Russell International Developed Markets Fund

Money Manager Overview

September 2011

Russell's investment approach

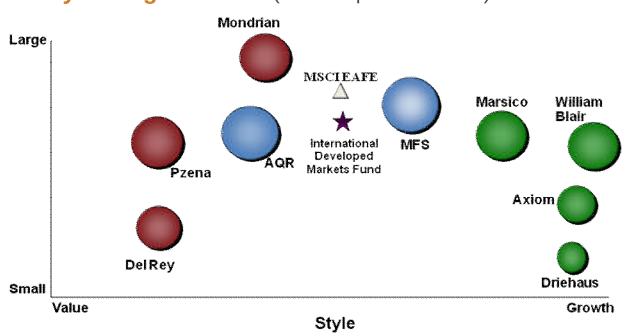
Russell uses a multi-asset, multi-style and multi-manager approach to construct and manage its investment portfolios. Assets are typically managed by multiple investment management firms that Russell researches and hires (subject to Fund Board approval), monitors and terminates on an ongoing basis.

The fund

The Russell International Developed Markets Fund includes managers that provide either a value, growth or market oriented style of investing. The managers may evaluate investment opportunities based on a security specific framework (bottom-up) or a macro-economic framework (top-down). Managers in this fund may employ a fundamental, security-specific selection methodology, or a quantitative, process-based approach, or a combination of both.

This fund is intended to provide access to managers that evaluate stocks outside the U.S. In an international fund, managers evaluate companies and select those they believe will add value to a portfolio, taking into account sectors, industries and countries. In constructing this fund, Russell has taken into consideration the degree to which managers consider sectors and countries to ensure the fund has no extreme exposures to either. Aside from the impact a given security has on the portfolio, currency exposure is also important in an international fund. Russell has evaluated the currency management skills of the fund's managers and provided expanded guidelines to those particularly adept at this area of investing. The fund's benchmark is the Russell Developed ex-US Large Cap Index (net).

Money manager mosaic (as of September 2011)



This mosaic depicts, at a specific point in time, the approximate relative weighting of managers within the fund plotted on the basis of cap size and style against fund benchmark (▲). Manager positions on this mosaic change over time as their allocations and holdings change. The circle size represents the relative size of each manager's assignment in the fund.

Russell portfolio manager

Jim Jornlin

The Russell portfolio manager's role

The Russell portfolio manager is responsible for selecting the managers included in the fund and determining the appropriate weight for each manager's assignment. There may be a number of reasons why a manager is added to or removed from a fund, including a change in control at a money manager, the opportunity to select a manager Russell believes offers an investment proposition that would improve the excess return potential of the fund, or the departure of a key individual at a money manager.

While the portfolio manager makes the decision to change the manager line-up, that decision must be validated through an internal Russell governance process to ensure all key considerations are addressed by the portfolio manager. Manager changes are also subject to approval by the fund's Board of Trustees.

Target allocation of assets:

Growth	
8%	Axiom International Investors LLC
13%	Marsico Capital Management, LLC
5%	Driehaus Capital Management LLC
9%	William Blair & Company, LLC
Market-Oriented	
14%	AQR Capital Management, LLC
12%	MFS Institutional Advisors, Inc.
Value	
11%	del Rey Global Investors, LLC
14%	Pzena Investment Management, LLC
14%	Mondrian Investment Partners Ltd.

The above represents the percentage of fund assets allocated to money managers, excluding the fund's cash reserves. Fund assets not allocated to money managers are managed directly by Russell for a variety of purposes.

Russell Investments

Russell Funds

Russell International Developed Markets Fund Manager Profile

Axiom International Investors, LLC

September 2011

Firm background:

Axiom International Investors, LLC is a U.S. registered investment adviser managing private investment funds exclusively for qualified investors. Its strategies include international, global, micro-cap and emerging market securities.

