisation's climate change commitments
- (E) Other elements

Specify:

In our global exclusion policy, we have identified five broad types of exclusions that may be applied to our investment solutions :

- a) Exclusions for ESG-oriented solutions
- b) Client-, market-, or style- exclusions
- c) Regulatory exclusions
- d) Engagement-based exclusions
- e) Exclusions based on exceptional market circumstances

- (F) Not applicable; our organisation does not have any organisation-level exclusions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 21	CORE	N/A	N/A	PUBLIC	Capital allocation	1

How does your responsible investment approach influence your strategic asset allocation process?

(A) We incorporate ESG factors into our assessment of expected asset class risks and returns

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

(B) We incorporate climate change-related risks and opportunities into our assessment of expected asset class risks and returns

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

(C) We incorporate human rights-related risks and opportunities into our assessment of expected asset class risks and returns

(D) We incorporate risks and opportunities related to other systematic sustainability issues into our assessment of expected asset class risks and returns

Select from dropdown list:

- (1) for all of our AUM subject to strategic asset allocation
- (2) for a majority of our AUM subject to strategic asset allocation
- (3) for a minority of our AUM subject to strategic asset allocation

Specify: (Voluntary)

On an annual basis, Russell Investments updates its Enterprise Risk Assessment, which includes a list of market-wide and systemic risks identified by Russell Investments' Global Risk Management Team. Each identified event is given a rating across two dimensions namely likelihood and severity. As of year-end 2022, the risks with the largest combined scores were:

- Illiquidity Risk
- Policy Exhaustion
- Pandemic
- Factor crowding investing
- Trade-and currency wars
- Technological advances
- Cold War 2.0
- Correlation shock
- Climate risk including transition risk and physical risk

Once risks/events are identified, steps are taken to evaluate whether these risks should be monitored and/or mitigated.

Where required, this may include recommending new risk monitoring procedures or changes in portfolios to track or address the potential impact of the risk.

Russell Investments has partnered with an external specialist climate risk provider to enhance our climate modelling toolkit.

We will continue to produce baseline CMAs that use historical long-run economic and financial data (referred to as "climate-agnostic CMAs"), and then "shocking" the CMAs based on different climate scenarios and their potential economic and financial impact (referred to as "climate-adjusted CMAs"). This enables us to compare the potential portfolio impact of different climate scenarios across asset classes and exposures. We have used our climate-adjusted CMAs to support clients who want to further understand the impact of various climate scenarios on their asset allocation decision.

- (E) We do not incorporate ESG factors, climate change, human rights or other systematic sustainability issues into our assessment of expected asset class risks and returns
- (F) Not applicable; we do not have a strategic asset allocation process

STEWARDSHIP: OVERALL STEWARDSHIP STRATEGY

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 22	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2
For the majority of AUM within each asset class, which of the following best describes your primary stewardship objective?						
		(1) Listed equity	(2) Fixed income	(3) Private equity	(4) Real estate	(5) Infrastructure (6) Hedge funds
(A) Maximise our portfolio-level risk-adjusted returns. In doing so, we seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.		●	●	●	●	●
(B) Maximise our individual investments' risk-adjusted returns. In doing so, we do not seek to address any risks to overall portfolio performance caused by individual investees' contribution to systematic sustainability issues.		○	○	○	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 23	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation, or the external service providers or external managers acting on your behalf, prioritise the investees or other entities on which to focus its stewardship efforts?

The exercise of active ownership is an important part of our investment responsibilities and decision-making process. As part of our stewardship activities, we aim to engage with companies on overall business strategy, capital allocation and ESG practices, while encouraging appropriate levels of risk mitigation. Through our engagement activities, we aim to promote changes by encouraging good practices on material issues that may protect and enhance long-term sustainable value creation and shareholder rights, and ultimately benefit our clients as the beneficiaries of our investments. Furthermore, through ongoing dialogue, we can better understand both the risk factors and potential return associated with the ownership of a company.

Our business model and service capabilities enable a multi-channel approach to stewardship, meaning that we engage directly with issuers, engage through and with our sub-adviser partners, and join collaborative engagement efforts with third-party market participants.

Further information can be found in our Engagement Policy document.

At Russell Investments, we hold thousands of securities on behalf of our clients. Our engagements are conducted to ensure broad consideration and consistent application of our processes across geographies, sectors and market cap. However, given the breadth of our investment operations and clients' interests, we leverage data and research to focus our efforts on the highest return or risk mitigation opportunities.

Russell Investments considers the following criteria when selecting targets for engagement:

- Russell Investments' ownership stake, as percent of shares outstanding and/or weight of fund exposure;
- Proxy voting history and management responsiveness to shareholder concerns;
- ESG analysis performed in-house and by third-party vendors of ESG metrics focusing on sub-industry peer comparison and ESG-related controversies;
- Research and analysis from Glass Lewis, our proxy voting administrator;
- Any history of previous engagement activity; and
- Opportunities highlighted by our sub-advisers.

Engagement targets are finalized using the input and insights of our portfolio management teams and approved by Russell Investments' Investment Strategy Committee.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Which of the following best describes your organisation's default position, or the position of the external service providers or external managers acting on your behalf, concerning collaborative stewardship efforts?

● (A) We recognise the value of collective action, and as a result, we prioritise collaborative stewardship efforts wherever possible

- (B) We collaborate on a case-by-case basis
- (C) Other
- (D) We do not join collaborative stewardship efforts

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 24.1	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Elaborate on your organisation's default position on collaborative stewardship, or the position of the external service providers or external investment managers acting on your behalf, including any other details on your overall approach to collaboration.

As a leading investment solutions partner with multi-asset and multi-manager capabilities, we leverage a broad set of relationships to exert influence and enable multiple levels of engagement. These relationships extend across and through our sub-advisers, standards setters, proxy and engagement service providers, other market participants and, of course, corporate issuers. These connections also provide information sharing and serve as an important feedback loop into our active ownership processes

We consider our sub-adviser relationships to be a strategically important element of our stewardship program.

As a manager-of-managers, we hire sub-advisers to play targeted, value-enhancing roles in our portfolios. We leverage these relationships to provide an informed and integrated approach to active ownership. Day-to-day they are routinely in close contact with our investee companies, so it is natural that their insights and recommendations regularly contribute to our engagement and voting priorities and decisions.

Regular discussions between our portfolio managers and our sub-advisers can validate the benefit of an engagement and inform our approach.

Through consultation with our sub-adviser partners, we determine whether joint outreach or separate but aligned efforts are more likely to be effective. Opportunities highlighted by our sub-advisers might reinforce engagement efforts that are already underway or prompt new, partnered engagement efforts with sub-adviser input and participation.

Since early 2020, Russell Investments has also leveraged a partnership with Sustainalytics for thematic and collaborative engagements. Sustainalytics' engagement programs enable participants to build relationships with a selected set of issuers to encourage action on specific issues in ways that promote long-term value.

Russell Investments has selected themes that align with our engagement focus areas, as outlined in our Investment Stewardship Report, in areas where Sustainalytics' expertise and access increases the likelihood of success. Across all five themes selected, our investment professionals participate directly in calls with the targeted companies.

Russell Investments' collaboration with Sustainalytics has materially broadened our scope of engagements. Sustainalytics thematic engagement programs are designed to run a three-year timeline with the purpose of influencing companies to proactively manage specific ESG risks and opportunities.

We actively collaborate in initiatives with industry participants, regulatory working groups, and other stakeholders to collectively deliver a well-functioning financial system.

For example, as members of the Climate Action 100+ initiative since early 2020, and in line with our Net Zero commitment, Russell Investments has engaged with a selected number of companies on climate transition to support the initiative's goal. To this end, during 2022 we have actively contributed to the working group in the respect of the companies we engage with.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 25	PLUS	OO 5, OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

Rank the channels that are most important for your organisation in achieving its stewardship objectives.

- (A) Internal resources, e.g. stewardship team, investment team, ESG team, or staff**

Select from the list:

1

- (B) External investment managers, third-party operators and/or external property managers, if applicable**

Select from the list:

2

- (C) External paid specialist stewardship services (e.g. engagement overlay services or, in private markets, sustainability consultants) excluding investment managers, real assets third-party operators, or external property managers**

Select from the list:

5

- (D) Informal or unstructured collaborations with investors or other entities**

Select from the list:

4

- (E) Formal collaborative engagements, e.g. PRI-coordinated collaborative engagements, Climate Action 100+, or similar**

Select from the list:

3

- (F) We do not use any of these channels

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 26	PLUS	OO 8, OO 9, PGS 1	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How does your organisation ensure that its policy on stewardship is implemented by the external service providers to which you have delegated stewardship activities?

- (A) Example(s) of measures taken when selecting external service providers:**

As a global organization, Russell Investments has longstanding experience of integrating with various internationally recognized outsourcing vendors and partners, alongside our internal resources, to improve the overall efficiency of our core services for clients. We engage with providers across our operational, information technology and financial service lines, for some of our middle and back-office support services. We maintain continuous oversight of our providers via service level agreements, formal relationship meetings and evaluations that incorporate performance metrics.

Russell Investments' vendor risk management framework utilizes a combination of decentralized vendor management, centralized risk management, and focused sourcing and procurement. Key components to managing vendors include business unit ownership of vendor activities, sourcing and procurement assistance, and risk management oversight.

(B) Example(s) of measures taken when designing engagement mandates and/or consultancy agreements for external service providers:

In 2022, following a review of systems that would allow us to analyze vendor spend data alongside metrics on diversity, our Global Sourcing and Procurement team implemented a product from Supplier.io, called Supplier Explorer. The tool identifies supplier diversity metrics within our existing spend data and allows us to search for other diverse suppliers as well. The tool has helped establish a baseline for reporting and transparency. We have also become a member of the Financial Services Roundtable for Supplier Diversity. This membership will allow us to obtain benchmarking and learn best practices that are specific to our industry. We continue to evaluate additional memberships with groups that certify, develop, and connect Minority Business Enterprises (MBEs) with major corporations and public agencies.

(C) Example(s) of measures taken when monitoring the stewardship activities of external service providers:

To ensure our process of delivering effective stewardship is of high standard, we regularly monitor and review the services of both Glass Lewis' and Sustainalytics'.

For proxy voting, an annual service review is conducted to include statistics of the previous year's vote activity and accuracy and timeliness from the Glass Lewis research team. Russell Investments tracks these statistics year-on-year to ensure consistent quality of service.

Members of the Active Ownership Committee also hold an annual meeting with Glass Lewis, addressing any concerns or updates regarding the services they provide.

Russell Investments has partnered with Sustainalytics as an engagement service provider because their model allows for close oversight and integration with our internal active ownership and investment processes. Our Active Ownership Team, under the oversight of the Active Ownership Committee, is responsible for the selection and monitoring of engagement themes. The team communicates regularly with Sustainalytics on the positioning of these themes, target company selection and on progress and outcomes. Additionally, portfolio managers and wider members of the ID regularly participate in direct company engagements led by Sustainalytics.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 27	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

How are your organisation's stewardship activities linked to your investment decision making, and vice versa?

As a function of our integrated approach, members of the investment division are trained to integrate ESG considerations and stewardship into our standard investment practice at all stages of our investment process where relevant to the service or asset class. Subject matter experts are embedded within our research, risk, analytics, quantitative and portfolio management teams, and work in close coordination with dedicated active ownership personnel. Our professionals understand the ways in which sustainability issues manifest in the financial performance of various investments across asset classes, and their aim is to identify and act on material, financial risks and opportunities.

Below, we describe how our responsible investing beliefs and policies translate into practice within our key investment capabilities.

Portfolio Management Process

Responsible investing is integrated throughout key elements of our investment process, including our manager research, portfolio management and portfolio construction activities. We believe that ESG considerations should sit alongside traditional assessments as a part of the overall strategy evaluation. Since 2014, our manager research analysts have evaluated how effectively investment managers incorporate ESG considerations into their investment process as a standard component of our diligence across all asset classes.

Analysts leverage both quantitative and qualitative information in conducting each review, drawing on external data and research from providers including Sustainalytics and MSCI.

Portfolio managers manage sustainability risks in our investment solutions through our quarterly and annual manager review process and through implementing proprietary solutions. Through a process we call 'Enhanced Oversight' (EO), portfolio management teams assess sustainability risks in funds and explain how those risks are being monitored and managed. Insights gathered in the EO process frequently inform our active ownership priorities and actions, and portfolio managers are regular engagement participants.

— Insight and Research

We tailor our research to evolve our understanding of sustainability risks and opportunities, and this is reflected in our strategy development, metrics, and reporting. The research agenda is tailored to address challenges faced by clients as well as an ongoing commitment to enhance our proprietary ESG strategies.

For example, we refined off-the-shelf ESG scores built for a wide range of uses, to focus on financially material ESG issues for use in our proprietary ESG strategy. While managing low carbon strategies, we found that several unintended consequences such as reduced exposure to renewable energy and overall increase in ESG-related risk were prevalent among simplistic approaches to carbon reduction, so we researched and implemented enhancements that better aligned with our clients' objectives including the introduction of a green energy ratio. As our clients faced regulatory pressure to introduce climate scenario analysis, we performed detailed due diligence on a dozen climate risk model providers, and onboarded our preferred provider to enable clients across our platform to meet this emerging obligation.

— Active Ownership

As part of our stewardship activities, we aim to engage with companies on overall business strategy, capital allocation, and environmental, social and governance practices while encouraging appropriate levels of risk mitigation in line with our engagement policy.

In addition, we promote transparency to support informed decision making and well-functioning financial markets by engaging specifically on ESG disclosures. While a number of criteria guide our selection of engagement opportunities, our evaluation of a company's sustainable risks is couched in its industry context, through the use of peer-relative metrics and qualitative comparisons. Members of the Active Ownership team work closely with portfolio managers during the Enhanced Oversight process to ensure effective integration of insights.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 28	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Overall stewardship strategy	2

If relevant, provide any further details on your organisation's overall stewardship strategy.

Full details of our stewardship approach can be found in our Investment Stewardship Report on our website.

STEWARDSHIP: (PROXY) VOTING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 29	CORE	OO 9, PGS 1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

When you use external service providers to give recommendations, how do you ensure those recommendations are consistent with your organisation's (proxy) voting policy?

- (A) Before voting is executed, we review external service providers' voting recommendations for controversial and high-profile votes**

Select from the below list:

- (1) in all cases**

- (2) in a majority of cases
- (3) in a minority of cases

- (B) Before voting is executed, we review external service providers' voting recommendations where the application of our voting policy is unclear**

Select from the below list:

- (1) in all cases**

- (2) in a majority of cases
- (3) in a minority of cases

- (D) We do not review external service providers' voting recommendations

- (E) Not applicable; we do not use external service providers to give voting recommendations

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 30	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

How is voting addressed in your securities lending programme?

- (A) We recall all securities for voting on all ballot items

- (B) When a vote is deemed important according to pre-established criteria (e.g. high stake in the company), we recall all our securities for voting**

Provide details on these criteria:

Our policy on securities lending, as it applies to proxy voting, ensures that we exercise voting rights on behalf of our clients. Glass Lewis, our proxy administrator, currently produces a weekly report of shares with upcoming proxy votes that meet pre-determined criteria for potential restriction and/or recall. Russell Investments' policy requires a restrict/recall action for issuers that are either (1) undergoing M&A activity, or (2) issuers for which Russell Investments holds >2% of overall shares outstanding. Additionally, the Active Ownership Committee has discretion to restrict securities on a case-by-case basis. We restrict these securities (either 15 business days out from the record date, or as soon as we are notified, whichever comes first) from being loaned before their record date, recalling any loans as necessary. The restriction is lifted one business day after the record date.

- (C) Other
- (D) We do not recall our securities for voting purposes
- (E) Not applicable; we do not have a securities lending programme

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 31	CORE	OO 9.1	N/A	PUBLIC	Stewardship: (Proxy) voting	2

For the majority of votes cast over which you have discretion to vote, which of the following best describes your decision making approach regarding shareholder resolutions (or that of your external service provider(s) if decision making is delegated to them)?

- (A) We vote in favour of resolutions expected to advance progress on our stewardship priorities, including affirming a company's good practice or prior commitment
- (B) We vote in favour of resolutions expected to advance progress on our stewardship priorities, but only if the investee company has not already publicly committed to the action(s) requested in the proposal
- (C) We vote in favour of shareholder resolutions only as an escalation measure
- (D) We vote in favour of the investee company management's recommendations by default
- (E) Not applicable; we do not vote on shareholder resolutions

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 32	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

During the reporting year, how did your organisation, or your external service provider(s), pre-declare voting intentions prior to voting in annual general meetings (AGMs) or extraordinary general meetings (EGMs)?

- (A) We pre-declared our voting intentions publicly through the PRI's vote declaration system on the Resolution Database
- (B) We pre-declared our voting intentions publicly by other means, e.g. through our website
- (C) We privately communicated our voting decision to investee companies prior to the AGM/EGM
- (D) We did not privately or publicly communicate our voting intentions prior to the AGM/EGM
- (E) Not applicable; we did not cast any (proxy) votes during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33	CORE	OO 9	PGS 33.1	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, do you publicly disclose your (proxy) voting decisions or those made on your behalf by your external service provider(s), company by company and in a central source?

(A) Yes, for all (proxy) votes

Add link(s):

<https://viewpoint.glasslewis.com/WD/?siteId=Russell%20Investments%20Proxy%20Voting>

(B) Yes, for the majority of (proxy) votes

(C) Yes, for a minority of (proxy) votes

(D) No, we do not publicly report our (proxy) voting decisions company-by-company and in a central source

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 33.1	CORE	PGS 33	N/A	PUBLIC	Stewardship: (Proxy) voting	2

In the majority of cases, how soon after an investee's annual general meeting (AGM) or extraordinary general meeting (EGM) do you publish your voting decisions?

(A) Within one month of the AGM/EGM

(B) Within three months of the AGM/EGM

(C) Within six months of the AGM/EGM

(D) Within one year of the AGM/EGM

(E) More than one year after the AGM/EGM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 34	CORE	OO 9	N/A	PUBLIC	Stewardship: (Proxy) voting	2

After voting has taken place, did your organisation, and/or the external service provider(s) acting on your behalf, communicate the rationale for your voting decisions during the reporting year?

	(1) In cases where we abstained or voted against management recommendations	(2) In cases where we voted against an ESG-related shareholder resolution
(A) Yes, we publicly disclosed the rationale		
(B) Yes, we privately communicated the rationale to the company	(3) for a minority of votes	(3) for a minority of votes
(C) We did not publicly or privately communicate the rationale, or we did not track this information	<input type="radio"/>	<input type="radio"/>
(D) Not applicable; we did not abstain or vote against management recommendations or ESG-related shareholder resolutions during the reporting year	<input type="radio"/>	<input type="radio"/>

STEWARDSHIP: ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 36	CORE	OO 8, OO 9	N/A	PUBLIC	Stewardship: Escalation	2

For your listed equity holdings, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

	(1) Listed equity	(2) Direct listed equity holdings in hedge fund portfolios
(A) Joining or broadening an existing collaborative engagement or creating a new one	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Filing, co-filing, and/or submitting a shareholder resolution or proposal	<input type="checkbox"/>	<input type="checkbox"/>

(C) Publicly engaging the entity, e.g. signing an open letter	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Voting against the re-election of one or more board directors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) Voting against the chair of the board of directors, or equivalent, e.g. lead independent director	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(F) Divesting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(G) Litigation	<input type="checkbox"/>	<input type="checkbox"/>
(H) Other	<input type="checkbox"/>	<input type="checkbox"/>
(I) In the past three years, we did not use any of the above escalation measures for our listed equity holdings	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 37	CORE	Multiple, see guidance	N/A	PUBLIC	Stewardship: Escalation	2

For your corporate fixed income assets, what escalation measures did your organisation, or the external investment managers or service providers acting on your behalf, use in the past three years?

- (A) Joining or broadening an existing collaborative engagement or creating a new one
- (B) Publicly engaging the entity, e.g. signing an open letter
- (C) Not investing
- (D) Reducing exposure to the investee entity
- (E) Divesting
- (F) Litigation
- (G) Other
- (H) In the past three years, we did not use any of the above escalation measures for our corporate fixed income assets

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39	CORE	OO 8, OO 9	PGS 39.1, PGS 39.2	PUBLIC	Stewardship: Engagement with policy makers	2

Did your organisation, or the external investment managers or service providers acting on your behalf, engage with policy makers as part of your responsible investment approach during the reporting year?

- (A) Yes, we engaged with policy makers directly
- (B) Yes, we engaged with policy makers through the leadership of or active participation in working groups or collaborative initiatives, including via the PRI
- (C) Yes, we were members of, supported, or were in another way affiliated with third party organisations, including trade associations and non-profit organisations, that engage with policy makers, excluding the PRI
- (D) We did not engage with policy makers directly or indirectly during the reporting year beyond our membership in the PRI

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.1	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, what methods did you, or the external investment managers or service providers acting on your behalf, use to engage with policy makers as part of your responsible investment approach?

- (A) We participated in 'sign-on' letters
- (B) We responded to policy consultations
- (C) We provided technical input via government- or regulator-backed working groups
- (D) We engaged policy makers on our own initiative
- (E) Other methods

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 39.2	CORE	PGS 39	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, did your organisation publicly disclose details of your engagement with policy makers conducted as part of your responsible investment approach, including through external investment managers or service providers?

- (A) We publicly disclosed all our policy positions

Add link(s):

<https://russellinvestments.com/-/media/files/emea/about/investment-stewardship-report.pdf>

- (B) We publicly disclosed details of our engagements with policy makers
- (C) No, we did not publicly disclose details of our engagement with policy makers conducted as part of our responsible investment approach during the reporting year

STEWARDSHIP: EXAMPLES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 40	PLUS	OO 8, OO 9	N/A	PUBLIC	Stewardship: Examples	2

Provide examples of stewardship activities that you conducted individually or collaboratively during the reporting year that contributed to desired changes in the investees, policy makers or other entities with which you interacted.

(A) Example 1:

Title of stewardship activity:

Leading a Climate Action 100+ Engagement

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

In 2021, Russell Investments joined the collaborative engagement via CA100+ as a Lead Investor for a UK-based Oil and Gas Distribution Company which is classified as a top 100 emitter, i.e., one of the 100 largest emitting companies globally. As co-lead of the engagement, we have had regular dialogue with the company as it considered how to improve their approach to climate change. Moreover, we sought updates on the company's public policy activities and lobbying alignment disclosure.

Outcome

We have found the company to be very constructive and open to engagement on climate change risk. The alignment of the climate transition plan to 1.5 degrees C is challenging to assess due to the different activities of the business and the varying decarbonization trajectories of these activities under decarbonization scenarios. Russell Investments will continue to work with the company via the CA100+ initiative and collaborative engagement process.

(B) Example 2:

Title of stewardship activity:

Private Equity Secondaries Manager Engagement

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Our sub-adviser manager was seeking Limited Partner Advisory Committee approval to replace one Key Executive with another within the Fund's Limited Partnership Agreement. The Key Executive had departed recently due to personal reasons.

Outcome

As a Limited Partner Advisory Committee (LPAC) member, we were asked to review this proposal. We discussed with the manager the key skills and experience of the new executive to determine whether they were to a comparable level of the departing Key Executive, to ensure strong management and stable return prospects. As the caliber of the new incoming Key Executive was to a comparable quality we voted in favor of this proposal, and they were subsequently appointed.

(C) Example 3:

Title of stewardship activity:

Improving Human Capital Management Reporting

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Russell Investments engaged with a ride sharing company with the aim to improve the company's reporting and available data around its human capital management policies and practices. While the public reporting supplied by the company included key human capital metrics, the data was several years out of date with no indication of being updated.

The company has faced several human capital related controversies in previous years which has increased demand by shareholders for a constructive response and transparency including data measurement, target setting, and policy implementation.

Outcome

During engagement, the company committed to publish updated human capital metrics in reporting later in the year. The company was unable to confirm whether the data to be published would be in line with peers both in scope and in time span.

