

SFDR Article 8 Sub-Funds – Website Disclosures

Sections based on Articles 23 to 36 [SFDR Delegated Regulation \(EU\) 2022/1288](#)

Full name of the Article 8 sub-fund: Russell Investments Global Future Equity Fund (the “Fund”)

Legal entity identifier: 5493000NV9N96HMCW967

Date of review: 6 June 2025

Disclaimer: The present working document may be subject to further regulatory changes.

Summary

The Fund is categorised as an Article 8 financial product for the purposes of SFDR, meaning it promotes environmental and / or social characteristics. The Fund does not have as its objective sustainable investment.

The Fund invests in accordance with the Paris-Aligned Investment Initiative's Net Zero Investment Framework ("PAII NZIF"). This is a top-down portfolio level reference target which is an accountability mechanism ensuring that the decarbonisation of the portfolio is consistent with a "Net Zero" pathway. The Fund excludes companies with qualifying involvement in certain activities that are considered harmful to the environment and/or society.

It is expected that at all times at least 70% of the Fund's Net Asset Value will on aggregate be aligned with the environmental and social characteristics promoted by the Fund.

The Fund's environmental indicators are monitored on an ongoing basis. The Principal Money Manager uses data from climate-focused organisations to undertake this analysis.

The Principal Money Manager has an engagement process and may engage with issuers in the context of net zero alignment and in the context of good governance assessments.

No index has been designated as a reference benchmark to determine whether the Fund is aligned with the environmental characteristics that it promotes.

No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

Environmental or social characteristics of the financial product

The Fund promotes the reduction in carbon emissions by investing in accordance with the Paris-Aligned Investment Initiative's Net Zero Investment Framework ("PAII NZIF"). This is a top-down portfolio level reference target which is an accountability mechanism ensuring that the decarbonisation of the portfolio is consistent with a "Net Zero" pathway. Net Zero pathways refer to science-based emissions, technology, and/or investment trajectories that limit global average temperature rise with sufficiently high probability. "Net Zero" is further defined in the PAII NZIF Implementation Guide (the "Implementation Guide") which is available at this link: <https://www.parisalignedassetowners.org/>

The Principal Money Manager utilises the PAII NZIF as its primary target-setting framework for measuring Net Zero alignment, as described in the Implementation Guide. The PAII NZIF includes guidance on how to assess the strength and maturity of a company's Net Zero target and performance against six core criteria – ambition, targets, emission performance, disclosure, decarbonisation strategy and capital allocation alignment. The Principal Money Manager uses data from climate-focused organisations such as Climate Action 100+, Transition Pathway Initiative (TPI), and the Science-Based Targets initiative (SBTi) to undertake this analysis. Using this data the Principal Money Manager classifies each underlying company in the Russell Investments Global Future Equity Fund's portfolio on a quarterly basis into the following categories (listed worst to best):

- (i) **Not Aligned to Net Zero:** refers to assets without a commitment to decarbonise in a manner consistent with achieving global net zero.
- (ii) **Committed to Net Zero Alignment:** refers to assets with a long term decarbonisation goal consistent with achieving global net zero by 2050.
- (iii) **Aligning to Net Zero:** refers to assets with emissions performance not equal to a contextually relevant net zero pathway. However, importantly they have science-based targets and a decarbonisation plan, and are thus ready to transition.
- (iv) **Aligned with a Net Zero Pathway:** refers to assets which have science-based targets, a decarbonisation plan, and current absolute or emissions intensity at least equal to a relevant net zero pathway. This category broadly signifies that transition risk is being managed at an asset level.
- (v) **Net Zero:** refers to when assets meet all relevant criteria and have an emissions performance at net zero which can be expected to continue.

Net Zero alignment is measured by the Principal Money Manager, as follows: (i) by monitoring the weighted average carbon dioxide equivalent emissions of investee companies to ensure that the emissions at fund level decrease in line with defined carbon emissions reduction targets; and (ii) by monitoring investee company holdings and categorising them by Net Zero alignment status to ensure that the holdings within the Fund meet specified Net Zero alignment targets. If the Principal Money Manager has insufficient data to make this determination about a company, it will be classified as not aligned to Net Zero.

The Fund excludes companies with 'qualifying involvement' in certain activities that are considered harmful to the environment and/or society; namely companies which have an exposure to the following industries or activities: controversial weapons, companies with a significant involvement with oil sands, arctic oil and gas, shale energy, thermal coal, tobacco, gambling, adult entertainment and palm oil ("Excluded Companies").