Headquarters: Greenwich, CT

Founded: 1998

Lead manager: Andrew H. Jacobson, CFA

Asset Class: Non-U.S. equity

Investment style: Growth

Number of holdings: 40-85

Capitalization level: Mid cap

Investment sub-styles used in the Russell International Developed Markets Fund:

Growth: Thematic growth

Long term consistent growth

> High earnings and price momentum

This manager uses the high earnings and price momentum sub-style.

Manager profile:

Axiom International Investors, LLC (Axiom) was added to the Russell International Developed Markets Fund in 2003. Axiom is an aggressive growth manager that may take significant country, sector and stock positions.

Andrew H. Jacobson, the lead portfolio manager, has been managing this product at Axiom since its inception. He is supported by a team of capable and focused analysts.

Investment process:

Axiom's investment approach is highly differentiated from peers, featuring a focus on the drivers of earnings surprise and revisions. This focus is supported by a strong fundamental research process. Both bottom-up, stock specific and top-down, macro-economic factors are considered within its process. Further, Axiom reviews news flow at the stock, country, and sector levels in an attempt to improve its evaluation.

Stocks are ranked on a proprietary set of criteria that serves quickly to highlight appropriate candidates for the portfolio. Axiom's research focuses on key micro and macro drivers of share prices that it believes drive the market's expectations with respect to share price. The firm then selects those stocks where its analysis indicates the potential for positive earnings surprise.

Russell's manager analysis:

Russell believes that Axiom's portfolio construction process is eclectic by most traditional measures and impressive in its multi-dimensional perspective.

Jacobson brings a significant degree of investment skill to this portfolio. His stock specific knowledge, insight into market behavior and his ability to design and lead a rigorous investment process is viewed favorably by Russell. Jacobson's ability to select stocks for the portfolio and the strength of the analysis driving the process are key factors contributing to Russell's opinion of this manager.

Axiom is expected to do well in markets led by growth companies and industries and struggle in value-led markets.

Russell Investments

Russell International Developed Markets Fund Manager Profile

Marsico Capital Management, LLC

September 2011

Firm background:

Marsico Capital Management, LLC was founded in 1997 by Tom Marsico.

Headquarters: Denver, CO

Founded: 1997

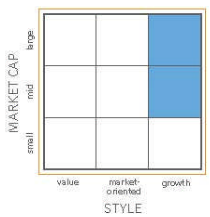
Lead manager: Jim Gendelman

Asset Class: Non-U.S. equity

Investment style: Growth

Number of holdings: 40-75

Capitalization level: Mid to large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Growth: > **Broad growth**

Manager profile:

Russell hired Marsico Capital Management, LLC (Marsico) in 2006 to manage a broad-based growth mandate in the Russell International Developed Markets Fund. Tom Marsico's top-down insights are highly regarded by Russell, as is the strong bottom-up research capability of the analyst team.

Russell has been following Tom Marsico for more than 20 years, first while at another firm, and then when he launched his own firm focusing on U.S. investing. Later, the firm expanded into non-U.S. investing. Russell views these as critical sources of support for international portfolio manager, Jim Gendelman.

Investment process:

Marsico tends to invest in companies with high growth, emergent growth and growth tied to restructuring. These processes are overlapping and securities may move from one of these categories to another. This broad based perspective is distinctive; many managers tend to be more narrowly focused, while Marsico is willing to move among different types of growth securities.

The thematic and macroeconomic work conducted by Marsico sets the backdrop for individual company research and stock selection. Tom Marsico's insights are a significant contributor to this evaluation. This evaluation will identify the themes (economic, regulatory, political, demographic and social changes) that Gendelman considers in building the portfolio. He then pairs that insight with intense bottom-up research to find companies that are expected to benefit from those themes.

The research professionals identify companies they believe are likely to benefit from long-term economic, social and political trends. Their bottom-up criteria, which includes a focus on strong franchises, global reach, solid and improving financial characteristics and shareholder-friendly management should lead to the identification of attractive investment opportunities. The research focuses on finding companies at inflection points in their growth cycles. A critical feature of the research is to identify "leverage points" in the stocks, or the factors that will drive earnings acceleration and ultimately stock prices.

