

Russell Investment Funds

Statement of Investment Policy and Objectives

Investment Management by Russell Investments

Effective Date 27 October 2026

Issued by FundRock NZ Limited

A. DESCRIPTION OF THE MANAGED INVESTMENT SCHEME

The Russell Investment Funds ('Scheme') is a managed investment scheme. The Scheme has on offer nine single sector investment funds ('Funds') which provide investors with exposure to:

- International equities
- International equities (hedged)
- Global listed infrastructure securities
- Global listed real estate securities
- Australasian equities¹
- New Zealand fixed interest²
- International fixed interest

The Funds, or any underlying investment pools, are actively managed with one or more underlying investment managers being appointed. The Funds may invest in direct securities (including derivatives) or through other managed investment schemes.

B. ROLES AND RESPONSIBILITIES

FundRock NZ Limited ('FundRock', 'we', 'us', 'our') is the licensed manager ('Manager') of the Scheme. The Manager's key roles and responsibilities are:

- Preparation of disclosure material.
- Establishing, reviewing and maintaining this Statement of Investment Policy and Objectives ('SIPO').
- The ongoing management and oversight of the Funds. This includes appointing, managing and monitoring specialist providers for functions like:
 - Fund administration; and
 - Investment management.
- Assisting Russell Investments who is distributing the funds and managing client relationships.
- Monitoring investment performance and outcomes.

Russell Investment Management Ltd ('Russell Investments') is the Scheme's investment manager ('Investment Manager') and is responsible for deciding what the Funds invest in, in accordance with this SIPO. The Funds are invested in accordance with Russell Investments' investment philosophy and process. Russell Investments also participates in reviewing this SIPO.

Key administration functions, being fund accounting, and unit pricing, are currently outsourced to Apex Investment Administration (NZ) Limited ('Apex NZ') for the following Funds:

- NZ Fixed Interest Fund;
- NZ Shares Fund; and
- Global Fixed Interest Fund

and to BNP Paribas Fund Services Australasia Pty Ltd ('BNP Paribas') for the following Funds:

- Global Shares Fund;
- Hedged Global Shares Fund;

¹ Investment in Australian equities by the Russell Investments NZ Shares Fund is generally in companies that have a dual listing on the New Zealand Stock Exchange (NZX).

² The Russell Investments NZ Fixed Interest Fund has the ability to invest in the Australian fixed income market either through Australian denominated debt securities or derivative instruments.

- Sustainable Global Shares Fund;
- Hedged Sustainable Global Shares Fund;
- Global Listed Infrastructure Fund; and
- Global Listed Real Estate Fund.

All registry functions are currently outsourced to Apex NZ.

Public Trust is the Scheme's supervisor ('Supervisor'). The Supervisor is responsible for supervision of the Manager and the Scheme, including:

- acting on behalf of the Funds' investors in relation to the Manager and any contravention of the Manager's issuer obligations;
- supervising the performance by the Manager of its functions and the financial position of the Manager and the Scheme; and
- holding the Funds' assets or ensuring that the assets are held in accordance with applicable legislative requirements.

Public Trust has appointed Public Trust RIF Nominees Limited to provide custody services for the following Funds:

- NZ Fixed Interest Fund;
- NZ Shares Fund; and
- Global Fixed Interest Fund

and BNP Paribas Fund Services Australasia Pty Ltd ('BNP Paribas') to provide custody services for the following Funds:

- Global Shares Fund;
- Hedged Global Shares Fund;
- Sustainable Global Shares Fund;
- Hedged Sustainable Global Shares Fund;
- Global Listed Infrastructure Fund; and
- Global Listed Real Estate Fund.

C. INVESTMENT PHILOSOPHY

Russell Investments is part of Russell Investments Group, LLC, a global investment solutions provider providing solutions and services to institutions and individuals through financial intermediaries. Headquartered in Seattle, Washington, the investment philosophy of Russell Investments is identifying active underlying investment managers and combining them in robust multi-manager structures which aim to provide consistency of returns above an index. Russell Investments employs both specialist third-party investment managers and related parties to manage underlying assets.

Where Russell Investments manages fund assets directly, they may employ quantitative and/or rules-based processes and qualitative analysis to assess fund characteristics and invest in securities and instruments, which provide the desired overall fund exposures.