The Fund is actively managed with reference to the MSCI ACWI Index (USD) – Net Returns (the "**Index**"). The Index is a broad market index and is not used by the Fund to attain the environmental or social characteristics promoted by the Fund.

Investment strategy

The Fund will seek to invest at least 80% of its Net Asset Value in Equities and Equity-Related Instruments that are listed, traded or dealt in on Regulated Markets globally, all of which will be subject to the binding elements of the Fund's investment strategy used to attain the environmental and social characteristics promoted by the Fund, as further described above.

In order to construct the Fund portfolio, the Principal Money Manager will appoint one or more Investment Advisers who will provide model portfolios comprised of global equities.

The Principal Money Manager will then construct the Fund portfolio based on an aggregation of these model portfolios. The Principal Money Manager may adjust the aggregated model portfolios, using proprietary investment strategies, as required, to enable the management of exposures at a total portfolio level for risk management, return enhancement purposes and/or to ensure that the Fund's environmental and/or social characteristics are achieved.

Non-financial analysis will be undertaken on at least 90% of the equity and equity related securities. This means that when the Principal Money Manager is evaluating the performance of the Fund's non-financial indicators (eg, carbon emissions), at least 90% of these securities will be subject to analysis and measurement. It may not be possible to analyse and measure the performance of certain assets, as data (or sufficiently high quality data) may not be available.

Binding Elements of the Investment Strategy

The Fund has a binding environmental and social targets which are measured using the objective sustainability indicators (described above). The binding elements of the investment strategy used to achieve these targets are set out below:

1. Carbon Emissions: 2030 Target.

By 2030, the Fund aims to achieve a weighted average carbon dioxide equivalent emissions reduction of at least 50% (scope 1 and 2 emissions) versus the Baseline Emissions.

2. Net Zero Alignment: 2028 Target.

By 2028, the Fund aims to have at least 40% of its investments in Equities and Equity Related Instruments in companies that are: (i) Net Zero; (ii) Aligned with a Net Zero Pathway; or (iii) aligning to Net Zero.

3. Net Zero Alignment: 2040 Target.

By 2040, the Fund aims to have at least 100% of its investments in Equities and Equity Related Instruments in companies that are: (i) Net Zero; or (ii) Aligned with a Net Zero Pathway.

4. Engagement on Net Zero Alignment: Ongoing Target.

The Fund aims to have at least 70% of Financed Emissions in Material Sectors within the Fund portfolio in companies which: (i) are Net Zero; (ii) are Aligned with a Net Zero Pathway; or (iii) will be the subject of direct or collective engagement and stewardship actions by the Principal Money Manager, such as proxy voting or selective divestment.

This target is measured on a quarterly rolling average basis, which means that at any given point in time, the target is assessed based on the average of the most recent four quarters, rather than being evaluated at a single point in time or on a calendar-year basis.

5. Engagement on Net Zero Alignment: 2030 Target.

By 2030, the Fund aims to have 90% of Financed Emissions in Material Sectors within the Fund portfolio, on aggregate, in companies which: (i) are Net Zero; (ii) are Aligned with a Net Zero Pathway; or (iii) will be the subject

of direct or collective engagement and stewardship actions by the Principal Money Manager, such as proxy voting or selective divestment.

6. No Fund holdings in Excluded Companies.

The Fund excludes companies with 'qualifying involvement' in certain activities that are considered harmful to the environment and/or society; namely companies which have an exposure to the following industries or activities: controversial weapons, companies with a significant involvement with oil sands, arctic oil and gas, shale energy, thermal coal, tobacco, gambling, adult entertainment and palm oil ("Excluded Companies").

Good Governance

The Principal Money Manager will only invest in companies which follow good governance practices by international standards.

The Principal Money Manager utilises the services of a third-party data provider to assist it in identifying companies which are aligned to the United Nations Global Compact Principles ("**UNGC Principles**"). These companies are deemed by the Principal Money Manager as having good governance practices and are therefore investable by the Fund. An assessment of UNGC Principle alignment includes a holistic assessment of core metrics for measuring a company's governance practices, including company responsibility, labour relations, company management and the severity of impacts on stakeholders and/or the environment. Companies deemed to not be aligned with the UNGC Principles are placed on an exclusions list for the Fund (subject to the exception below), which is updated quarterly.