After reviewing the new disclosures, we noticed that whilst the details of information provided has improved, we were not fully satisfied with the level of transparency provided by the company. Russell Investments therefore considers this engagement ongoing as the company works to further strengthen its human capital management disclosures to align with peers and provide shareholders the requested transparency to assess risks.

(D) Example 4:

Title of stewardship activity:

Improving robustness on Executive compensation practices and disclosures

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Russell Investments, in partnership with a sub-adviser, conducted two joint engagements with the Chair of the Nomination and Compensation committee of a Luxembourg-based Laboratory Equipment and Services company. The purpose was to discuss Russell Investment's vote against management on the remuneration proposal during the 2021 Annual General Meeting. The main objective was to encourage the company to improve disclosures on executive compensation as well as strengthen the design of the remuneration package.

Outcome

During our conversations we have found that the company has been proactively evolving their executive compensation package based on ESG rating agencies and proxy adviser research.

The company was open to review the concerns raised during the call, and they have committed to improve in several areas:

- Structure
- Transparency
- Performance compensation structure.

We will follow up with the company in 2023 to confirm whether improvements outlined above are aligned with our expectations and international good governance practices and disclosures.

(E) Example 5:

Title of stewardship activity:

Ensuring appropriate governance structures are in place

(1) Led by

- (1) Internally led
- (2) External service provider led
- (3) Led by an external investment manager, real assets third-party operator and/or external property manager

(2) Primary focus of stewardship activity

- (1) Environmental factors
- (2) Social factors
- (3) Governance factors

(3) Asset class(es)

- (1) Listed equity
- (2) Fixed income
- (3) Private equity
- (4) Real estate
- (5) Infrastructure
- (6) Hedge funds
- (7) Forestry
- (8) Farmland
- (9) Other

(4) Description of the activity and what was achieved. For collaborative activities, provide detail on your individual contribution.

Russell Investments engaged a United Kingdom-based independent oil and gas exploration and production company to ensure that the appropriate governance structure is in place to weather operational and financial challenges.

The company has gone through a significant refinancing process after its external auditor flagged a material uncertainty regarding the company's ability to continue as a going concern in 2020 accounts. During the last few years, the company has also changed their leadership significantly – including the Chief Executive Officer, Chair and Chief Financial Officer roles.

Outcome

Overall, we are satisfied with the explanation provided by the company on the refinancing process and the recruitment processes for the Chair and Chief Financial Officer.

The company showed a strong board evaluation process and the key skills required for the candidate pool are clearly defined.

Whilst we do not retain significant concern from a governance perspective, the engagement remains open. We will follow up our conversations with the company during 2023 with a particular focus on the development of a strategy to eliminate flaring activities and improve biodiversity disclosure.

CLIMATE CHANGE

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41	CORE	N/A	PGS 41.1	PUBLIC	Climate change	General

Has your organisation identified climate-related risks and opportunities affecting your investments?

(A) Yes, within our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

The first step in managing climate-related risks in investments is identifying them. There are many mechanisms through which climate-related factors impact security prices and these risks can be broadly categorised as transition or physical risks. We recognise that different risks are likely to manifest over different time horizons and that they require different tools to assess, as outlined below (refer to our public TCFD report on our website for a full "Snapshot of Climate Risk Identification and Assessment Process" Figure).

Transition Risk □ Opportunities: Risks arising from shift to low carbon economy.

Relevant time horizon: medium-term

- Changes in cost: Price on carbon, costs of abatement. Relevant time horizon: short- and medium-term

- Changes in demand: Demand destruction and creation arising from shifts in demand: short- and medium-term

Physical Risks: Physical risks can be event-driven (acute) or longer-term shifts (chronic) in climate patterns. Relevant time horizon: Long-term

- Acute: Increased severity of extreme weather events.

Most relevant time horizon: all, but increasing severity long term

- Chronic: Changes in weather patterns, rising temperatures, rising sea levels. Medium and long-term

Climate risk is characterised by a longer time horizon than many traditionally managed risks. To make this more explicit, short- to medium-term horizons in this context refer to a three-to-ten-year horizon, and a long-term horizon refers to the period out to 2050, although we note these are rough approximations only.

- (B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Climate risk is characterised by a longer time horizon than many traditionally managed risks. To make this more explicit, short- to medium-term horizons in this context refer to a three-to-ten-year horizon, and a long-term horizon refers to the period out to 2050, although we note these are rough approximations only. See response above or our public TCFD report on our website ("Snapshot of Climate Risk Identification and Assessment Process" Figure) for more details.

(B) Yes, beyond our standard planning horizon

Specify the risks and opportunities identified and your relevant standard planning horizon:

Climate risk is characterised by a longer time horizon than many traditionally managed risks. To make this more explicit, short- to medium-term horizons in this context refer to a three-to-ten-year horizon, and a long-term horizon refers to the period out to 2050, although we note these are rough approximations only. See response above or our public TCFD report on our website ("Snapshot of Climate Risk Identification and Assessment Process" Figure) for more details.

- (C) No, we have not identified climate-related risks and/or opportunities affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 41.1	CORE	PGS 41	N/A	PUBLIC	Climate change	General

Does your organisation integrate climate-related risks and opportunities affecting your investments in its overall investment strategy, financial planning and (if relevant) products?

(A) Yes, our overall investment strategy, financial planning and (if relevant) products integrate climate-related risks and opportunities

Describe how climate-related risks and opportunities have affected or are expected to affect your investment strategy, financial planning and (if relevant) products:

Impact on investment process is material and detailed in section 2 of our TCFD report.

Russell Investments committed in 2021 to help clients align their investment portfolios with a goal of global net zero emissions by 2050. The decision to include a portfolio in scope for net zero alignment will always be client-led, and approximately 25% of our global AUM is currently in scope. As part of our participation with the Net Zero Asset Managers initiative, we provide transparency around what targets we use for measuring portfolio net zero alignment and tracking progress.

For portfolios managed in line with net zero standards, the following interim targets apply:

- By 2025, ensure that at least 25% of the portfolio by market value is invested in companies that are aligning to net zero. To assess whether a company is aligning to net zero, we leverage the Paris Aligned Investor Initiative's alignment maturity scale.
- Engage with companies that are the largest contributors to portfolio emissions. Our goal is to engage with those companies that make up 70% of the portfolio's financed emissions by 2025.

- Achieve a 50% reduction in the portfolio's carbon emissions intensity by 2030, relative to 2019.

In addition to these interim targets for our investment portfolios, we have also set a goal of reaching net zero in our own business operations by 2030.

- (B) No, our organisation has not yet integrated climate-related risks and opportunities into its investment strategy, financial planning and (if relevant) products

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 43	CORE	N/A	N/A	PUBLIC	Climate change	General

Has your organisation assessed the resilience of its investment strategy in different climate scenarios, including one in which the average temperature rise is held to below 2 degrees Celsius (preferably to 1.5 degrees Celsius) above pre-industrial levels?

- (A) Yes, using the Inevitable Policy Response Forecast Policy Scenario (FPS) or Required Policy Scenario (RPS)
- (B) Yes, using the One Earth Climate Model scenario
- (C) Yes, using the International Energy Agency (IEA) Net Zero scenario
- (D) Yes, using other scenarios

Specify:

NGFS (Network for Greening the Financial System) scenarios: Hot house world (current policies), delayed transition and net zero 2050

- (E) No, we have not assessed the resilience of our investment strategy in different climate scenarios, including one that holds temperature rise to below 2 degrees

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 44	CORE	N/A	N/A	PUBLIC	Climate change	General

Does your organisation have a process to identify, assess, and manage the climate-related risks (potentially) affecting your investments?

- (A) Yes, we have a process to identify and assess climate-related risks

(1) Describe your process

Aligned with TCFD Recommendations: Risk management a), b), c)

We provide detail on how we ensure that climate-related risks are covered in different aspects of our risk management structures and processes.

- (i) how responsibilities or incentives specifically incorporate the identification, assessment and management of climate-related risks;
- (ii) how we determine the materiality of different climate risks in comparison with other risks; and
- (iii) the relative importance that each of our risk management processes gives to climate-related risks in comparison with other risks.

The first step in managing climate-related risks in investments is identifying them. There are many mechanisms through which climate-related factors impact security prices and these risks can be broadly categorized as transition or physical risks. We recognize that different risks are likely to manifest over different time horizons and that they require different tools to assess.

There are several methodologies available to assess the climate exposure of an investment portfolio. In our own analysis, we have focused on two primary pillars for our core assessment:

1. Carbon footprinting
2. Scenario analysis

We supplement these primary pillars with an additional metric, a temperature alignment score.

This metric is appealing because it is easy to interpret, and as a result we expect its use to continue to grow. However, we note considerable variation exists in current methodologies. We also increasingly provide a suite of TCFD aligned metrics to clients for whom this is a focus area. By measuring exposure on a multidimensional basis, we hope to develop a more robust understanding of risk exposures both on a current and forward-looking basis. We attempt to strike a balance between providing sufficient data to draw robust conclusions, while not overwhelming decision makers with too many data points.

(2) Describe how this process is integrated into your overall risk management

Aligned with TCFD Recommendations: Risk management a), b), c)

We provide detail on how we ensure that climate-related risks are covered in different aspects of their risk management structures and processes.

- (i) how responsibilities or incentives specifically incorporate the identification, assessment and management of climate-related risks;
- (ii) how we determine the materiality of different climate risks in comparison with other risks; and
- (iii) the relative importance that each of our risk management processes gives to climate-related risks in comparison with other risks.

(B) Yes, we have a process to manage climate-related risks

(1) Describe your process

Portfolio managers are the front line of defence in managing portfolio risks, and management of climate risk is no different. We employ ESG investment subject matter experts across the firm, but also believe that embedding deep expertise and awareness of sustainability risk within investment teams is key to integrating climate management into our investment process. This belief is formalized in our sustainability risk policy and our accompanying practices and systems which continue to evolve. We have expanded our Enhanced Oversight practice across asset classes and PM teams. This practice is detailed below.

We released a major enhancement to our portfolio management data systems to include extensive ESG data at the portfolio- and security-level. This information now sits alongside traditional investment data such as factor-, sector-, country- exposures so that PM teams can use it as they would any other piece of investment relevant data. Another critical tool employed is active ownership.

Corporate engagements, in particular, are key to driving real world outcomes with the companies in which we invest, and we detail our approach in the TCFD and Stewardship reports. Supplementing these firm-wide practices, we continually enhance our approach to building carbon-managed portfolios for a subset of our clients and funds that want to incorporate explicit climate-related outcomes.

Finally, we conclude with a forward-looking section including our own net zero target setting. Taken together, we adopt a multi-layered approach to managing climate issues including formal policies, practices, engagement, carbon managed portfolios and target setting.

Sustainability Risks Policy

Russell Investments' policy is to integrate sustainability risks in our investment solutions by identifying, evaluating and managing relevant risks in our investment manager review process, portfolio management and through implementing proprietary solutions.

We believe sustainability risks are most relevant to investment outcomes when they exhibit financial materiality, and, like all investment risks, are incorporated by balancing expected risk with expected reward. In managing investment solutions, we consider financially-material sustainability risks in the context of expected rewards using a blend of inputs from sources including, but not limited to, investment managers, third-party data sources and Russell Investments' propriety analysis. Furthermore, we incorporate bespoke sustainability risks based on clients' requirements for customized mandates. As well, we seek to collaborate with our advisory clients to consider, monitor and manage sustainability risk priorities in their portfolios.

Enhanced Oversight

Developing a deep understanding of portfolios' financially-material sustainability risks and how they are identified is included in Russell Investments' Portfolio Managers' goals and objectives. A key component of understanding these risks comes from the oversight of our subadvisors. To systematise and track this oversight, we have initiated a practice called "Enhanced Oversight." The enhanced oversight activity focuses on securities and themes identified from:

- Our own quantitative measures, where we monitor the highest and most material sustainability risks at the total-portfolio level
- Other third-party sources including those who provide company and thematic ESG research
- Sub-advisor insights, where we respond to financially-material sustainability issues they bring to our attention.