D. FUND INVESTMENT OBJECTIVES AND STRATEGIES

The objectives and strategies for the Funds are set out on the following pages:

1. RUSSELL INVESTMENTS GLOBAL SHARES FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the MSCI ACWI – Net Index over the long term.

b. Investment strategy

Benchmark Index

- MSCI ACWI – Net Index.

Benchmark asset allocation

- 100% international equities.

Asset allocation ranges³

- 90%-100% international equities⁴.
- 0%-10% cash and cash equivalents⁵.

Strategy

- The underlying investment exposure is predominantly to a broad range of international shares listed on stock exchanges in developed and emerging international markets. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk.

Permitted investments

- International equity and Australasian equity instruments (including REITs).
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.
- Limitations and divestment policies apply to investment exclusions.

See Section E for more information

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund is normally not hedged to the New Zealand dollar.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

³ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization or market movements.

⁴ Includes Australasian equities. Exposure to this asset class through the use of derivatives are included within this range.

⁵ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

2. RUSSELL INVESTMENTS HEDGED GLOBAL SHARES FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the MSCI ACWI - Net Index 100% hedged to NZD over the long term.

b. Investment strategy

Benchmark Index

- MSCI ACWI – Net Index 100% hedged to NZD.

Benchmark asset allocation

- 100% international equities.

Asset allocation ranges⁶

- 90%-100% international equities ⁷.
- 0%-10% cash and cash equivalents⁸.

Strategy

- The underlying investment exposure is predominantly to a broad range of international shares listed on stock exchanges in developed markets as well as emerging international markets. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk. The Fund targets a position of being fully hedged back to New Zealand Dollars. Due to active currency management by the underlying investment managers, there will generally be some foreign currency exposure.

Permitted investments

- International equity and Australasian equity instruments (including REITs).
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.
- Limitations and divestment policies apply to investment exclusions.

See Section E for more information.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund targets a position of being fully hedged back to New Zealand dollars, with an allowable range between 85% and 115% of the NAV of the Fund, less any uncrystallised gains/losses on the currency hedges. Due to active management, there will generally be

⁶ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization, or market movements.

⁷ Includes Australasian equities. Exposure to this asset class through the use of derivatives are included within this range.

⁸ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range. Excludes any cash held by the Russell Investments Global Shares Fund (Hedged Sub-Fund).

some foreign currency exposure as currency hedging is performed against Benchmark Index allocations.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

3. RUSSELL INVESTMENTS SUSTAINABLE GLOBAL SHARES FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, in line with the return of the MSCI ACWI – Net Index over the long term.

As described in Section E, the Fund targets a lower carbon exposure, and higher Climate Solutions Revenue, compared to the Benchmark Index.

b. Investment strategy

Benchmark Index

- MSCI ACWI – Net Index.

Benchmark asset allocation

- 100% international equities.

Asset allocation ranges⁹

- 90%-100% international equities¹⁰.
- 0%-10% cash and cash equivalents¹¹.

Strategy

- The underlying investment exposure is predominantly to a broad range of international shares listed on developed markets and emerging market exchanges. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk.

Permitted investments

- International equity and Australasian equity instruments (including REITs).
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.
- Limitations and divestment policies apply to investment exclusions.

See Section E for more information.

⁹ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equalization or market movements.

¹⁰ Includes Australasian equities. Exposure to this asset class through the use of derivatives are included within this range.

¹¹ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund is normally not hedged to the New Zealand dollar.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

4. RUSSELL INVESTMENTS HEDGED SUSTAINABLE GLOBAL SHARES FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, in line with the return of the MSCI ACWI – Net Index 100% hedged to NZD over the long term.

As described in Section E, the Fund targets a lower carbon exposure, and higher Climate Solutions Revenue, compared to the Benchmark Index. The Fund also employs certain investment exclusions.

b. Investment strategy

Benchmark Index

- MSCI ACWI – Net Index 100% hedged to NZD.

Benchmark asset allocation

- 100% international equities.

Asset allocation ranges¹²

- 90%-100% international equities¹³.
- 0%-10% cash and cash equivalents¹⁴.

Strategy

- The underlying investment exposure is predominantly to a broad range of international shares listed on developed and emerging market exchanges. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk.

Permitted investments

- International equity and Australasian equity instruments (including REITs).
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.

¹² The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equalization or market movements.

¹³ Includes Australasian equities. Exposure to this asset class through the use of derivatives are included within this range.

¹⁴ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

- Limitations and divestment policies apply to investment exclusions.

See Section E for more information.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund targets a position of being fully hedged back to New Zealand dollars, with an allowable range between 85% and 115% of the NAV of the Fund, less any uncrystallised gains/losses on the currency hedges. Due to active management, there will generally be some foreign currency exposure as currency hedging is performed against Benchmark Index allocations.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

5. RUSSELL INVESTMENTS NZ SHARES FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the S&P/NZX 50 Index (gross and including imputation credits) over the long term.

b. Investment strategy

Benchmark Index

- S&P/NZX 50 Index (gross and including imputation credits).

Benchmark asset allocation

- 100% Australasian equities.

Asset allocation ranges¹⁵

- 90%-100% Australasian equities¹⁶.
- 0%-10% cash and cash equivalents¹⁷.

Strategy:

- The underlying investment exposure is typically comprised of a broad range of shares and other equity securities listed on the NZX. This may include derivative instruments which may be used to obtain or reduce exposure to securities and to hedge any Australian dollar exposure. Investment in Australian shares will generally be in those companies which have a listing on the NZX.

Permitted investments:

- Australasian equity securities (including REITs).
- Cash and cash equivalents.

¹⁵ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization or market movements.

¹⁶ Exposure to this asset class through the use of derivatives are included within this range.

¹⁷ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- Where the Fund holds Australian equities, the resulting Australian dollar exposure may be hedged to the New Zealand dollar.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).
- Underwriting or sub-underwriting is permitted.

6. RUSSELL INVESTMENTS GLOBAL LISTED INFRASTRUCTURE FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the S&P Global Infrastructure – Net Total Return Index – New Zealand dollar Hedged over the long term. The Fund targets a 20% carbon footprint reduction¹⁸ relative to its Benchmark Index.

b. Investment strategy

Benchmark Index

- S&P Global Infrastructure – Net Total Return Index – New Zealand dollar Hedged.

Benchmark asset allocation

- 100% international equities (consisting of infrastructure and infrastructure related securities).

Asset allocation ranges¹⁹

- 90%-100% infrastructure and infrastructure related securities.
- 0%-10% cash and cash equivalents²⁰.

Strategy

- The underlying investment exposure is predominantly to infrastructure and infrastructure related securities that are listed, or expected to be listed within the next six months, on developed and emerging market stock exchanges. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk.

Permitted investments

- Infrastructure and infrastructure related securities and/or instruments.
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.

¹⁸ Refer to Section E for more information

¹⁹ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization or market movements.

²⁰ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.
- Limitations and divestment policies apply to investment exclusions.

See Section E for more information.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund targets a position of being fully hedged back to New Zealand dollars, with an allowable range between 85% and 115% of the NAV of the Fund, less any uncrystallised gains/losses on the currency hedges. Due to active management, there will generally be some foreign currency exposure as currency hedging is performed against Benchmark Index allocations.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

7. RUSSELL INVESTMENTS GLOBAL LISTED REAL ESTATE FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the FTSE EPRA/Nareit Developed – Net Total Return Index – New Zealand dollar Hedged over the long term.

b. Investment strategy

Benchmark Index

- FTSE EPRA/Nareit Developed – Net Total Return Index – New Zealand dollar Hedged.

Benchmark asset allocation

- 100% global listed real estate and real estate related securities.

Asset allocation ranges²¹

- 90%-100% global listed real estate and listed real estate related securities.
- 0%-10% cash and cash equivalents²².

Strategy

- The underlying investment exposure is predominantly to real estate and real estate related securities that are listed, or expected to be listed within the next six months, on developed and emerging market stock exchanges. Derivatives may be used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk.

²¹ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization or market movements.

²² Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range.

Permitted investments

- Global listed real estate and real estate related securities and/or instruments.
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund targets a position of being fully hedged back to New Zealand dollars, with an allowable range between 85% and 115% of the NAV of the Fund, less any uncrystallised gains/losses on the currency hedges. Due to active management, there will generally be some foreign currency exposure as currency hedging is performed against Benchmark Index allocations.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

8. RUSSELL INVESTMENTS NZ FIXED INTEREST FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the Bloomberg NZBond Composite 0+ Yr Index over the long term.

b. Investment strategy

Benchmark Index

- Bloomberg NZBond Composite 0+ Yr Index.

Benchmark asset allocation

- 100% New Zealand fixed interest.

Asset allocation ranges²³

- 80%-100% New Zealand fixed interest and cash and cash equivalents.
- 0%-20% International fixed interest and cash and cash equivalents²⁴.
- 0%-20% currency hedging instruments.