Russell's manager analysis:

Russell considers Marsico a good complement to the other growth managers in the fund due to the thematic nature of its portfolio and the different return drivers it brings to the fund. Its idea generation capabilities are viewed favorably by Russell. Marsico is generally expected to outperform when earnings growth is rewarded and when the themes it identifies are rewarded. Tom Marsico is the foundation of the process. The firm's security selection process is diverse and Jim Gendelman is a seasoned portfolio manager.

The broader scope of this process in assessing drivers of growth, while making it a good diversifier, also makes it more difficult to pinpoint specific environments where this manager is expected to outperform. Marsico will likely underperform in environments where growth is not rewarded.

Russell Investments

Russell International Developed Markets Fund Manager Profile

Driehaus Capital Management LLC

September 2011

Firm background:

Driehaus Capital Management LLC is an independent boutique investment adviser. The firm has a team of 27 investment professionals managing a variety of growth equity investment strategies. The firm employs these investment philosophies on behalf of a diverse group of institutional clients, including corporate pensions, endowments and foundations, financial advisors, family offices and sub-advisory relationships.

Headquarters: Chicago, IL

Founded: 1982

Lead manager: Dan Rea

Asset Class: Non-U.S. equity

Investment style: Growth

Number of holdings: 70 - 90

Capitalization level: Small to mid cap

Investment sub-styles used in the Russell International Developed Markets Fund:

Growth: > Earnings momentum

Thematic growth

Long term consistent growth

High earnings and price momentum

This manager uses the earnings momentum sub-style.

Manager profile:

Driehaus Capital Management LLC (Driehaus) was added to the Russell International Developed Markets Fund in 2011. Dan Rea is the portfolio manager and is backed by a team of 17 global sector research analysts. The firm was founded by Richard Driehaus and is now partially owned by key employees together with Richard Driehaus.

Investment process:

Driehaus seeks to invest in global companies that it believes exhibit strong growth characteristics. It is a momentum-based growth manager that focuses on smaller companies in the fund's benchmark that it believes are poised for future earnings growth and might not be correctly priced by the market.

Driehaus uses a bottom-up oriented approach that focuses on early identification of fundamental and technical positive change, in-depth fundamental and technical analysis and a conviction-based, unconstrained yet benchmark aware approach to portfolio construction and risk management. The firm generally selects stocks of small to mid-size international companies that it believes have accelerating revenue and earnings. Driehaus also takes significant positions in companies located in emerging economies in search of growth opportunities.

Driehaus conducts in-depth fundamental analysis after a security passes through its quantitative screening process to further assess its potential. The research is primarily generated internally by combining outside data sources with Driehaus' own research and proprietary systems.

Russell's manager analysis:

Russell considers Driehaus a good complement to the other managers in the fund due to its focus on smaller capitalized companies in the fund's index that the existing managers in the fund do not typically invest in. Russell has placed Driehaus at a small weight in the fund in order to benefit from potential alpha, and to help limit the potential downside.

Russell considers Dan Rea to be a skilled money manager who has demonstrated his expertise in identifying accelerating growth opportunities around the world. Additionally, Russell believes that his awareness of the market environment and stock level growth drivers is differentiated relative to peers.

Driehaus is expected to do well in periods of strong cyclical growth when typical growth characteristics such as projected earnings growth and price momentum are rewarded by the markets. Driehaus will likely not do as well in periods of uncertainty and risk-off trading. When investors look to safe-haven investments, Driehaus will most likely underperform the markets as it is usually positioned in smaller companies that investors tend to avoid in times of market stress.

Russell Investments

Russell International Developed Markets Fund Manager Profile

William Blair & Company, LLC

September 2011

Firm background:

William Blair & Company, LLC is a global financial services firm. Asset management is the dominant business. The firm is 100% active employee-owned and has been since 1935.