To complement other investment practices and to maximize impact, enhanced oversight may draw from internal themes. Internal themes include but are not limited to those featured by Russell Investments' Active Ownership Team outlined in the section below. For each Russell Investments' managed fund or segregated portfolio, enhanced oversight may result in the following actions for certain holdings, with consideration of the impact of risks at the total portfolio level:

- Reviewing of metrics and the research behind the metrics
- Discussing with the subadvisor supporting the holding
- Discussing with the Engagement Subcommittee to consider engagement options

Global Risk Management

In addition to primary role that investment teams play in our risk management process, the Global Risk Management Committee (GRMC) plays a critical global role in our risk management and provides an independent global authority on the assessment of climate risk and needed controls essential to effective management of the firm's climate risk.

More details on how this group fits into our overall governance is provided in Section 1.

(2) Describe how this process is integrated into your overall risk management

Alignment with TCFD Recommendations: Risk management a), b), c)

We provide detail on how we ensure that climate-related risks are covered in different aspects of our risk management structures and processes.

- (i) how responsibilities or incentives specifically incorporate the identification, assessment and management of climate-related risks;
- (ii) how we determine the materiality of different climate risks in comparison with other risks; and
- (iii) the relative importance that each of our risk management processes gives to climate-related risks in comparison with other risks.

We have answered this question above in the context of our process (under Q1). In short, climate risk management is integrated into our standard risk management processes (portfolio management and GRMC systems), as well as supplemented with active ownership, carbon managed portfolios and target setting.

- (C) No, we do not have any processes to identify, assess, or manage the climate-related risks affecting our investments

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 45	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, which of the following climate risk metrics or variables affecting your investments did your organisation use and disclose?

(A) Exposure to physical risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfdr-report.pdf>

(B) Exposure to transition risk

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfdr-report.pdf>

(C) Internal carbon price

(D) Total carbon emissions

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfdr-report.pdf>

(E) Weighted average carbon intensity

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfd-report.pdf>

(F) Avoided emissions

(G) Implied Temperature Rise (ITR)

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfd-report.pdf>

(H) Non-ITR measure of portfolio alignment with UNFCCC Paris Agreement goals

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfd-report.pdf>

(I) Proportion of assets or other business activities aligned with climate-related opportunities

(1) Indicate whether this metric or variable was used and disclosed, including the methodology

- (1) Metric or variable used
- (2) Metric or variable used and disclosed

(3) Metric or variable used and disclosed, including methodology

(2) Provide link to the disclosed metric or variable, including the methodology followed, as applicable

<https://russellinvestments.com/-/media/files/emea/uk/institutional/insights/task-force-on-climaterelated-financial-disclosures-tcfd-report.pdf>

(J) Other metrics or variables

(K) Our organisation did not use or disclose any climate risk metrics or variables affecting our investments during the reporting year

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 46	CORE	N/A	N/A	PUBLIC	Climate change	General

During the reporting year, did your organisation disclose its Scope 1, Scope 2, and/or Scope 3 greenhouse gas emissions?

(A) Scope 1 emissions

(1) Indicate whether this metric was disclosed, including the methodology

(1) Metric disclosed

- (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://russellinvestments.com/-/media/files/emea/about/csr-report-emea.pdf>

(B) Scope 2 emissions

(1) Indicate whether this metric was disclosed, including the methodology

(1) Metric disclosed

- (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://russellinvestments.com/-/media/files/emea/about/csr-report-emea.pdf>

(C) Scope 3 emissions (including financed emissions)

(1) Indicate whether this metric was disclosed, including the methodology

(1) Metric disclosed

- (2) Metric and methodology disclosed

(2) Provide links to the disclosed metric and methodology, as applicable

<https://russellinvestments.com/-/media/files/emea/about/csr-report-emea.pdf>

- (D) Our organisation did not disclose its Scope 1, Scope 2, or Scope 3 greenhouse gas emissions during the reporting year

SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47	CORE	N/A	Multiple indicators	PUBLIC	Sustainability outcomes	1, 2

Has your organisation identified the intended and unintended sustainability outcomes connected to its investment activities?

- (A) Yes, we have identified one or more specific sustainability outcomes connected to our investment activities**
- (B) No, we have not yet identified the sustainability outcomes connected to any of our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.1	CORE	PGS 47	N/A	PUBLIC	Sustainability outcomes	1, 2

Which widely recognised frameworks has your organisation used to identify the intended and unintended sustainability outcomes connected to its investment activities?

- (A) The UN Sustainable Development Goals (SDGs) and targets
- (B) The UNFCCC Paris Agreement**
- (C) The UN Guiding Principles on Business and Human Rights (UNGPs)**

- (D) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
- (E) The EU Taxonomy
- (F) Other relevant taxonomies
- (G) The International Bill of Human Rights
- (H) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
- (I) The Convention on Biological Diversity
- (J) Other international framework(s)
- (K) Other regional framework(s)
- (L) Other sectoral/issue-specific framework(s)
- (M) Our organisation did not use any widely recognised frameworks to identify the intended and unintended sustainability outcomes connected to its investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 47.2	CORE	PGS 47	PGS 48	PUBLIC	Sustainability outcomes	1, 2

What are the primary methods that your organisation has used to determine the most important intended and unintended sustainability outcomes connected to its investment activities?

- (A) Identify sustainability outcomes that are closely linked to our core investment activities
- (B) Consult with key clients and/or beneficiaries to align with their priorities
- (C) Assess which actual or potential negative outcomes for people are most severe based on their scale, scope, and irremediable character
- (D) Identify sustainability outcomes that are closely linked to systematic sustainability issues
- (E) Analyse the input from different stakeholders (e.g. affected communities, civil society, trade unions or similar)
- (F) Understand the geographical relevance of specific sustainability outcome objectives
- (G) Other method
- (H) We have not yet determined the most important sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48	CORE	PGS 47.2	PGS 48.1, SO 1	PUBLIC	Sustainability outcomes	1, 2

Has your organisation taken action on any specific sustainability outcomes connected to its investment activities, including to prevent and mitigate actual and potential negative outcomes?

- (A) Yes, we have taken action on some of the specific sustainability outcomes connected to our investment activities
- (B) No, we have not yet taken action on any specific sustainability outcomes connected to our investment activities

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 48.1	PLUS	PGS 48	N/A	PUBLIC	Sustainability outcomes	1, 2

Why has your organisation taken action on specific sustainability outcomes connected to its investment activities?

- (A) We believe that taking action on sustainability outcomes is relevant to our financial risks and returns over both short- and long-term horizons**
- (B) We believe that taking action on sustainability outcomes, although not yet relevant to our financial risks and returns, will become so over a long-time horizon
- (C) We have been requested to do so by our clients and/or beneficiaries**
- (D) We want to prepare for and respond to legal and regulatory developments that are increasingly addressing sustainability outcomes
- (E) We want to protect our reputation, particularly in the event of negative sustainability outcomes connected to investments
- (F) We want to enhance our social licence-to-operate (i.e. the trust of beneficiaries, clients, and other stakeholders)
- (G) We believe that taking action on sustainability outcomes in parallel to financial return goals has merit in its own right
- (H) Other

HUMAN RIGHTS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
PGS 49	PLUS	PGS 47	PGS 49.1	PUBLIC	Human rights	1, 2

During the reporting year, what steps did your organisation take to identify and take action on the actual and potentially negative outcomes for people connected to your investment activities?

- (A) We assessed the human rights context of our potential and/or existing investments and projected how this could connect our organisation to negative human rights outcomes**

Explain how these activities were conducted:

We share the market wide expectation that companies should operate within internationally accepted norms and standards related to human rights, labour rights, the environment, and business ethics. When companies fail to operate within these norms, they risk negatively impacting societal stakeholders and/or the environment. This poses reputational risks for the company and for those who invest in it, and it can potentially destroy shareholder value.

Russell Investments uses the Global Standards Screening (GSS) from Sustainalytics to monitor our actively managed portfolios from this perspective. The provider issues an opinion as to whether a company is violating, or is at risk of violating, one or more of the UN Global Compact principles and related international norms and standards. Sustainalytics applies its own guidelines to assess company compliance with relevant international norms, assigning one of the following three statuses: Non-Compliant, Watchlist or Compliant.

- (B) We assessed whether individuals at risk or already affected might be at heightened risk of harm

- (C) We consulted with individuals and groups who were at risk or already affected, their representatives and/or other relevant stakeholders such as human rights experts
- (D) We took other steps to assess and manage the actual and potentially negative outcomes for people connected to our investment activities
- (E) We did not identify and take action on the actual and potentially negative outcomes for people connected to any of our investment activities during the reporting year

MANAGER SELECTION, APPOINTMENT AND MONITORING (SAM)

OVERALL APPROACH

EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 1	CORE	OO 21	N/A	PUBLIC	External investment managers	4

For the majority of your externally managed AUM in each asset class, which responsible investment aspects does your organisation consider important in the assessment of external investment managers?

(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
----------------------------	---------------------------	--------------------	-----------------	--------------------

Organisation

(A) Commitment to and experience in responsible investment

(B) Responsible investment policy(ies)

(C) Governance structure and senior-level oversight and accountability

People and Culture

(D) Adequate resourcing and incentives

(E) Staff competencies and experience in responsible investment	<input checked="" type="checkbox"/>				
---	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

Investment Process

(F) Incorporation of material ESG factors in the investment process	<input checked="" type="checkbox"/>				
---	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(G) Incorporation of risks connected to systematic sustainability issues in the investment process	<input checked="" type="checkbox"/>				
--	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment	<input checked="" type="checkbox"/>				
--	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

Stewardship

(I) Policy(ies) or guidelines on stewardship	<input type="checkbox"/>				
--	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(J) Policy(ies) or guidelines on (proxy) voting	<input type="checkbox"/>				
---	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(K) Use of stewardship tools and activities	<input checked="" type="checkbox"/>				
---	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(L) Incorporation of risks connected to systematic sustainability issues in stewardship practices	<input checked="" type="checkbox"/>				
---	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(M) Involvement in collaborative engagement and stewardship initiatives	<input type="checkbox"/>				
---	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(N) Engagement with policy makers and other non-investee stakeholders	<input type="checkbox"/>				
---	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(O) Results of stewardship activities	<input checked="" type="checkbox"/>				
---------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

Performance and Reporting

(P) ESG disclosure in regular client reporting	<input checked="" type="checkbox"/>				
(Q) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>				
(R) We do not consider any of the above responsible investment aspects important in the assessment of external investment managers	<input type="radio"/>				

SERVICE PROVIDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 2	CORE	OO 21	N/A	PUBLIC	Service providers	4

Which responsible investment aspects does your organisation consider important when assessing all service providers that advise you in the selection, appointment and/or monitoring of external investment managers?

- (A) Incorporation of their responsible investment policy into advisory services
- (B) Ability to accommodate our responsible investment policy
- (C) Level of staff's responsible investment expertise
- (D) Use of data and analytical tools to assess the external investment manager's responsible investment performance
- (E) Other
- (F) We do not consider any of the above responsible investment aspects important when assessing service providers that advise us in the selection, appointment and/or monitoring of external investment managers
- (G) Not applicable; we do not engage service providers in the selection, appointment or monitoring of external investment managers

SELECTION

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 4	CORE	OO 12, OO 21	SAM 5, SAM 6, SAM 7	PUBLIC	Responsible investment practices	General

During the reporting year, did your organisation select new external investment managers or allocate new mandates to existing investment managers?

- (A) Yes, we selected external investment managers or allocated new mandates to existing investment managers during the reporting year
- (B) No, we did not select new external investment managers or allocate new mandates to existing investment managers during the reporting year
- (C) Not applicable; our organisation is in a captive relationship with external investment managers, which applies to 90% or more of our AUM

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 5	CORE	SAM 4	N/A	PUBLIC	Responsible investment practices	4

During the reporting year, what responsible investment aspects did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

Organisation

- (A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (B) Responsible investment policy(ies) (e.g. the alignment of their responsible investment policy with the investment mandate)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (C) Governance structure and senior-level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks)

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

Performance and Reporting

(I) ESG disclosure in regular client reporting

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

(J) Inclusion of ESG factors in contractual agreements

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (K) We did not review and evaluate any of the above responsible investment aspects when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 6	CORE	OO 8, SAM 4	N/A	PUBLIC	Stewardship	4

During the reporting year, which aspects of the stewardship approach did your organisation, or the service provider acting on your behalf, review and evaluate when selecting new external investment managers or allocating new mandates to existing investment managers?

- (A) The alignment of their policy(ies) or guidelines on stewardship with the investment mandate**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates**
- (3) for a minority of our mandates

- (B) Evidence of how they implemented their stewardship objectives, including the effectiveness of their activities**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (C) Their participation in collaborative engagements and stewardship initiatives**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

- (D) Details of their engagements with companies or issuers on risks connected to systematic sustainability issues**

Select from dropdown list

- (1) for all of our mandates**
- (2) for a majority of our mandates
- (3) for a minority of our mandates

- (E) Details of their engagement activities with policy makers**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

- (F) Their escalation process and the escalation tools included in their policy on stewardship**

Select from dropdown list

- (1) for all of our mandates
- (2) for a majority of our mandates
- (3) for a minority of our mandates**

- (G) We did not review and evaluate any of the above aspects of the stewardship approach when selecting new external investment managers or allocating new mandates to existing investment managers during the reporting year

APPOINTMENT

SEGREGATED MANDATES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 8	CORE	OO 5.2, OO 13	N/A	PUBLIC	Segregated mandates	4

Which responsible investment aspects do your organisation, or the service provider acting on your behalf, explicitly include in clauses within your contractual agreements with your external investment managers for segregated mandates?

(A) Their commitment to following our responsible investment strategy in the management of our assets

(B) Their commitment to incorporating material ESG factors into their investment activities

Select from dropdown list

(1) for all of our segregated mandates

(2) for a majority of our segregated mandates

(3) for a minority of our segregated mandates

(C) Their commitment to incorporating material ESG factors into their stewardship activities

Select from dropdown list

(1) for all of our segregated mandates

(2) for a majority of our segregated mandates

(3) for a minority of our segregated mandates

(D) Their commitment to incorporating risks connected to systematic sustainability issues into their investment activities

Select from dropdown list

(1) for all of our segregated mandates

(2) for a majority of our segregated mandates

(3) for a minority of our segregated mandates

(E) Their commitment to incorporating risks connected to systematic sustainability issues into their stewardship activities

Select from dropdown list

(1) for all of our segregated mandates

(2) for a majority of our segregated mandates

(3) for a minority of our segregated mandates

(F) Exclusion list(s) or criteria

Select from dropdown list

(1) for all of our segregated mandates

(2) for a majority of our segregated mandates

(3) for a minority of our segregated mandates

(G) Responsible investment communications and reporting obligations, including stewardship activities and results

(H) Incentives and controls to ensure alignment of interests

(I) Commitments on climate-related disclosure in line with internationally-recognised frameworks such as the TCFD

(J) Commitment to respect human rights as defined in the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights

(K) Their acknowledgement that their appointment is conditional on the fulfilment of their agreed responsible investment commitments

(L) Other

- (M) We do not include responsible investment aspects in clauses within our contractual agreements with external investment managers for segregated mandates

MONITORING

RESPONSIBLE INVESTMENT PRACTICES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 9	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	4

For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' responsible investment practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?

(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
----------------------------	---------------------------	--------------------	-----------------	--------------------

Organisation

(A) Commitment to and experience in responsible investment (e.g. commitment to responsible investment principles and standards)

<input checked="" type="checkbox"/>				
-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(B) Responsible investment policy(ies) (e.g. the continued alignment of their responsible investment policy with the investment mandate)

<input checked="" type="checkbox"/>				
-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

(C) Governance structure and senior level oversight and accountability (e.g. the adequacy of their governance structure and reported conflicts of interest)

<input checked="" type="checkbox"/>				
-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------	-------------------------------------

People and Culture

(D) Adequate resourcing and incentives (e.g. their team structures, operating model and remuneration structure, including alignment of interests)

(E) Staff competencies and experience in responsible investment (e.g. level of responsible investment responsibilities in their investment team, their responsible investment training and capacity building)

Investment Process

(F) Incorporation of material ESG factors in the investment process (e.g. detail and evidence of how such factors are incorporated into the selection of individual assets and in portfolio construction)

(G) Incorporation of risks connected to systematic sustainability issues in the investment process (e.g. detail and evidence of how such risks are incorporated into the selection of individual assets and in portfolio construction)

(H) Incorporation of material ESG factors and ESG risks connected to systematic sustainability issues in portfolio risk assessment (e.g. their process to measure and report such risks, their response to ESG incidents)

Performance and Reporting

(I) ESG disclosure in regular client reporting (e.g. any changes in their regular client reporting)	<input checked="" type="checkbox"/>				
(J) Inclusion of ESG factors in contractual agreements	<input checked="" type="checkbox"/>				
(K) We did not monitor any of the above aspects of our external investment managers' responsible investment practices during the reporting year	<input type="radio"/>				

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 11	PLUS	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1

Describe an innovative practice you adopted as part of monitoring your external investment managers' responsible investment practices in a specific asset class during the reporting year.

Portfolio managers manage sustainability risks in our investment solutions through our quarterly and annual manager review process and through implementing proprietary solutions. Through a process we call 'Enhanced Oversight' (EO), portfolio management teams assess sustainability risks in funds and explain how those risks are being monitored and managed. EO is designed to provide sufficiently granular insights into fund/portfolio exposures - without adopting a 'checklist' approach that would fail to recognize the breadth, complexity, and relevance of sustainability issues. EO focuses on broad ESG themes as well as specific securities identified from:

- Our own quantitative analysis, where we monitor the highest and most material sustainability risks at the total-portfolio level
- Sub-adviser insights, whom we explicitly direct to highlight financially-material sustainability issues
- Other third-party sources including those who provide company and thematic ESG research

Quantitative analysis is used to identify securities with higher material sustainability risks where data is available and robust, particularly in equities where our primary data sets include Sustainalytics' Risk Rating, Carbon Footprint and Russell Investments' Material ESG Score. Russell Investments' proprietary Material ESG Score is designed to highlight sustainability issues that are relevant and specific to a particular company and its industry. In calculating this score, we utilize Sustainalytics, SASB's Materiality Map, corporate governance scores, environmental data from multiple providers and an emphasis on forward-looking information where available.

While EO was first developed and deployed as a tool for sustainably focused equity funds, in 2022 we worked to adapt and extend its application across all asset classes and portfolios.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 12	CORE	OO 14, OO 21	N/A	PUBLIC	Responsible investment practices	1
For the majority of your externally managed AUM in each asset class, how often does your organisation, or the service provider acting on your behalf, monitor your external investment managers' responsible investment practices?						
		(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
(A) At least annually		<input checked="" type="checkbox"/>				
(B) Less than once a year		<input type="checkbox"/>				
(C) On an ad hoc basis		<input checked="" type="checkbox"/>				

STEWARDSHIP

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 13	CORE	OO 8, OO 21	N/A	PUBLIC	Stewardship	1, 2
For the majority of your externally managed AUM in each asset class, which aspects of your external investment managers' stewardship practices did your organisation, or the service provider acting on your behalf, monitor during the reporting year?						
		(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
(A) Any changes in their policy(ies) or guidelines on stewardship		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(B) The degree of implementation of their policy(ies) or guidelines on stewardship		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(C) How they prioritise material ESG factors	<input checked="" type="checkbox"/>				
(D) How they prioritise risks connected to systematic sustainability issues	<input checked="" type="checkbox"/>				
(E) Their investment team's level of involvement in stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(F) Whether the results of stewardship actions were fed back into the investment process and decisions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(G) Whether they used a variety of stewardship tools and activities to advance their stewardship priorities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(H) The deployment of their escalation process in cases where initial stewardship efforts were unsuccessful	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(I) Whether they participated in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(J) Whether they had an active role in collaborative engagements and stewardship initiatives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(K) Other	<input type="checkbox"/>				
(L) We did not monitor our external investment managers' stewardship practices during the reporting year	<input type="radio"/>				

ENGAGEMENT AND ESCALATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 15	PLUS	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

Describe how your organisation engaged with external investment managers to improve their responsible investment practices during the reporting year.

Our manager due diligence process includes an assessment and discussion of the manager's ESG capabilities, including their active ownership approach. Manager due diligence meetings are conducted at least annually with managers selected for use in Russell Investments' funds. In addition, Russell Investments' portfolio managers conduct quarterly performance reviews of sub-advisors in funds that include specific attention to the manager's identification, assessment, and management of sustainability risks, including their stewardship activities. In certain cases, we may undertake joint engagement with our sub-adviser partners.

Russell Investments conducts an annual ESG Survey amongst our high interest and preferred sub-advisor partners on trends in ESG resourcing, data sources, implementation, ESG integration, and active ownership. We make these results available to participants, and in this way, provide additional insight to our partners on the evolution of industry responsible investing best practices.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 16	CORE	OO 14, OO 21	N/A	PUBLIC	Engagement and escalation	4

What actions does your organisation, or the service provider acting on your behalf, include in its formal escalation process to address concerns raised during monitoring of your external investment managers' responsible investment practices?

	(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
(A) Engagement with their investment professionals, investment committee or other representatives	<input checked="" type="checkbox"/>				
(B) Notification about their placement on a watch list or relationship coming under review	<input type="checkbox"/>				

(C) Reduction of capital allocation to the external investment managers until any concerns have been rectified	<input checked="" type="checkbox"/>				
(D) Termination of the contract if failings persist over a (notified) period, including an explanation of the reasons for termination	<input checked="" type="checkbox"/>				
(E) Holding off selecting the external investment managers for new mandates or allocating additional capital until any concerns have been rectified	<input checked="" type="checkbox"/>				
(F) Other	<input type="checkbox"/>				
(G) Our organisation does not have a formal escalation process to address concerns raised during monitoring	<input type="radio"/>				

VERIFICATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SAM 17	CORE	OO 14, OO 21	N/A	PUBLIC	Verification	1

For the majority of your externally managed AUM in each asset class, how did your organisation, or the service provider acting on your behalf, verify that the information reported by external investment managers on their responsible investment practices was correct during the reporting year?

	(1) Listed equity (active)	(3) Fixed income (active)	(5) Private equity	(6) Real estate	(7) Infrastructure
(A) We checked that the information reported was verified through a third-party assurance process	<input type="checkbox"/>				
(B) We checked that the information reported was verified by an independent third party	<input type="checkbox"/>				
(C) We checked for evidence of internal monitoring or compliance	<input checked="" type="checkbox"/>				
(D) Other	<input type="checkbox"/>				
(E) We did not verify the information reported by external investment managers on their responsible investment practices during the reporting year	<input type="radio"/>				

LISTED EQUITY (LE)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your listed equity strategies?

	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors beyond our organisation's average investment holding period	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process. Our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your listed equity strategies?

	(2) Active - quantitative	(3) Active - fundamental
(A) Yes, we have a formal process that includes scenario analyses	(3) for a minority of our AUM	(3) for a minority of our AUM
(B) Yes, we have a formal process, but it does not include scenario analyses	(2) for a majority of our AUM	(2) for a majority of our AUM
(C) We do not have a formal process for our listed equity strategies; our investment professionals monitor how ESG trends vary over time at their discretion	<input type="radio"/>	<input type="radio"/>
(D) We do not monitor and review the implications of changing ESG trends on our listed equity strategies	<input type="radio"/>	<input type="radio"/>

(A) Yes, we have a formal process that includes scenario analysis - Specify: (Voluntary)

Russell Investments has partnered with an external specialist climate risk provider to enhance our climate modelling toolkit. We have used our climate-adjusted CMAs to support clients who want to further understand the impact of various climate scenarios on their asset allocation decision

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How does your financial analysis and equity valuation or security rating process incorporate material ESG risks?

	(1) Active - quantitative	(2) Active - fundamental
(A) We incorporate material governance-related risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(B) We incorporate material environmental and social risks into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(C) We incorporate material environmental and social risks related to companies' supply chains into our financial analysis and equity valuation or security rating process	(2) in a majority of cases	(2) in a majority of cases
(D) We do not incorporate material ESG risks into our financial analysis, equity valuation or security rating processes	○	○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

What information do you incorporate when you assess the ESG performance of companies in your financial analysis, benchmark selection and/or portfolio construction process?

	(2) Active - quantitative	(3) Active - fundamental
(A) We incorporate qualitative and/or quantitative information on current performance across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases
(B) We incorporate qualitative and/or quantitative information on historical performance across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases
(C) We incorporate qualitative and/or quantitative information on material ESG factors that may impact or influence future corporate revenues and/or profitability	(2) in a majority of cases	(2) in a majority of cases
(D) We incorporate qualitative and/or quantitative information enabling current, historical and/or future performance comparison within a selected peer group across a range of material ESG factors	(2) in a majority of cases	(2) in a majority of cases
(E) We do not incorporate qualitative or quantitative information on material ESG factors when assessing the ESG performance of companies in our financial analysis, equity investment or portfolio construction process	○	○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 5	PLUS	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

Provide an example of how you incorporated ESG factors into your equity selection and research process during the reporting year.

Russell Investments' manager research analysts are monitoring more than 300 products which target an explicit ESG or sustainable objective. Consistent with our traditional investment universes, less than 10% of these strategies have earned a positive formal rank from our research analysts. Our portfolio managers and clients can leverage these recommendations and research when constructing multi-manager portfolios with ESG or sustainable goals.

Outcome

Leveraging the research analysts' efforts, in 2022 Russell Investments developed an active, ESG-focused global equity solution for a Japanese client. The portfolio included a set of managers which earned high-conviction ratings for their return potential but also the highest scores for ESG integration using a framework that considers a strategy's sustainable "Intent", "Process", and "Outcome". Moreover, the combination of managers allowed for a diversity of philosophies and exposures, including one which focused on investing in companies with high alignment to the United Nations' Sustainable Development Goals (SDGs) and a value manager which applies a high scrutiny ESG lens to invest in best-in-class and improving companies. This solution, and others like it, are enabled by our breadth of ESG coverage and the experience of our manager research team

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your stock selection, portfolio construction and/or benchmark selection process?

	(2) Active - quantitative	(3) Active - fundamental
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM
(B) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM
(C) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(3) for a minority of our AUM	(3) for a minority of our AUM
(D) Other ways material ESG factors contribute to your portfolio construction and/or benchmark selection process		
(E) Our stock selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 9	CORE	OO 17.1 LE, OO 21	N/A	PUBLIC	ESG risk management	1

What compliance processes do you have in place to ensure that your listed equity assets subject to negative exclusionary screens meet the screening criteria?

- (A) We have internal compliance procedures that ensure all funds or portfolios that are subject to negative exclusionary screening have pre-trade checks
- (B) We have an external committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (C) We have an independent internal committee that oversees the screening implementation process for all funds or portfolios that are subject to negative exclusionary screening
- (D) We do not have compliance processes in place to ensure that we meet our stated negative exclusionary screens

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 10	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

For the majority of your listed equity assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?

	(1) Active - quantitative	(2) Active - fundamental
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual listed equity holdings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for other listed equity holdings exposed to similar risks and/or incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for our stewardship activities	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(E) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process; our investment professionals identify and incorporate material ESG risks and ESG incidents at their discretion	<input type="radio"/>	<input type="radio"/>

(F) We do not have a formal process to identify and incorporate material ESG risks and ESG incidents into our risk management process

○

○

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
LE 12	CORE	OO 17 LE, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your listed equity assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as their deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our listed equity assets subject to ESG screens

FIXED INCOME (FI)

OVERALL APPROACH

MATERIALITY ANALYSIS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 1	CORE	OO 21	N/A	PUBLIC	Materiality analysis	1

Does your organisation have a formal investment process to identify and incorporate material ESG factors across your fixed income assets?

	(1) SSA	(2) Corporate
(A) Yes, our investment process incorporates material governance factors	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, our investment process incorporates material environmental and social factors	(1) for all of our AUM	(1) for all of our AUM
(C) Yes, our investment process incorporates material ESG factors depending on different investment time horizons	(1) for all of our AUM	(1) for all of our AUM
(D) No, we do not have a formal process; our investment professionals identify material ESG factors at their discretion	○	○
(E) No, we do not have a formal or informal process to identify and incorporate material ESG factors	○	○

MONITORING ESG TRENDS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 2	CORE	OO 21	N/A	PUBLIC	Monitoring ESG trends	1

Does your organisation have a formal process for monitoring and reviewing the implications of changing ESG trends across your fixed income assets?

	(1) SSA	(2) Corporate
(A) Yes, we have a formal process that includes scenario analyses	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a formal process, but does it not include scenario analyses		
(C) We do not have a formal process for our fixed income assets; our investment professionals monitor how ESG trends vary over time at their discretion	<input type="radio"/>	<input type="radio"/>
(D) We do not monitor and review the implications of changing ESG trends on our fixed income assets	<input type="radio"/>	<input type="radio"/>

(A) Yes, we have a formal process that includes scenario analyses - Specify: (Voluntary)

Some of the scenario analysis includes a strategic review of the investment universe. As the fixed income market continues to evolve in ways to incorporate ESG related information in the analysis not only within the corporate bond market, but also sovereign bonds and securitized markets, we monitor the ESG trends across the fixed income markets and try to incorporate as much as feasible. For instance, we have worked with some of the sub-advisors to assess the potential performance implications for various level of impact bond allocation in order to strike a balance of financial return and an impact bond exposure around the impact bonds (I.e. green bonds). Understanding the ESG market trends have assisted us in such considerations.

PRE-INVESTMENT

ESG INCORPORATION IN RESEARCH

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 3	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

For the majority of your fixed income investments, does your organisation incorporate material ESG factors when assessing their credit quality?

	(1) SSA	(2) Corporate
(A) We incorporate material environmental and social factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(B) We incorporate material governance-related factors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
(C) We do not incorporate material ESG factors for the majority of our fixed income investments	<input type="radio"/>	<input type="radio"/>

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 4	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

Does your organisation have a framework that differentiates ESG risks by issuer country, region and/or sector?

	(1) SSA	(2) Corporate
(A) Yes, we have a framework that differentiates ESG risks by country and/or region (e.g. local governance and labour practices)	(1) for all of our AUM	(1) for all of our AUM
(B) Yes, we have a framework that differentiates ESG risks by sector	(1) for all of our AUM	(1) for all of our AUM
(C) No, we do not have a framework that differentiates ESG risks by issuer country, region and/or sector	<input type="radio"/>	<input type="radio"/>

(D) Not applicable; we are not able to differentiate ESG risks by issuer country, region and/or sector due to the limited universe of our issuers

○

○

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 6	CORE	OO 21	N/A	PUBLIC	ESG incorporation in research	1

How do you incorporate significant changes in material ESG factors over time into your fixed income asset valuation process?

(1) SSA

(2) Corporate

(A) We incorporate it into the forecast of financial metrics or other quantitative assessments

(1) for all of our AUM

(1) for all of our AUM

(B) We make a qualitative assessment of how material ESG factors may evolve

(1) for all of our AUM

(1) for all of our AUM

(C) We do not incorporate significant changes in material ESG factors

○

○

ESG INCORPORATION IN PORTFOLIO CONSTRUCTION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 8	CORE	OO 21	N/A	PUBLIC	ESG incorporation in portfolio construction	1

How do material ESG factors contribute to your security selection, portfolio construction and/or benchmark selection process?

	(1) SSA	(2) Corporate
(A) Material ESG factors contribute to the selection of individual assets and/or sector weightings within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(B) Material ESG factors contribute to determining the holding period of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(C) Material ESG factors contribute to the portfolio weighting of individual assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(D) Material ESG factors contribute to the country or region weighting of assets within our portfolio construction and/or benchmark selection process	(1) for all of our AUM	(1) for all of our AUM
(E) Material ESG factors contribute to our portfolio construction and/or benchmark selection process in other ways		
(F) Our security selection, portfolio construction or benchmark selection process does not include the incorporation of material ESG factors	○	○

POST-INVESTMENT

ESG RISK MANAGEMENT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 11	CORE	OO 21	N/A	PUBLIC	ESG risk management	1

How are material ESG factors incorporated into your portfolio risk management process?

(1) SSA

(2) Corporate

(A) Investment committee members, or the equivalent function or group, can veto investment decisions based on ESG considerations

(1) for all of our AUM

(1) for all of our AUM

(B) Companies, sectors, countries and/or currencies are monitored for changes in exposure to material ESG factors and any breaches of risk limits

(1) for all of our AUM

(1) for all of our AUM

(C) Overall exposure to specific material ESG factors is measured for our portfolio construction, and sizing or hedging adjustments are made depending on the individual issuer or issue sensitivity to these factors

(1) for all of our AUM

(1) for all of our AUM

(D) We use another method of incorporating material ESG factors into our portfolio's risk management process

○

○

(E) We do not have a process to incorporate material ESG factors into our portfolio's risk management process

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 12	CORE	OO 21	N/A	PUBLIC	ESG risk management	1
For the majority of your fixed income assets, do you have a formal process to identify and incorporate material ESG risks and ESG incidents into your risk management process?						
(1) SSA				(2) Corporate		
(A) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents and their implications for individual fixed income holdings			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
(B) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for other fixed income holdings exposed to similar risks and/or incidents			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
(C) Yes, our formal process includes reviews of quantitative and/or qualitative information on material ESG risks and ESG incidents, and their implications for our stewardship activities			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
(D) Yes, our formal process includes ad hoc reviews of quantitative and/or qualitative information on severe ESG incidents			<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

- (E) We do not have a formal process to identify and incorporate ESG risks and ESG incidents; our investment professionals identify and incorporate ESG risks and ESG incidents at their discretion
- (F) We do not have a formal process to identify and incorporate ESG risks and ESG incidents into our risk management process

PERFORMANCE MONITORING

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 14	PLUS	OO 5.3 FI, OO 21	N/A	PUBLIC	Performance monitoring	1

Provide an example of how the incorporation of environmental and/or social factors in your fixed income valuation or portfolio construction affected the realised returns of those assets.

We have developed several proprietary tools to increase the portfolio transparency of a wide range ESG-related information across all of the fixed income portfolios, including portfolio analytics, engagement activities and climate transition metrics. Such data transparency was a significant milestone for the fixed income portfolios and has been crucial to assist the fixed income portfolio managers when considering the valuation and portfolio construction process.

DISCLOSURE OF ESG SCREENS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
FI 18	CORE	OO 17 FI, OO 21	N/A	PUBLIC	Disclosure of ESG screens	6

For all your fixed income assets subject to ESG screens, how do you ensure that clients understand ESG screens and their implications?

- (A) We share a list of ESG screens
- (B) We share any changes in ESG screens
- (C) We explain any implications of ESG screens, such as any deviation from a benchmark or impact on sector weightings
- (D) We do not share the above information for all our fixed income assets subject to ESG screens

SUSTAINABILITY OUTCOMES (SO)

SETTING TARGETS AND TRACKING PROGRESS

SETTING TARGETS ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 1	PLUS	PGS 48	SO 2, SO 2.1, SO 3	PUBLIC	Setting targets on sustainability outcomes	1, 2

What specific sustainability outcomes connected to its investment activities has your organisation taken action on?

(A) Sustainability outcome #1

- (1) Widely recognised frameworks used to guide action on this sustainability outcome
- (1) The UN Sustainable Development Goals (SDGs) and targets
 - (2) The UNFCCC Paris Agreement**
 - (3) The UN Guiding Principles on Business and Human Rights (UNGPs)
 - (4) OECD frameworks: OECD Guidelines for Multinational Enterprises and Guidance on Responsible Business Conduct for Institutional Investors
 - (5) The EU Taxonomy
 - (6) Other relevant taxonomies
 - (7) The International Bill of Human Rights
 - (8) The International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the eight core conventions
 - (9) The Convention on Biological Diversity
 - (10) Other international, regional, sector-based or issue-specific framework(s)**

(2) Classification of sustainability outcome

- (1) Environmental**
- (2) Social
- (3) Governance-related
- (4) Other

(3) Sustainability outcome name

The UNFCCC Paris Agreement

(4) Number of targets set for this outcome

- (1) No target
- (2) One target**
- (3) Two or more targets

- (B) Sustainability outcome #2
- (C) Sustainability outcome #3
- (D) Sustainability outcome #4
- (E) Sustainability outcome #5
- (F) Sustainability outcome #6
- (G) Sustainability outcome #7
- (H) Sustainability outcome #8
- (I) Sustainability outcome #9
- (J) Sustainability outcome #10

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 2	PLUS	SO 1	SO 2.1, SO 4, SO 5	PUBLIC	Setting targets on sustainability outcomes	1

For each sustainability outcome, provide details of up to two of your nearest-term targets.

(A1) Sustainability Outcome #1: Target details

(A1) Sustainability Outcome #1: The UNFCCC Paris Agreement

(1) Target name Net Zero Asset Managers Initiative

(2) Baseline year 2019

(3) Target to be met by 2050

(4) Methodology

Russell Investments uses the Paris Aligned Investor Initiative's Net Zero Investment Framework as our principal methodology for assessing portfolio alignment to net zero and interim portfolio target setting. Our approach to net zero alignment is client- and solutions-led. Our initial efforts are centred on net-zero committed clients, sustainable solutions, and regions where transition alignment is a client objective. We currently estimate 25% of our total AUM to be in scope for net zero target setting. We have only included equities and corporate debt in our initial targets after assessing that these asset class methodologies were the most robust. Other methodologies & data availability will continue to improve, and we will aspire to phase in additional asset classes in conjunction with clients for whom this is an important objective over the coming years.

This methodology involves the use of three targets:

1. Portfolio Decarbonisation Reference Target (emissions target)
2. Portfolio asset alignment (Portfolio coverage target)
3. Engagement target

Over time, we also intend to add an allocation to climate solutions target as data quality of EU taxonomy information improves

(5) Metric used (if relevant) Carbon emissions, portfolio alignment

(6) Absolute or intensity-based (if relevant)	(2) Intensity-based
(7) Baseline level or amount (if relevant):	Emissions baseline: 234 tCO2e/\$M Revenue USD Asset alignment baseline: 15% of AUM in material sectors is considered net zero, aligned or aligning to net zero Engagement target: 65% of financed emissions in material sectors are either aligned to net zero or subject to direct or collective engagement and stewardship actions
(8) Target level or amount (if relevant)	Emissions intensity: -50% by 2030 Asset alignment: 25% by 2025 Engagement: 70% aligned or subject to direct or collective engagement by 2025
(9) Percentage of total AUM covered in your baseline year for target setting	25%
(10) Do you also have a longer-term target for this?	(2) No

TRACKING PROGRESS AGAINST TARGETS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 4	PLUS	SO 2	SO 4.1	PUBLIC	Tracking progress against targets	1

Does your organisation track progress against your nearest-term sustainability outcomes targets?

(A1) Sustainability outcome #1:

(A1) Sustainability outcome #1: The UNFCCC Paris Agreement

Target name: Net Zero Asset Managers Initiative

Does your organisation track progress against your nearest-term sustainability outcome targets? (1) Yes

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle																								
SO 4.1	PLUS	SO 4	N/A	PUBLIC	Tracking progress against targets	1																								
During the reporting year, what qualitative or quantitative progress did your organisation achieve against your nearest-term sustainability outcome targets?																														
(A1) Sustainability Outcome #1: Target details																														
<p>(A1) Sustainability Outcome #1: The UNFCCC Paris Agreement</p> <hr/> <p>(1) Target name Net Zero Asset Managers Initiative</p> <hr/> <p>(2) Target to be met by 2050</p> <hr/> <p>(3) Metric used (if relevant) Carbon emissions, portfolio alignment</p> <hr/> <p>(4) Current level or amount (if relevant)</p> <p>Emissions baseline: -37.9% in 2022 versus 2019 baseline, Asset alignment baseline: 24.9% of AUM in material sectors is considered net zero, aligned or aligning to net zero Engagement: 76.9% of financed emissions aligned or subject to direct or collective engagement</p> <p>Engagement target: 65% of financed emissions in material sectors are either aligned to net zero or subject to direct or collective engagement and stewardship actions</p> <table> <thead> <tr> <th>Target Type</th> <th>2019 Baseline</th> <th>Target (year, if applicable)</th> </tr> </thead> <tbody> <tr> <td>Current Value</td> <td></td> <td></td> </tr> <tr> <td>Asset Alignment</td> <td>15.46%</td> <td>25% (2025)</td> </tr> <tr> <td>24.94%</td> <td></td> <td></td> </tr> <tr> <td>Emissions Reductions</td> <td>0%</td> <td>50% (2030)</td> </tr> <tr> <td>37.87%</td> <td></td> <td></td> </tr> <tr> <td>Engagement</td> <td>61.73%</td> <td>70%</td> </tr> <tr> <td>76.92%</td> <td></td> <td></td> </tr> </tbody> </table> <p>Emissions intensity: -50% by 2030 Asset alignment: 25% by 2025 Engagement: 70% aligned or subject to direct or collective engagement by 2025</p>							Target Type	2019 Baseline	Target (year, if applicable)	Current Value			Asset Alignment	15.46%	25% (2025)	24.94%			Emissions Reductions	0%	50% (2030)	37.87%			Engagement	61.73%	70%	76.92%		
Target Type	2019 Baseline	Target (year, if applicable)																												
Current Value																														
Asset Alignment	15.46%	25% (2025)																												
24.94%																														
Emissions Reductions	0%	50% (2030)																												
37.87%																														
Engagement	61.73%	70%																												
76.92%																														

(5) Other qualitative or quantitative progress TCFD report 2023

(6) Methodology for tracking progress TCFD report 2023

INDIVIDUAL AND COLLABORATIVE INVESTOR ACTION ON OUTCOMES

LEVERS USED TO TAKE ACTION ON SUSTAINABILITY OUTCOMES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 5	PLUS	SO 2	Multiple	PUBLIC	Levers used to take action on sustainability outcomes	1, 2, 5

During the reporting year, which of the following levers did your organisation use to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

- (A) Stewardship with investees, including engagement, (proxy) voting, and direct influence with privately held assets**
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (B) Stewardship: engagement with external investment managers**
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (C) Stewardship: engagement with policy makers**
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (D) Stewardship: engagement with other key stakeholders**
Select from drop down list:
 - (1) Individually
 - (2) With other investors or stakeholders
- (E) Capital allocation**
 - (F) Our organisation did not use any of the above levers to take action on sustainability outcomes during the reporting year

CAPITAL ALLOCATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 6	PLUS	SO 5	N/A	PUBLIC	Capital allocation	1

During the reporting year, how did your organisation use capital allocation to take action on sustainability outcomes, including to prevent and mitigate actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (3) Selection of and allocation to third-party funds (4) Divestment from assets or sectors
--	--

(2) Explain through an example	For Dublin and Australian-domiciled funds, we exclude certain activities across the fund range. This includes tobacco companies and companies identified as manufacturing controversial weapons.
--------------------------------	--

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	The UNFCCC Paris Agreement
(1) Capital allocation activities used	(1) Asset class allocation (2) Sector allocation (3) Selection of and allocation to third-party funds (4) Divestment from assets or sectors

(2) Explain through an example	For portfolios managed in line with net zero, a thermal coal phase out policy applies. Specifically, these assets will phase out of thermal coal by 2030 in OECD countries and by 2040 in the rest of the world for net zero aligned investments. Russell Investments' Global Exclusions Committee will continue to assess our policy on coal and other fossil fuels over time, incorporating the latest climate science, considerations for a just transition, while acknowledging a practical need for energy security. Currently portfolios include an exclusion on companies generating more than 25% revenue from thermal coal, and for companies that generate between 10-25% revenue from coal, an additional assessment of their transition plan is required for the company to be investible.
--------------------------------	--

STEWARDSHIP WITH INVESTEES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 8	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

During the reporting year, how did your organisation use stewardship with investees to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

(2) Stewardship tools or activities used

(3) Example

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: The UNFCCC Paris Agreement

Our active ownership program encompasses three pillars namely engagement, proxy voting and industry collaboration. Each of which is described in turn below:

Engagement

(1) Describe your approach

Ongoing dialogue with companies is a fundamental part of our responsible investing strategy. Our engagement approach is to build a mutually beneficial long-term relationship with the investee companies and to help them set a direction of travel from an ESG perspective. For the purposes this Net Zero target, we provide a subset of information as it pertains to our management of climate-related issues.

Engagement focus areas

At Russell Investments, we believe that the key to a successful engagement programme is identifying and pursuing activities which offer the highest return or risk mitigation opportunities. To this end, Russell Investments' Active Ownership Team strategy is focused on material issues under the general categories of Environment, Social, and Governance. While we recognise that a broad set of issues are worthy of shareholder attention, we believe that identifying engagement focus areas, supports accountability and successful outcomes. Russell Investments maintains six focus areas which have been chosen through consideration of our clients' expectations, our proxy voting and engagement practices through time, our corporate values, and our responsible investing beliefs. Two of these areas are environmentally focused: Climate Change Resilience, and Natural Capital. We provide a brief overview of these themes below:

- Engaging on climate change resilience

Russell Investments has been an official supporter of the TCFD since 2019, and we promote the TCFD's recommendation that companies provide effective climate-related disclosures that enable more informed financial decision making. In addition, we advocate for companies to have board-level oversight and governance of climate change impacts. Finally, Russell Investments expects companies to explain how they have implemented climate-related issues into their business, strategy, and financial planning – including the disclosure of key metrics and risk management processes.

- Engaging on natural capital

Measuring and valuing natural capital can provide companies with detailed statistics for better management of natural resources that contribute to economic development and growth. Better understanding of the mechanisms that link ecological systems to human wellbeing are required to assess both the value of benefits from natural resource systems, and the expenditure required to maintain those benefits.

Russell Investments believes that companies should display an understanding of their environmental resource use across their businesses, and demonstrate responsible environmental management aimed at maintaining the long-term usage of assets. We expect companies to implement sound and sustainable environmental practices across their operations and supply chains to protect against material and reputational risks which can arise from the mismanagement of natural capital.

Initiatives and policies that avoid and/or reduce deforestation is an area of focus for Russell Investments. We advocate for disclosure as a starting point. In addition, for companies with material biodiversity exposure, and/or those which operate in natural resource-constrained regions, we seek policies on restoration, preservation, and efforts to control any soil and water contamination.

Collaborative engagements

Since early 2020, Russell Investments has leveraged a partnership with Sustainalytics for thematic and collaborative engagements. Sustainalytics' engagement programmes enable participants to build relationships with a selected set of issuers to encourage action on specific issues in ways that promote longterm value. Russell Investments has selected engagement themes that align with our focus areas and provide expertise and access in areas where partnership increases the likelihood of success. Across all five themes selected, our investment professionals participate directly in calls with the targeted companies.

Proxy Voting

For 30 years, Russell Investments has executed a robust proxy voting programme built on policies, processes and guidelines that are consistently evaluated and evolved. In recent years, we have scrutinised our guidelines relating to environmental and social issues to ensure they reflect our latest thinking on these issues. Whilst our bespoke Proxy Voting Guidelines include context for our ESG beliefs, a case-by-case review allows us to vote on the merits of individual proposals, rather than apply a general stance on a given issue.

Further information can be found in our Investment Stewardship Report.

(2) Stewardship tools or activities used

- (1) Engagement
 - (2) (Proxy) voting at shareholder meetings
 - (7) Working directly with portfolio companies and/or real asset management teams
-

(3) Example

In 2022, Russell Investments followed-up with a Japanese cement company on its climate change resilience program. Following engagement in 2021, the company was working to improve environmental reporting. Russell Investments continued the conversation as the company integrates consideration of material climate risks into its business operations.

The company has made progress in its strategic approach and implementation on climate initiatives.

- GHG reduction targets: The company aligned its public commitments to reduce GHG emissions with the Paris Agreement.
- Industry alignment: It is working with the Science Based Targets Initiative to publish industry-wide guidance for the cement sector.
- Capital planning: The company has released a plan showing how its strategic approach to climate change is integrated in its business planning.