Strategy

- The underlying investment exposure is typically comprised of government fixed income securities, bank bills and cash equivalents, and securities issued by local authorities, semi-government organisations, and corporations, as well as to mortgage-backed and asset backed securities. The underlying investment portfolio may from time to time be exposed to low grade or unrated debt securities to a limited extent, and derivatives. The Fund also has the ability to invest in the Australian fixed income market either through Australian dollar denominated debt securities or derivative instruments.

²³ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions, cash equitization or market movements.

²⁴ Exposure to this asset class through the use of derivatives are included within this range.

Permitted investments

- NZ fixed interest securities.
- International fixed interest securities.
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- Australian dollar currency exposure is largely hedged back to the New Zealand dollar.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

9. RUSSELL INVESTMENTS GLOBAL FIXED INTEREST FUND

a. Objectives

The investment objective of the Fund is to provide a total return, before fees and tax, higher than the return of the Bloomberg Global Aggregate Index – New Zealand dollar Hedged over the long term. The fund targets a 20% carbon footprint reduction²⁵ of the corporate debt portion of the fund relative to its Benchmark Index.

b. Investment strategy

Benchmark Index

- Bloomberg Global Aggregate Index Hedged to NZ Dollars.

Benchmark asset allocation

- 100% International fixed interest.

Asset allocation ranges²⁶

- 90%-100% International fixed interest²⁷.
- 0%-10% cash and cash equivalents²⁸.

Strategy:

- The underlying investment exposure is predominantly to debt securities issued by supranational, international governments, quasi-government agencies and corporates as well as structured credit securities including mortgage-backed and asset backed securities. The underlying investment portfolio may also be exposed to low grade or unrated debt securities, emerging market securities and currency. Derivatives may be

²⁵ As described in Section E.4.b.

²⁶ The actual asset allocation may temporarily fall outside the ranges stated above in certain circumstances due to asset transitions or market movements.

²⁷ Exposure to this asset class through the use of derivatives are included within this range. The underlying Russell Investments Global Bond Fund may include NZ fixed interest exposure which is regarded as International fixed interest for the purposes of this range. NZ fixed interest exposure is not expected to be material.

²⁸ Accrued fund expenses and other fund liabilities are not deducted from cash and cash equivalents for this range. Excludes any cash held by the Russell Investments Global Bond Fund.

used to obtain or reduce exposure to securities and markets, implement investment strategies, and manage risk. The Fund targets a position of being fully hedged back to New Zealand Dollars. Due to active currency management by the underlying investment managers, there will generally be some foreign currency exposure.

Permitted investments

- International fixed interest securities.
- Cash and cash equivalents.
- Derivative instruments including currency hedging instruments.
- Managed funds and ETFs.

Prohibited investments

- Certain investment exclusions are applied to the Fund.
- Limitations and divestment policies apply to investment exclusions.

See Section E for more information.

Rebalancing policy

- As a single-sector fund, there is no need for a rebalancing policy.

Currency hedging policy

- The Fund targets a position of being fully hedged back to New Zealand dollars. Due to active management by the underlying investment managers, there will generally be some foreign currency exposure.

Other

- The Fund can borrow up to 20% of the aggregate value of its investments but only for the purposes of providing short-term liquidity (i.e. to fund temporarily redemptions or pay expenses).

E. RESPONSIBLE INVESTING

1. INVESTMENT EXCLUSIONS EMPLOYED IN THE FUNDS

Various investment exclusions are applied to the Russell Investments Funds. Schedule A – Exclusions contains a table with an overview of the applicable investment exclusions by Fund.

The methodology applied to each investment exclusion outlined in the table in Schedule A is described in the following paragraphs.

a. Tobacco Manufacturers

Companies that derive more than 0% of their revenue from the manufacture of tobacco products or nicotine alternatives (including through subsidiaries).

b. Controversial Weapons Producers (i.e. producers of any of anti-personnel mines, cluster munitions, depleted uranium, biological and chemical weapons, and white phosphorus):

Companies that are involved, either directly or indirectly, 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 weapon.

c. Nuclear Weapons Producers

Companies that are involved, either directly or indirectly, 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 nuclear weapons.

d. Firearms

Companies that receive greater than 10% of their revenue from involvement in the manufacture of key components of small arms, and the manufacture and sale of assault weapons and small arms for civilians and military/law enforcement customers.

e. Prohibited Coal Companies

Companies which derive more than 10% of their revenue from mining thermal coal (i.e. thermal coal extraction) or coal power generation.

