

# Press Release

## BARCLAYS PENSION FUND ALLOCATES £2 BILLION MANAGER ASSIGNMENT TO RUSSELL

London, 14 August 2007- Russell Investments (Russell) is pleased to announce its appointment by Barclays Bank UK Retirement Fund (BBUKRF) to design and manage a £2 billion portfolio of third-party high alpha global equity managers. BBUKRF has assets of approximately £16.8bn managed on behalf of around 220,000 members. It is sponsored by Barclays plc and comprises past and present pensions offerings to the Bank's staff.

"For over 35 years, we have helped guide the investment strategies of some of the world's largest institutional investors. The decision by Barclays Pension Fund to hire Russell recognises the need for a robust and accountable governance structure when hiring multiple specialist managers," said Johan Cras, Managing Director, Institutional Investment Services, Russell. "Russell's business is built around finding best-of-class specialist managers and implementing an exposure to these managers within an efficient and cost effective framework. Russell has been able to offer Barclays Pension Fund the opportunity to leverage Russell's multi-manager fund experience to build a tailored multi-manager portfolio. Furthermore, in this appointment Russell has clear accountability for manager performance, something which is missing in many traditional consulting relationships."

As well as selecting managers, Russell will also be responsible for ongoing additional portfolio implementation matters such as cash equitisation, foreign exchange execution and transition management. It is hoped that this focus on the cost and risk aspects of implementation will deliver to the BBUKRF and its members as much of the added value generated by the underlying managers as possible.

The initial portfolio combines a diversified range of 15 equity managers, using both global and regional mandates and will be run by Neil Jenkins, a specialist in segregated multi-asset portfolio management and Managing Director in Russell's Investment Management & Research group. The strategies selected include highly concentrated portfolios, long short strategies and differentiated fee arrangements.

Ian Barnes, Director, Business Solutions, Russell concluded: "Manager selection and deselection can be one of the most inefficient aspects of trustee decision making, largely due to a lack of accountability and an inefficient framework for the execution of any resulting changes. We believe that this decision by one of the largest pension schemes in the country recognises that using a specialist in this area can significantly improve efficiency."

*Notes to Editors:***About Russell Investments**

Russell Investments provides investment products and services in more than 44 countries. Russell manages \$219 billion in assets, of which \$81bn is managed from Europe, and advises clients worldwide representing more than \$2.4 trillion. Founded in 1936, Russell is a subsidiary of Northwestern Mutual and is headquartered in Tacoma, Wash., with additional offices in Amsterdam, Auckland, London, New York, Paris, Singapore, Sydney, Tokyo and Toronto.

*For further information, please contact:*

Sarah Culpeper, Associate Director, Public Relations

Russell Investments, Rex House, 10 Regent Street, London, SW1Y 4PE

Tel:+44 (0) 20 7024 6240 Fax:+44 (0) 20 7024 6201 [www.russell.com](http://www.russell.com)

This material does not constitute an offer or invitation to anyone to invest in any Russell product, or use any Russell services and has not been prepared in connection with any such offer. Any opinions expressed are those of Russell Investments Limited and not a statement of fact and they do not constitute investment advice and are subject to change. This material is not intended for distribution to private customers. Unless otherwise specified all information contained in the document is current at the time of issue.

Copyright © 2007 Russell Investments Limited. Issued by Russell Investments Limited. Company No. 02086230. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone 020 7024 6000. Authorised and regulated by the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS.