

Manager universes from the leaders in manager research

SUMMARY

Russell Universes help you compare portfolio performance to that of a relevant peer group.

ASSET CLASSES

- Equity
- Fixed income
- Real estate

GEOGRAPHICAL REGIONS

- Global
- Emerging markets
- Asia Pacific
- Canada

CAPITALIZATION

- Europe
- Japan
- U.K.
- U.S.
- Microcap
- Small cap
- Mid cap
- Large cap

STYLES

- Growth
- Value
- Market oriented

The Russell Manager Universes story

The Russell manager universes were originally built in 1972 to meet the research needs of Russell's world-class manager research team.

The universes are based on Russell's extensive research of more than 8,000 investment portfolios worldwide.

They are constructed from fully-discretionary, actively-managed, institutional, separate account portfolios, making them truly representative of a manager's peer group.

Better view—better perspective

Russell Indexes have historically served as the performance benchmark of choice. Russell Manager Universes take your analysis to the next level by providing you with the opportunity to compare your performance to that of your peers—and understand how performance was achieved.

Russell Manager Universes

More representative. Built from separate accounts rather than composites.

More detailed. Uniquely providing performance data and over 100 consistently calculated fundamental characteristics at both the universe level and individual manager level.

More informative and insightful. Managers can use the data to identify what their peers did to outperform the rest.

Russell Universe data is detailed, reliable, objective, and consistent

Detailed characteristics. Russell collects holdings data for each portfolio and consistently calculates over 100 characteristics at both the universe and manager level allowing for apples-to-apples comparisons.

Consistent membership and history. Russell Universe participants tend to remain consistent from quarter to quarter. This transparency and consistency provides high-quality, relevant, track-able information.

Independent style classification. Managers do not self-select their style classifications. To maintain consistent, accurate representation, Russell determines the appropriate universe classification by reviewing holdings, benchmarks, and account descriptions.

No survivorship bias. Russell calculates frozen calendar year data to remove survivorship bias from the current universe results.

For more information: www.russell.com/indexes

Platforms

Now available through the following platforms

- › eVestment
- › Factset SPAR
- › BNY Mellon

Raw data is also available directly from Russell via RIO (Russell Indexes Online) for use on your own platform.

Separate accounts versus composites

Russell Manager Universes are comprised of separate accounts rather than composites. Simply put, separate account universes consist of individual institutional portfolios, while composite account universes consist of averages of several institutional portfolios. True peer comparison can only be accomplished utilizing separate account universes for the following reasons:

Representative. Separate accounts represent the true performance of individual portfolios and the active opportunity for a particular time and style, while composite accounts represent the average performance of several similar portfolios.

Detail. Russell's separate account universes uniquely provide performance, characteristics and holdings level detail at the individual portfolio level.

Dilution. When using a composite universe, one is comparing the actual performance of one's portfolio to the average performance of one's competitor.

Diversification of risk. Because they consist of aggregations of multiple accounts, the volatility of composite account universes understate risk when compared to similar separate account universes.

Example data

Example of manager averages:

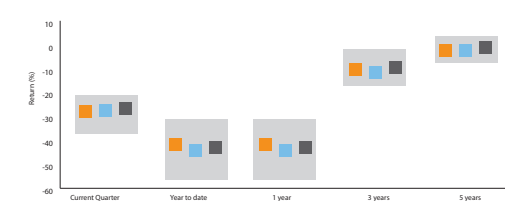
| UNIVERSE | DATE | PE | PRICE/BOOK | DIV_YIELD | ROE |
|------------------------|------------------|-------|------------|-----------|------|
| U.S. equity managers | 1st quarter 2008 | | | | |
| Average | | 17.25 | 2.76 | 0.02 | 0.22 |
| MEDIAN | | 16.34 | 2.51 | 0.02 | 0.22 |
| Number of observations | | 421 | 421 | 421 | 421 |

Example of performance universes:

| U.S. equity managers | | 4th Quarter 2007 | | | | | 2007 | 2006 | 2005 | 2004 | 2003 |
|------------------------|----------|------------------|----------|--|--|-------|-------|-------|-------|-------|------|
| Average | 1 yr ret | 3 yr ret | 5 yr ret | | | 8.07 | 14.21 | 8.14 | 12.81 | 31.40 | |
| Number of observations | 538 | 473 | 382 | | | 538 | 505 | 473 | 421 | 382 | |
| Max | 35.74 | 24.79 | 26.25 | | | 35.74 | 37.96 | 31.48 | 30.30 | 88.17 | |
| 25% | 12.80 | 11.72 | 15.93 | | | 12.80 | 18.16 | 10.69 | 15.61 | 34.04 | |
| 50% | 6.72 | 9.75 | 14.27 | | | 6.72 | 15.42 | 8.11 | 12.77 | 30.28 | |
| 75% | 3.40 | 8.15 | 12.81 | | | 3.40 | 10.47 | 5.72 | 9.87 | 27.51 | |

Example of quartiles

Midcap—Growth equity accounts



Ending Wednesday, December 31, 2008

| | Return | (% tilt) | Return | (% tilt) | Return | (% tilt) | Return | (% tilt) |
|--------------------------------------|--------|----------|--------|----------|--------|----------|--------|----------|
| Maximum | -20.74 | | -30.3 | | -39.3 | | -1.99 | 5.24 |
| 75th percentile | -24.73 | | -42.24 | | -43.24 | | -7.88 | 0.91 |
| Median | -26.11 | | -43.94 | | -43.94 | | -10.02 | -0.86 |
| 25th percentile | -28.3 | | -45.3 | | -45.3 | | -11.39 | -2.46 |
| Minimum | -38.02 | | -55.64 | | -55.64 | | -16.37 | -7.4 |
| # of portfolios | 65 | | 64 | | 64 | | 59 | 46 |
| R2500 Growth | -27.77 | 70 | -41.5 | 39 | -41.5 | 39 | -10.36 | 59 |
| Russell Midcap Growth | -27.34 | 69 | -44.32 | 59 | -44.32 | 59 | -11.79 | 80 |
| Average Midcap Growth manager return | -26.64 | 60 | -43.13 | 45 | -43.13 | 45 | -9.7 | 45 |

For more information about Russell Universes call us or visit www.russell.com/indexes

Russell Investments is a Washington, USA corporation which operates through subsidiaries worldwide, and is a subsidiary of The Northwestern MutualLife Insurance Company. Russell Investments is the owner of the trademarks, service marks and copyrights related to its respective indexes.

Indexes and universes are unmanaged and cannot be invested in directly.

This is not an offer, solicitation or recommendation to purchase any security or the services of any organization.

Nothing contained in this material is intended to constitute legal, tax, securities, or investment advice, nor an opinion regarding the appropriateness of any investment, nor a solicitation of any type. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Copyright © Russell Investments 2010. All rights reserved.

First used June 2008. Revised October 2011.

CORP-5483