f. Prohibited Coal Companies (With Exceptions)

Companies which derive more than 10% of their revenue from coal power generation or mining thermal coal (i.e. thermal coal extraction), except for companies which either:

- i) derive at least 10% of their power generation from renewable energy sources; or
- ii) have made credible progress towards a low-carbon transition as assessed by the Transition Pathway Initiative,

provided in either case that any such companies derive less than 25% of their revenue from coal power generation or mining thermal coal (i.e. thermal coal extraction).

g. Uranium Mining Companies

Companies whose primary business is uranium mining as classified as residing in this sector by a third-party data provider.

h. United Nations Global Compact (UNGC) Principles Non-Compliance

Companies are screened against a list designed to exclude companies that do not comply with good governance practices, by international standards.

Russell Investments considers that a company complies with good governance practices by international standards where that company complies with the United Nations Global Compact ('UNGC') Principles.

Generally, the Funds listed as applying exclusions for UNGC Principles non-compliance will exclude companies which Russell Investments considers persistently fail to comply with good governance practices by international standards.

Russell Investments utilises the services of Sustainalytics, to identify companies that are aligned to the UNGC Principles and are, therefore, deemed by Russell Investments as having good governance practices. Companies deemed to not be aligned with the UNGC Principles are placed by Russell Investments on exclusions lists for the Funds listed in Schedule A (subject to the exception below) which are updated quarterly.

If a company is identified by Sustainalytics as being non-compliant with one or more of the UNGC Principles, the company may still be investable if Russell Investments determines that it does, in fact, follow good governance practices, despite the UNGC Principles assessment by Sustainalytics. In order to reach this conclusion, Russell Investments carries out its own further analysis of the company's governance practices. This additional layer of analysis is undertaken based on advice from an investment manager or from Russell Investments' own research or insights, supplemental to the research provided by Sustainalytics. The review will include an

assessment of the company's labour practices, management structure and tax compliance. Following the further analysis, Russell Investments may determine, by recommendation from its investment and responsible investing teams and by determination of the Russell Investments' Global Exclusions Committee, that the company does, in fact, demonstrate good governance practices. Only after such a determination is made, can the company form part of a Fund's investments.

If a company held by a Fund is identified as having breached a UNGC Principle by Sustainalytics during a quarterly review of that Fund's exclusions list, Russell Investments may undertake the further analysis outlined above to determine whether, in fact, the company follows good governance practices. If no such determination is made before the next quarterly update to the exclusions list, the relevant company will be added to the exclusions list.

2. LIMITATION ON INVESTMENT EXCLUSIONS

When determining exclusions, Russell Investments relies on data sourced from independent vendors (including Sustainalytics) in order to determine companies that meet its exclusion criteria for the Funds. The independent vendors used by Russell Investments may not assess all companies in the investible universe of a Fund at all times (whether due to a lack of available company data, corporate actions or otherwise). As a result, Russell Investments (or its underlying investment managers) may acquire or hold a company security in a Fund that has not been assessed by the independent vendors and would otherwise be required to be excluded by a Fund's exclusions criteria.

The exclusions described above apply to companies only. Fund holdings in cash, derivatives, and debt securities issued by supranationals, governments, quasi-governments or agencies, or structured credit securities (including mortgage and asset backed securities) do not form part of the holdings of the Funds that are subject to the exclusions. Where a Fund invests in derivatives, the ESG considerations and exclusions applied in a Fund do not apply. Accordingly, a Fund may be indirectly exposed to companies that would otherwise be excluded.

In addition, where exclusions are employed by a Fund, such exclusions would not apply to any third-party fund held by that Fund (unless otherwise specified). Where exclusions are employed by a Fund, exclusions lists are reviewed and updated regularly.

3. DIVESTMENT POLICY

Russell Investments may identify securities held by a Fund from time to time that are required to be excluded by a Fund's exclusions criteria. Unless otherwise specified for the Fund, when Russell Investments becomes aware such securities are held by a Fund, it will be divested within 60 days.

4. FUNDS WITH STATED ESG OBJECTIVES

a. Russell Investments Sustainable Global Shares Fund; Russell Investments Hedged Sustainable Global Shares Fund

The Russell Investments Sustainable Global Shares and Hedged Sustainable Global Shares Funds have non-financial performance targets that include:

- a reduction of 50% in carbon emissions²⁹ and carbon reserves³⁰, as compared to the benchmark;

²⁹ Russell Investments defines relative carbon emissions as Weighted Average Carbon Intensity (WACI). This is consistent with market practice for measuring carbon emissions.