Outcome

Russell Investments plans to continue engaging with the company as it further realizes commercial benefits from its climate change resilience strategies. Engagement will focus on understanding its path to industry leadership and gaining market share as it explores opportunities from its integrated climate-aware strategy.

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 9	PLUS	SO 5	N/A	PUBLIC	Stewardship with investees	2

How does your organisation prioritise the investees you conduct stewardship with to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) We prioritise the most strategically important companies in our portfolio.

Describe how you do this:

At Russell Investments, we hold thousands of securities on behalf of our clients. Our engagements are conducted to ensure broad consideration and consistent application of our processes across geographies, sectors and market cap. However, given the breadth of our investment operations and clients' interests, we leverage data and research to focus our efforts on the highest return or risk mitigation opportunities.

Russell Investments considers the following criteria when selecting targets for engagement:

- Russell Investments' ownership stake, as percent of shares outstanding and/or weight of fund exposure;
- Proxy voting history and management responsiveness to shareholder concerns;
- ESG analysis performed in-house and by third-party vendors of ESG metrics focusing on sub-industry peer comparison and ESG-related controversies;
- Research and analysis from Glass Lewis, our proxy voting administrator;
- Any history of previous engagement activity; and
- Opportunities highlighted by our sub-advisers.

Engagement targets are finalized using the input and insights of our portfolio management teams and approved by Russell Investments' Investment Strategy Committee.

Select from the list:

- 1
 4

(B) We prioritise the companies in our portfolio most significantly connected to sustainability outcomes.

Describe how you do this:

Climate Action 100+ is an investor initiative launched in 2017 to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. We joined the Climate Action 100+ initiative in early 2020 and have directly engaged with a select number of companies on climate transition through the regional entities.

Select from the list:

- 2
 4

- (C) We prioritise the companies in our portfolio to ensure that we cover a certain proportion of the sustainability outcomes we are taking action on.

Describe how you do this:

A consistent theme throughout alignment frameworks is the need for multiple levels of targets. In particular, there is growing recognition that achieving an overall portfolio carbon reduction or temperature score alone is not sufficient. Instead, most frameworks propose a combination of an overall portfolio target, for example a carbon reduction or temperature alignment, in addition to increasing the percent of the portfolio's assets that can be considered aligned. Engagement also has an important role, as a mechanism to encourage decarbonisation of the largest emitters in the portfolio rather than simply divesting from them. This is because decarbonisation of the largest emitters will be critical to achieving the global goal of net zero.

Select from the list:

- 3
- 4
- (D) Other

STEWARDSHIP WITH EXTERNAL INVESTMENT MANAGERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 10	PLUS	OO 5, SO 5	N/A	PUBLIC	Stewardship with external investment managers	2

During the reporting year, how did your organisation, or the external service providers acting on your behalf, engage with external investment managers to ensure that they take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: The UNFCCC Paris Agreement

Developing a deep understanding of portfolios' financially-material sustainability risks and how they are identified is included in Russell Investments' Portfolio Managers' goals and objectives. A key component of understanding these risks comes from the oversight of our sub-advisers. To systematise and track this oversight, we have initiated a practice called "Enhanced Oversight."

The enhanced oversight activity focuses on securities and themes identified from: Our own quantitative measures, where we monitor the highest and most material sustainability risks at the total-portfolio level

- Other third-party sources including those who provide company and thematic ESG research
 - Sub-adviser insights, where we respond to financially-material sustainability issues they bring to our attention.
- To complement other investment practices and to maximise impact, enhanced oversight may draw from internal themes. Internal themes include but are not limited to those featured by Russell Investments' Active Ownership Team outlined in the section below.
- For each Russell Investments' managed fund or segregated portfolio, enhanced oversight may result in the following actions for certain holdings, with consideration of the impact of risks at the total portfolio level:
- Reviewing of metrics and the research behind the metrics
 - Discussing with the sub-adviser supporting the holding
 - Discussing with the Engagement Subcommittee to consider engagement options

STEWARDSHIP: ENGAGEMENT WITH POLICY MAKERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 11	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with policy makers	2

During the reporting year, how did your organisation use engagement with policy makers to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Across all sustainability outcomes

(1) Describe your approach

(2) Engagement tools or activities used

(3) Example(s) of policies engaged on

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1:	Net Zero
(1) Describe your approach	We actively collaborate in initiatives with industry participants, regulatory working group and other stakeholders to collectively deliver a well-functioning financial system.
(2) Engagement tools or activities used	(1) We participated in 'sign-on' letters (2) We responded to policy consultations
(3) Example(s) of policies engaged on	Department of Labor (DOL) In the United States, we have joined industry trade associations and worked directly with the Department of Labor to improve the language associated with how The Employee Retirement Income Security Act of 1974 (ERISA) plan sponsors consider financially- material factors related to ESG.

STEWARDSHIP: ENGAGEMENT WITH OTHER KEY STAKEHOLDERS

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 12	PLUS	SO 5	N/A	PUBLIC	Stewardship: Engagement with other key stakeholders	2, 5

Does your organisation engage with other key stakeholders to support the development of financial products, services, research, and/or data aligned with global sustainability goals and thresholds?

(A) Across all sustainability outcomes

(1) Key stakeholders engaged

(2) Provide further detail on your engagement

(B) Sustainability Outcome #1:

(B) Sustainability Outcome #1: Net Zero

(1) Key stakeholders engaged	(1) Standard setters (2) Reporting bodies (6) External service providers (e.g. proxy advisers, investment consultants, data providers)
(2) Provide further detail on your engagement	Investment Association (IA) Collaborations in 2022 include attending multiple industry seminars and responding to the FCA proposed rules on sustainability.

STEWARDSHIP: COLLABORATION

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
SO 13	PLUS	SO 5	N/A	PUBLIC	Stewardship: Collaboration	2

During the reporting year, to which collaborative initiatives did your organisation contribute to take action on sustainability outcomes, including preventing and mitigating actual and potential negative outcomes?

(A) Initiative #1

(1) Name of the initiative Principles for Responsible Investment (PRI)

(2) Indicate how your organisation contributed to this collaborative initiative (C) We publicly endorsed the initiative

(3) Provide further detail on your participation in this collaborative initiative

As a signatory to the PRI since 2009, Russell Investments has a long-standing relationship with the organization and has completed PRI assessment annually. Russell Investments incorporates the PRI principles into our processes including through manager research, portfolio management, and proxy voting and engagement. Furthermore, we purposefully assess the initiatives and consultations driven by PRI, and we participate where relevant.

(B) Initiative #2

(1) Name of the initiative	Climate Action 100+
(2) Indicate how your organisation contributed to this collaborative initiative	(A) We were a lead investor in one or more focus entities (e.g. investee companies) (B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies) (C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	Climate Action 100+ is an investor initiative launched in 2017 to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change. As members of the Climate Action 100+ initiative since early 2020, and in line with our Net Zero commitment, Russell Investments has engaged with a selected number of companies on climate transition to support the initiative's goal. To this end, during 2022 we have actively contributed to the working group in the respect of the companies we engage with. Furthermore, we supported the majority of proxy voting resolutions flagged by the initiative, which is a clear expression of preference on issues directly related to the initiative's goals.

(C) Initiative #3

(1) Name of the initiative	Carbon Disclosure Project (CDP)
(2) Indicate how your organisation contributed to this collaborative initiative	(B) We acted as a collaborating investor in one or more focus entities (e.g. investee companies) (C) We publicly endorsed the initiative
(3) Provide further detail on your participation in this collaborative initiative	We use the global disclosure system provided by CDP as one of several sources that help us to manage environmental impact in our portfolios. We have also collaborated with CDP in engagement campaigns; for example, during 2022 we supported a campaign that targets 1,200 high impact companies on committing and setting a 1.5 degree-aligned, SBTi approved science-based emissions reduction target.

(D) Initiative #4

(1) Name of the initiative	Institutional Investing Diversity Cooperative (IIDC)
(2) Indicate how your organisation contributed to this collaborative initiative	(C) We publicly endorsed the initiative (G) We were part of an advisory committee or similar

(3) Provide further detail on your participation in this collaborative initiative

IIDC members meet regularly to discuss key initiatives and specific action items that can encourage asset managers to offer more robust and comprehensive diversity data. We are actively involved in IIDC through regular meetings, ad-hoc sub-committee projects, and industry event speaking opportunities.

CONFIDENCE-BUILDING MEASURES (CBM)

CONFIDENCE-BUILDING MEASURES

APPROACH TO CONFIDENCE-BUILDING MEASURES

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 1	CORE	N/A	Multiple indicators	PUBLIC	Approach to confidence-building measures	6

How did your organisation verify the information submitted in your PRI report this reporting year?

- (A) We conducted independent third-party assurance of selected processes and/or data related to the responsible investment processes reported in our PRI report, which resulted in a formal assurance conclusion
- (B) We conducted a third-party readiness review and are making changes to our internal controls or governance processes to be able to conduct independent third-party assurance next year
- (C) We conducted an internal audit of selected processes and/or data related to the responsible investment processes reported in our PRI report
- (D) Our board, trustees (or equivalent), senior executive-level staff (or equivalent), and/or investment committee (or equivalent) signed off on our PRI report
- (E) We conducted an external ESG audit of our holdings to verify that our funds comply with our responsible investment policy
- (F) We conducted an external ESG audit of our holdings as part of risk management, engagement identification or investment decision-making
- (G) Our responses in selected sections and/or the entirety of our PRI report were internally reviewed before submission to the PRI
- (H) We did not verify the information submitted in our PRI report this reporting year

INTERNAL AUDIT

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 4	CORE	OO 21, CBM 1	N/A	PUBLIC	Internal audit	6

What responsible investment processes and/or data were audited through your internal audit function?

(A) Policy, governance and strategy

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited**
- (3) Processes and data internally audited

(B) Manager selection, appointment and monitoring

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited
- (3) Processes and data internally audited**

(C) Listed equity

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited**
- (3) Processes and data internally audited

(D) Fixed income

Select from dropdown list:

- (1) Data internally audited
- (2) Processes internally audited**
- (3) Processes and data internally audited

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 5	PLUS	CBM 1	N/A	PUBLIC	Internal audit	6

Provide details of the internal audit process regarding the information submitted in your PRI report.

An independent Internal Audit (IA) team undertakes a rolling agenda of review on a range of key investment activities. The purpose of Russell Investments Group Internal Audit function is to provide independent and objective assurance and consulting services designed to improve the organization's controls and operations. Internal Audit accomplishes this by providing risk-based and objective assurance, advice, and insight to enhance and protect organizational value. Internal Audit helps the organization accomplish its objectives by bringing a systematic, disciplined approach to test, evaluate and improve the effectiveness of governance, risk management and control processes.

The Russell Investments Group Internal Audit function utilizes a risk-based approach in developing the annual audit plan. The audit universe of key processes is assessed to focus the audit plan on the areas of highest risk. Any issues identified by Internal Audit require management action plans (MAPs) and are tracked to resolution by Internal Audit. The status of open issues is regularly reported to relevant boards and audit committees. Internal Audit validates resolution to close issues identified.

The IA process involves a structured assessment of key processes and risks, including detailed testing of mitigating controls across the organization. These audits are designed to assess if systems and procedures are effective, efficient and function as designed, thereby helping ensure:

- risks are appropriately identified and managed;
- quality and continuous improvement are fostered in the organization's control process;
- significant financial, managerial, and operating information is prepared accurately and reliably; and
- resources are adequately protected.

INTERNAL REVIEW

Indicator	Type of indicator	Dependent on	Gateway to	Disclosure	Subsection	PRI Principle
CBM 6	CORE	CBM 1	N/A	PUBLIC	Internal review	6

Who in your organisation reviewed the responses submitted in your PRI report this year?

- (A) Board, trustees, or equivalent
 (B) Senior executive-level staff, investment committee, head of department, or equivalent

Sections of PRI report reviewed

- (1) the entire report
 (2) selected sections of the report
 (C) None of the above internal roles reviewed selected sections or the entirety of the responses submitted in our PRI report this year