If a company is identified by the third-party data provider as not being aligned with the UNGC Principles, the company may still be investable by the Fund, if the Principal Money Manager determines that it does in fact follow good governance practices despite this UNGC Principle assessment. In order to reach this conclusion, the Principal Money Manager shall carry out its own further analysis of the company's governance practices. This additional layer of analysis is undertaken based on advice from Investment Advisers, as relevant, or the Principal Money Manager's own research or insights, supplemental to the research provided by the third-party provider for assessing governance. This review will include an assessment of the company's labour practices, management structure and tax compliance. Following this review, the Principal Money Manager may determine, by recommendation from its investment and responsible investing teams and by approval of the relevant governance body, that the company does in fact demonstrate good governance practices. Only after such a determination is made, can the company form part of the portfolio in the Fund. This review of a company by the Principal Money Manager is overseen and managed by the Principal Money Manager's Global Exclusions Committee.

If a company already held by the Fund is identified as having breached a UNGC Principle by the third-party data provider, during a quarterly update to the Fund's exclusions list, the Principal Money Manager may undertake the further analysis outlined above to determine whether, in its view, the company follows good governance practices. If no such determination is made before the next quarterly update to the Fund's exclusions list, the relevant company will be added to the exclusions list.

Proportion of investments

It is expected that at all times at least 70% of the Fund's Net Asset Value will on aggregate be aligned with the environmental and social characteristics promoted by the Fund. The remainder of the Fund's assets and their purposes are detailed below, and further in the Prospectus.

The Fund does not commit to investing in sustainable investments or investments aligned with the Taxonomy Regulation.

Other investments:

The investments of the Fund which may comprise of "Other" include:

- collective investment schemes (including Exchange Traded Funds), unlisted securities, new issues for which application for listing on a Regulated Market will be sought, convertible debt securities, warrants, Short-Term Instruments and cash for investment purposes. The Fund may invest up to 5% of its Net Asset Value in REITS (being real estate investment trusts).
- currency hedging transactions to hedge against exchange rate risk for efficient portfolio management purposes. The Fund will carry out spot foreign exchange transactions. Futures contracts will be used to hedge against market risk or gain exposure to an underlying market. Forward contracts will be used to hedge or gain exposure to an increase in the value of an asset, currency, commodity or deposit. Options will be used to hedge or achieve long or short exposure to particular markets or securities instead of using a physical security. Swaps (including swaptions) will be used to achieve profit by gaining long or short exposure to markets or securities as well as to hedge existing long positions. Forward foreign exchange transactions will be used to reduce the risk of adverse market changes in exchange rates or to increase exposure to foreign currencies or to shift exposure to foreign currency fluctuations from one country to another. Caps and floors will be used to hedge against interest rate movements exceeding given minimum or maximum levels.
- Cash and cash equivalents may be used for liquidity management purposes.

This portion of the Fund's investments (i.e. up to 30% of the Fund's Net Asset Value) may not be aligned with the environmental or social characteristics.

This "Other" section may also include investments or assets for which the Principal Money Manager does not have sufficient data to confirm whether or not they are aligned with the environmental or social characteristics promoted by the Fund.

No minimum environmental or social safeguards will be in place in relation to such holdings.

Monitoring of environmental or social characteristics

The Principal Money Manager has internal control mechanisms in place to accommodate ongoing and frequent monitoring of the Fund's sustainability indicators.

The excluded companies are coded into the Principal Money Manager's trade order management system. This serves as a systematic control for the Fund. When individuals authorised to trade on the Fund's behalf generate trade orders, these orders are automatically screened against the coded exclusion list. Any trades in securities on the exclusion list are flagged and halted from moving forward to trade execution. In this way, the Principal Money Manager can apply pre trade controls on the Fund. In addition, the order management system provides end of day/post trade exclusion monitoring, which is monitored by the same dedicated team. Any post trade exclusion violations are escalated to the appropriate compliance officers.

To facilitate external monitoring, the Principal Money Manager provides reporting to the Manager and to the Fund board on at least an annual basis.

Methodologies for environmental or social characteristics

Characteristic: Reduction in carbon emissions

Indicator: Carbon Emissions Reduction: 2030 Target.

By 2030, the Fund aims to achieve a weighted average carbon dioxide equivalent emissions reduction of at least 50% (scope 1 and 2 emissions) versus the Baseline Emissions.

“Carbon Emissions” means:

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

‘Baseline Emissions’ means the weighted average carbon dioxide equivalent emissions of the Index as at 31 December 2019.

Indicator: Net Zero Alignment: 2028 Target.

By 2028, the Fund aims to have at least 40% of it’s investments in Equities and Equity Related Instruments in companies that are: (i) Net Zero; (ii) Aligned with a Net Zero Pathway; or (iii) Aligning to Net Zero.

Net Zero Alignment: 2040 Target.

By 2040, the Fund aims to have at least 100% of it’s investments in Equities and Equity Related Instruments in companies that are: (i) Net Zero; or (ii) Aligned with a Net Zero pathway.

Engagement on Net Zero Alignment: Ongoing Target.

The Fund aims to have at least 70% of Financed Emissions in Material Sectors within the Fund portfolio in companies that: (i) are Net Zero; (ii) are Aligned with a Net Zero Pathway; or (iii) will be the subject of direct or collective engagement and stewardship actions by the Principal Money Manager, such as proxy voting or selective divestment.

This target is measured on a quarterly rolling average basis, which means that at any given point in time, the target is assessed based on the average of the most recent four quarters, rather than being evaluated at a single point in time or on a calendar-year basis.

‘Financed Emissions’ means the carbon equivalent emissions (scope 1 and 2) financed by loans and investments by a company, calculated as specified by the Partnership for Carbon Accounting Financials.

‘Material Sectors’ mean those sectors in NACE codes A-H and J-L, which are Agriculture, forestry and fishing, Mining and quarrying, Manufacturing, Electricity, gas, steam and air conditioning supply, Water supply; sewerage; waste management and remediation activities, Construction, Wholesale and retail trade; repair of motor vehicles and motorcycles, Transporting and storage, Information and communication, Financial and insurance activities, Real estate activities. ‘NACE’ codes refers to the statistical classification of economic activities in Europe.

Indicator: Engagement on Net Zero Alignment: 2030 Target

By 2030, the Fund aims to have 90% of Financed Emissions in Material Sectors within the Fund portfolio in companies that: (i) are Net Zero; (ii) are Aligned with a Net Zero Pathway; or (iii) will be the subject of direct or collective engagement and stewardship actions by the Principal Money Manager, such as proxy voting or selective divestment.

Characteristic: Exclusion of companies with qualifying involvement in certain activities that are considered harmful to the environment and/or society, namely, thermal coal, controversial weapons, oil sands, arctic oil and gas, shale energy, tobacco, gambling, adult entertainment and palm oil.

The Principal Money Manager has processes in place designed to ensure that the Fund does not invest in Equity or Equity-Related Instruments that it believes should not be included in an investment strategy used to attain the environmental and social characteristics promoted by the Fund.

The table below outlines the industries and activities which the Principal Money Manager has chosen to exclude from investment by the Fund. Equity or Equity-Related Instruments of companies involved in these industries or activities will be excluded where their exposure to the industry or activity exceeds the exposure limits outlined in the table below.

The Principal Money Manager uses data provided by a third party data provider to assess whether a company's exposure to an industry or activity is above the exposure limits outlined here.

If the exposure to an industry or activity of a particular company changes post-investment, so as to render it an Excluded Company, the company will be added to the exclusions list of the Fund which is updated quarterly. In such cases, the Principal Money Manager will take corrective action to divest of that company as part of the subsequent rebalance of the Fund or at the very latest within one month of the quarterly update to the exclusions list.

Industry/Activity	Exposure (% of total revenue)	Rationale
Adult entertainment	10%	The production of adult entertainment, and/or owns/operates adult entertainment establishments.
	10%	The distribution of adult entertainment materials.
Arctic Oil & Gas	2%	Revenue from oil and gas exploration in Arctic regions.
Gambling	10%	The company owns and/or operates a gambling establishment.
	10%	The company manufactures specialised equipment used exclusively for gambling.
	10%	The company provides supporting products/services to gambling operations.
Oil sands	2%	The company extracts oil sands.
Palm oil	10%	The company is involved in the production and/or distribution of palm oil.
Shale energy	2%	The company is involved in shale energy exploration and/or production
Thermal Coal	10%	The company is involved in coal power generation or mining thermal coal (i.e. thermal coal extraction).
Tobacco products	10%	The company manufactures tobacco products.

	10%	The company supplies tobacco-related products/services.
	10%	The company derives revenues from the distribution and/or retail sale of tobacco products.
Controversial weapons (meaning anti-personnel mines, cluster munitions, and nuclear weapons)	Directly: 0% Indirectly: 20%	The company is involved in the production of the core weapon system, or components/services of the core weapon system that are considered tailor made and essential for the lethal use of the controversial weapon.

Website section ‘Data sources and processing’

The Principal Money Manager will utilise data sourced from independent vendors as well as publicly available information which may include company reports. The Principal Money Manager uses data from climate-focused organisations such as Climate Action 100+, Transition Pathway Initiative (TPI), and the Science-Based Targets initiative (SBTi) to undertake Net Zero Analysis. Carbon Footprint data is currently sourced from MSCI ESG Research Inc. UNGC Principle alignment data is sourced from Sustainalytics.