³⁰ Russell Investments refers to relative carbon reserves as the asset relative fossil fuel reserves of a company.

- increased exposure to Climate Solutions Revenue³¹, as compared to the benchmark; and
- an improved aggregate ESG score³², as compared to the benchmark.

These targets are achieved by excluding Prohibited Coal Companies and having reduced weights, in aggregate, compared to the benchmark, in companies with high exposure to carbon-intensive activities and increasing the weights in those companies with positive ESG characteristics as well as those involved in the development of renewable energy, reduction of greenhouse gas emissions and/or adapts to climate change.

In addition, these funds employ certain investment exclusions as outlined in this section.

More information on Russell Investments' approach to responsible investing can be found on their website at <https://russellinvestments.com/nz/solutions/customised-portfolio-solutions/responsible-investing>.

b. Russell Investments Global Fixed Interest Fund

The Russell Investments Global Fixed Interest Fund promotes a reduction in "Carbon Emissions". This is primarily achieved by excluding investments in all "Prohibited Coal Companies"³³. These companies have been identified by Russell Investments as having a relatively high exposure to carbon-intensive activities.

The Russell Investments Global Fixed Interest Fund targets a "Carbon Footprint" reduction of at least 20% in respect of the "Corporate Debt" portion of its investments. The Carbon Footprint reduction target will primarily be met by excluding the Prohibited Coal Companies from investment. If, however, following the application of the exclusions policy the Russell Investments Global Fixed Interest Fund has not met its Carbon Footprint reduction target, Russell Investments will evaluate the Carbon Footprint of all remaining investments of the Russell Investments Global Fixed Interest Fund and will take measures to ensure that its holdings are adjusted to sufficiently reduce its Carbon Footprint in order to meet its Carbon Footprint reduction target.

The Russell Investments Global Fixed Interest Fund does not currently have carbon emissions reductions targets in respect of its non-Corporate Debt investments, due to the low Carbon Emissions data coverage rates available for these investments. If Russell Investments becomes satisfied that sufficiently reliable Carbon Emissions data is available for any other portion of the Russell Investments Global Fixed Interest Fund investments, the carbon reduction targets may be revised to incorporate the Carbon Emissions resulting from these investments.

For the purposes of implementing the carbon exposure reduction strategy and evaluating the carbon exposure of an investee company, the Russell Investments Global Fixed Interest Fund will utilise third-party Carbon Footprint data sourced from independent vendors, as well as publicly available information.

c. Russell Investments Global Listed Infrastructure Fund

The Russell Investments Global Listed Infrastructure Fund targets a 20% Carbon Footprint reduction relative to its Benchmark Index. Russell Investments achieves this reduction in Carbon

³¹ Climate Solutions Revenue is a company's share of revenue that promotes clean energy, reduces greenhouse gas emissions and/or adapts to climate change, divided by the company's total revenue. Examples include revenue from activities such as solar generation, which contributes to clean energy; designing or constructing energy-efficient buildings, which help reduce greenhouse gas emissions; or developing climate-resilient infrastructure - such as flood-resistant water systems or sustainable agriculture technologies, that support climate adaptation efforts.

Russell Investments relies on data provided by an independent vendor, who conducts research at the level of companies' individual business activities, in order to measure Climate Solutions Revenue for the Funds.

³² The ESG Score is a proprietary calculation drawing on data from external data providers to determine an ESG score based on ESG issues that are considered financially material to a firm's business.

³³ As described in **Section E**.

Footprint by applying a decarbonisation overlay strategy to the fund and by applying investment exclusions to Prohibited Coal Companies (With Exceptions) as described in this section.

The decarbonisation overlay strategy uses quantitative data relating to Carbon Footprint and also involves an assessment of the involvement in the extraction of coal of each constituent of the Benchmark Index to enable Russell Investments to evaluate the carbon exposure of a particular constituent of the Index.

The decarbonisation overlay strategy uses a systematic optimisation strategy to:

- (i) exclude securities identified according to the Prohibited Coal Companies (With Exceptions) definition (which are prohibited from being held by the Fund);
- (ii) evaluate the carbon exposure of investee companies; and
- (iii) adjust the holdings of the Fund to reduce its aggregate carbon exposure relative to the Benchmark Index.

