

Russell Investments and the United Nations-Backed Principles for Responsible Investment



Russell Investments received an A+ for our approach to responsible investing.

The Principles for Responsible Investment (PRI) is a globally recognized benchmark for the consideration of environmental, social, and corporate governance (ESG) issues. Russell Investments is pleased to announce that in 2017, the PRI awarded our firm an A+ score – the highest possible – for our approach to sustainable investing.

Principles for Responsible Investment (PRI)

Launched in April 2006, the PRI is an investor initiative developed in partnership with the United Nations Environment Program Finance Initiative and the United Nations Global Compact. They are global best practices that challenge investors to acknowledge environmental, social, and corporate governance (ESG) issues.

THE PRI HAVE SIX PRINCIPLES¹:

1. Incorporate ESG issues in investment analysis and decision-making processes
2. Actively own and incorporate ESG issues in ownership policies and practices
3. Seek appropriate disclosure on ESG issues from the entities invested in
4. Promote acceptance and implementation of the principles within the investment industry
5. Work together to enhance effectiveness in implementing the principles
6. Report on activities and progress towards implementing the principles

The number of PRI pledges has grown exponentially since 2006, and today total signatories are in excess of 1,500¹. Spanning investment managers, asset owners and service providers, from over 60 countries the total list of signatories represents about \$70 trillion in assets¹. As such, these principles have become a well-respected global benchmark.

Russell Investments and the PRI

Russell Investments has been a signatory of the PRI since 2009 and publicly committed to embedding the PRI's six principles where consistent with our fiduciary responsibilities.

Each year, signatories of the PRI disclose their approach to responsible investment, policies and procedures. The PRI then reviews each company's credentials both on an individual and a peer-review basis before awarding them an official PRI rating for the year.

PRI's Mission:

"We believe that an economically efficient, sustainable global financial system is a necessity for long-term value creation. Such a system will reward long-term, responsible investment and benefit the environment and society as a whole."¹

Russell Investments achieved highest score

Out of 935 asset managers assessed by the PRI in 2017, roughly only 20% were awarded the highest possible overall score of A+.

This year, Russell Investments received an “A+” grade in all of the eight assessment modules in which we participated (including peer comparison tests) in an annual assessment report from the PRI²

Demonstrated commitment

Please find a breakdown of Russell Investments’ overall scores across all eight modules reported on.

The methodology, assessment report and transparency report can be found in the full [2017 PRI report](#).²

Module	Band
Strategy and Governance	A+
Listed Equity	A+
Fixed Income Supranational/Sovereign/Agency	A+
Fixed Income Corporate (Financial)	A+
Fixed Income Corporate (Non-Financial)	A+
Fixed Income Securitized	A+
Listed Equity Incorporation	A+
Listed Equity Active Ownership	A+

¹ Source: www.unpri.org/about. Data as of April 30, 2017 The PRI principles are voluntary and an aspirational set of investment principles.

² Source: 2017 PRI Assessment of Russell Investments at: <https://russellinvestments.com/us/about-us/corporate-responsibility/responsible-investment>

Global Head of Product and Responsible Investment Philip Kim, who heads the Russell Investments Sustainability Council, said:

“This A+ assessment from the PRI acknowledges the time and effort that our teams have committed to this increasingly important topic. We consider ESG issues throughout our entire investment process, including manager research, portfolio management as well as proxy voting and engagement. In addition, considering and incorporating ESG-specific strategies, such as our proprietary decarbonization strategy and ESG tilting methodology, is an important part of our product development process.”

Concluding thoughts

Russell Investments has made great strides over the years in incorporating the PRI into our processes. We believe that our ongoing commitment to the PRI is one of the best ways that we can demonstrate to our clients and our peers alike our dedication to responsible investing.

We will continue to focus on the implementation of PRI’s six principles in order to best support our clients and society in responsible and sustainable investing.

› To find out more about our approach to sustainable investing, contact us by phone or visit our website. We look forward to helping you explore your options.

For more information call **866-739-7979** or visit russellinvestments.com/nonprofits

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First used: October 2017

AI-25960-10-20