Prior to using data as part of any Fund’s investment strategy, the Principal Money Manager carries out data quality and coverage assessments. This ensures the quality of data in use is of an appropriate level. Once data has been integrated into a strategy, the Principal Money Manager relies on third party providers to manage data quality and any estimation methodologies applied.

Data is received from third party providers in a variety of file formats. Once the Principal Money Manager receives data from a provider, it is processed and stored in internal databases by the Principal Money Manager’s data integration team. At this point, the data is accessible to investment teams through a variety of tools and resources.

The Principal Money Manager relies on the data directly from the providers with no further transformations or calculations completed. The Principal Money Manager does not complete any estimations of data. Any estimation that occurs is done at the provider level and follows its respective estimation methodology. Once the Principal Money Manager receives data from the provider, any underlying company that has missing data will remain that way.

Data quality controls exist at the following levels:

- (i) provider level;
- (ii) at the integration stage (by the data integration team); and
- (iii) as part of the portfolio analysis conducted within the investment teams.

Limitations to methodologies and data

The primary limitation in the methodology described above for the attainment of the environmental characteristic of the Fund is that, if the Principal Money Manager has insufficient data to make the Net Zero alignment determination about a company, it will be classified as not aligned to Net Zero. The third party data provider may choose to apply an estimation methodology for ascribing a Carbon Footprint value to a company and thus the quality of the data used to measure the indicator may be a concern for companies without sufficient provider coverage. This is typically found among smaller issuers and those in less developed markets. Any security for which no data is received by the Principal Money Manager, will remain without a Carbon Footprint value ascribed to it.

The data provider uses robust estimation methodologies and is constantly improving its data quality and coverage levels.

Another limitation to the methodology used, is that data provider's ability to deliver data accurately and in a timely manner.

The likelihood of these limitations having a material impact on the Fund's ability to achieve its environmental characteristics are considered by the Principal Money Manager to be minimal.

Due diligence

Eligible model portfolios are identified for the Fund by Investment Advisers based on a range of investment philosophies and research processes. The Principal Money Manager selects the Investment Advisers from a universe of ESG specialist investment managers identified through the Principal Money Manager's proprietary research. The Principal Money Manager's research team is responsible for conducting due diligence on these Investment Advisers and they are monitored on an ongoing basis by the Principal Money Manager's investment teams. Due diligence is not carried out on investments specifically as part of the Fund's strategy for achieving the environmental characteristic.

Engagement policies

Active ownership is an important part of the Principal Money Manager's investment responsibilities and decision-making process.

The Principal Money Manager has a dedicated active ownership team who enable its proxy voting policies, procedures, guidelines and voting decisions. Russell Investments' proxy voting and governance process is geared toward engagement on issues related to financially-material ESG factors and involves the active participation of a broad set of experienced investment professionals. As part of the Principal Money Manager's stewardship activities, the Principal Money Manager aims to engage with companies on overall business strategy, capital allocation, and environmental, social and governance practices while encouraging appropriate levels of risk mitigation. The Principal Money Manager's aim is to promote changes by encouraging good practices on material issues that may protect and enhance long-term sustainable value creation.

The Principal Money Manager pursues a multi-channel approach to stewardship, meaning that the Principal Money Manager may engage with companies directly, engage through and with the underlying Investment Advisers, and join collaborative engagement efforts with third-party market participants for the purposes of promoting and achieving alignment with the stated environment and social characteristics of the Fund.

Examples of engagement by the Principal Money Manager may include:

- Engagement with companies on Net Zero targets

The Principal Money Manager expects companies to provide a level of transparency that helps investors understand how they may be impacted by climate-related risks and opportunities, how they have embedded climate change into their strategy, and how they ensure that the benefits of a shift to Net Zero are shared, while supporting those most impacted by the change.

- Monitoring

The Principal Money Manager has developed a tracking program by which the Principal Money Manager monitors the status of each individual engagement action, including the relevant focus area and the aim of each outreach. Once underway, engagement activities are tracked for progress against expected outcomes.

For further information on Russell Investments approach to stewardship, active ownership and engagement, refer to: <https://russellinvestments.com/uk/solutions/institutions/responsible-investing>

Designated reference benchmark

No index has been designated as a reference benchmark to determine whether the Fund is aligned with the environmental or social characteristics that it promotes.