The carbon exposure of an investee company (referred to in (ii) above) is evaluated using third-party Carbon Footprint data as well as data relating to the involvement of such company in the extraction of coal.

F. INVESTMENT POLICIES

1. TAXATION

All Funds have elected to be Portfolio Investment Entities ('PIEs') and are therefore taxed under the PIE regime.

The taxation implications of an investment method, such as holding assets directly or investing in a managed investment scheme, are taken into account when determining the most appropriate approach for a particular fund. Note that taxation is not the sole consideration when choosing an investment method; other factors taken into account include cost and implementation feasibility.

2. LIQUIDITY

The liquidity risk of the Funds is assessed with reference to liquidity of the underlying assets and securities. The Manager then establishes an appropriate application and redemption frequency for the Fund concerned. All the Funds invest predominantly in liquid securities and hence have daily applications and redemptions. Market conditions can change, however, resulting in some assets becoming difficult to sell. Hence if a Fund were to experience liquidity problems the Manager may defer or suspend redemptions for a period of time.

3. RELATED-PARTY TRANSACTIONS

Related-party transactions, other than the types permitted under the FMC Act, are prohibited.

The Funds may enter into transactions with related parties if permitted under section 174 of the FMC Act or consented to by the Supervisor under section 173(2)(a). Examples of such transactions include:

- the Funds investment in the Russell Investment Funds; and,
- parties related to the Funds, including the staff of Russell Investments and their families, and the staff of FundRock and their families from time to time investing in the Funds.

The Manager will report such transactions by related parties to its Supervisor in accordance with section 173(2) of the FMC Act.

A related party of the Investment Manager may be appointed to:

- directly manage assets in the Scheme;
- provide brokerage and execution services for the Scheme;
- provide transition management services to the Scheme; and
- manage derivatives (including currency hedging) for the Scheme.

4. TRADE ALLOCATIONS AND TRANSACTIONS

The underlying investment managers and Russell Investments have policies and procedures covering trade allocation and arms-length transactions. Russell Investments' overarching principle for trade allocations is to ensure client orders are aggregated over time, such that clients are treated on a fair and equitable basis and the interests of some clients are not placed over those of others.

5. OTHER RELEVANT POLICIES

Summaries of the key relevant policies are set out below.

a. Pricing and Asset Valuation Policy

The purpose of this policy is to set out how FundRock manages its pricing and asset valuation obligations, and the way in which FundRock exercises its discretions authorised by the Trust Deed and the Funds' establishment documentation.

This policy also links to FundRock's Outsourcing Policy reflecting that we outsource functions including unit pricing and asset valuation to third parties. In particular, the policy provides a guide to the areas we need to focus on when selecting, monitoring and undertaking ongoing due diligence on third party providers.

Within the bounds of what is reasonable and practical our goals are to:

- have prices that reflect fair, realisable value of underlying assets and liabilities;
- ensure equitable treatment of investors entering, exiting or remaining in a Fund;
- have a consistent and objective process for determining prices; and
- comply with our governing documents, offer documents and the relevant legislation.

The Pricing and Asset Valuation Policy is available on the Disclose website (<https://disclose-register.companiesoffice.govt.nz/>).

b. Conflicts of Interest and Related Party Transactions Policies

Our Conflicts of Interest and Related Party Transactions policies set out the principles and procedures relating to the management of conflicts of interest within FundRock. The policies apply to all of FundRock's directors, relevant officers, senior management and employees.

The policies provide guidance on:

- what is meant by a conflict of interest;
- what constitutes a related party transaction; and
- how these are managed.

c. FundRock Investment Management Policy

This document sets out FundRock's policies and procedures in relation to appointing and monitoring investment managers. In particular the policy covers:

- Investment management governance;
- Investment manager selection and appointment; and
- Investment manager monitoring and compliance.

G. PERFORMANCE MONITORING

FundRock monitors investment performance of the Funds on a monthly basis. Performance is measured and assessed on the following basis for 1, 3 and 5-year periods:

- Gross return (before fees and before tax)
- Net return (after fees and before tax)
- Benchmark Index return
- Performance relative to benchmark
- Annualised standard deviation of gross return³⁴
- Annualised standard deviation of Benchmark Index return

FundRock and Russell Investments monitor the non-financial performance targets for the Russell Investments Sustainable Global Shares Fund, the Russell Investments Hedged Sustainable Global Shares Fund, the Russell Investments Global Listed Infrastructure Fund, and the Russell Investments Global Fixed Interest Fund and once available publishes these monthly in a fund fact sheet on their website at <https://russellinvestments.com/nz/solutions/customised-portfolio-solutions/responsible-investing>. If these funds consistently fail to meet their non-financial performance targets, FundRock will review the investment manager strategy to determine if it remains appropriate.

FundRock reports performance, both financial and non-financial, to the Supervisor and to the FundRock Board.

H. INVESTMENT STRATEGY REVIEW

The FundRock Board has responsibility for oversight of the Investment Manager's performance and aims to meet at least quarterly. The Funds are expected to be invested according to the provisions of this document. FundRock does not intend to amend the Funds' investment strategies, although amendments may be made following recommendations by the Investment Manager.

I. SIPO MONITORING AND REVIEW

The FundRock Board is responsible for governance oversight of the SIPO.

The Manager's compliance processes include periodic policy reviews. SIPOs are reviewed annually by FundRock management with the outcomes of these reviews reported to the FundRock Board. In addition, FundRock management may initiate an ad hoc review, with examples of events that could lead to this being:

- A specialist investment group, like Russell Investments or one of the underlying investment managers, recommending changes to the SIPO;
- A change in roles and responsibilities; or
- A permanent change in risk and return characteristics of the relevant market.

SIPO reviews take into account the views of FundRock and the Investment Manager and if required the views of external experts.

The Manager can make changes to the SIPO in accordance with the Trust Deed and the FMC Act. Before making changes to the SIPO, the Manager will consider if the changes are in the best interests of investors and consult with the Supervisor. Any changes to the SIPO require FundRock

³⁴ Standard deviation calculations are based on monthly returns.

Board approval. The Manager will give notice to fund investors before implementing any material SIPO changes.

The Manager is responsible for monitoring adherence to the SIPO and reporting any breaches to the FundRock Board and the Supervisor.

The current version of this SIPO is available on the schemes register at www.companiesoffice.govt.nz/disclose.

This SIPO was approved by the FundRock Due Diligence Committee, by delegation from the FundRock Board, on 21 October 2026 and takes effect on 27 October 2026.

J. GLOSSARY

Benchmark Index means the financial index or indices against which a Fund's performance is measured.

Carbon Footprint means Carbon Emissions in metric tons of carbon dioxide equivalent (CO₂-e), divided by company revenue (USD).

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.

Climate Solutions Revenue refers to a company's share of revenue that promotes clean energy, reduces greenhouse gas emissions and/or adapts to climate change, divided by the company's total revenue.

Directly (in relation to sustainable investing) refers to companies that are involved in the stated activities. There is no minimum percentage revenue or ownership threshold.

ETFs means exchanged-traded funds.

Funds means the investment funds offered within the Scheme, being the Russell Investments Global Shares Fund, the Russell Investments Hedged Global Shares Fund, Russell Investments Sustainable Global Shares Fund, Russell Investments Hedged Sustainable Global Shares Fund, the Russell Investments NZ Shares Fund, the Russell Investments Global Listed Infrastructure Fund, the Russell Investments NZ Fixed Interest Fund, the Russell Investments Global Fixed Interest Fund, and the Russell Investments Global Listed Real Estate Fund.

Indirectly (in relation to sustainable investing) refers to companies that own more than 20% of an underlying company that has involvement in the stated activities.

Lethal means causing or able to cause death.

Revenue refers to the revenue percentage determined by an ESG data vendor, Sustainalytics, either from the company's reported revenues, or from an estimate of the company's revenue made by Sustainalytics.

SCHEDULE A – EXCLUSIONS³⁵

Fund	Tobacco Manufacturers	Controversial Weapons Producers	Nuclear Weapons Producers	Firearms	Uranium Mining	Prohibited Coal Companies	Prohibited Coal Companies (With Exceptions)	UNGC Principles Non- Compliance
Sustainable Global Shares	✓	✓	✓	✓	✓	✓		✓
Hedged Sustainable Global Shares	✓	✓	✓	✓	✓	✓		✓
Global Fixed Interest ³⁶	✓	✓	✓			✓		✓
Global Shares	✓	✓	✓					
Hedged Global Shares	✓	✓	✓					
Global Listed Infrastructure							✓	✓

³⁵ The details of these exclusions, including materiality thresholds where relevant, can be found in **Section E**.

³⁶ Applies only to corporate debt holdings within the Global Fixed Interest Fund. Please see **Section E** for more information.