Headquarters: Chicago, IL

Founded: 1935

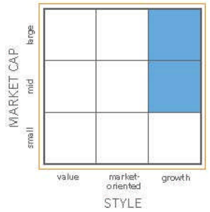
Lead managers: Dave Merjan, CFA and George Grieg

Asset Class: Non-U.S. equity

Investment style: Growth

Number of holdings: 70

Capitalization level: Mid to large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Growth: Earnings momentum

Thematic growth

> **Long term consistent growth**

> **High earnings and price momentum**

This manager uses the high earnings and price momentum and long term consistent growth sub-styles.

Manager profile:

William Blair & Company , LLC (Willam Blair) was added to the Russell International Developed Markets Fund in 2009. Russell has been following members of this investment team for at least 20 years though its international capability was established in 1996. This firm is a well-established, boutique manager. Dave Merjan is the portfolio manager and George Grieg is the co-portfolio manager. They are supported by a highly experienced research team.

Investment process:

William Blair employs a bottom-up security selection process, with a top-down thematic element in its approach. The firm seeks quality companies with above-average growth prospects where it believes growth can be sustained through leading or franchise positions in terms of products, market dominance or cost/asset base advantage.

The firm's bottom-up security selection process begins with a quantitative evaluation to identify those companies that it believes demonstrate high quality characteristics and strong future growth prospects. The process is differentiated by the fact that the firm looks for quality growth prospects over multiple time periods and a broad opportunity set (including small cap and emerging markets). The firm is more dynamic in playing near term or cyclical opportunities than many managers focused on growth.

The security selection process is enhanced by an evaluation of macroeconomic themes and country specific news flows to refine the final set of securities selected for the portfolio.

Russell's manager analysis:

Russell believes this firm has a strong investment proposition with strong resource support. Given its focus on high growth, Russell anticipates that William Blair will have a significant allocation to emerging markets.

Also attractive to Russell is the flexibility of the process and the integration of the top-down views.

William Blair is expected to outperform in growth-oriented markets and will tend to underperform when earnings growth is unrewarded, generally in value-led markets.

Russell Investments

Russell International Developed Markets Fund Manager Profile

AQR Capital Management, LLC

September 2011

Firm background:

AQR Capital Management, LLC is an investment management firm employing a disciplined quantitative, global investment process (AQR stands for Applied Quantitative Research). AQR's investment products are provided through a limited set of collective investment vehicles and separate accounts that use all or a subset of AQR's investment strategies.

Headquarters: Greenwich, CT

Founded: 1998

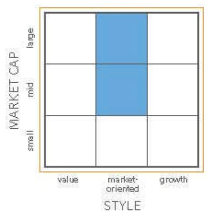
Lead manager: Cliff Asness

Asset Class: Non-U.S. equity

Investment style: Market-oriented

Number of holdings: 150-300

Capitalization level: Mid to large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Market-oriented: > Core

Growth biased

Value biased

Growth at a reasonable price

This manager uses the core sub-style.

Manager profile:

AQR Capital Management, LLC (AQR) was added to the Russell International Developed Markets Fund in 2002. The investment professionals at AQR have strong academic backgrounds complemented with industry experience. The firm's principals, Cliff Asness, Robert Krail and John Liew, each possess considerable quantitative investment management skill and combine that skill with a deep understanding of the market relationships that drive returns.

The principals are ably supported by additional investment professionals who are focused on primary research, market modeling development and portfolio construction.

Investment process:

AQR uses quantitative models based on a mixture of valuation and momentum factors to select stocks, countries and currencies. AQR constantly seeks to identify market anomalies that it may exploit via portfolio selection, construction or trading.

AQR's portfolio is a market-oriented portfolio that at times exhibits value tendencies that will vary over time depending upon the market environment. The degree of this tilt is determined by an examination of the spreads between value and growth securities and their historical and expected norms.

AQR evaluates equity markets considering both top-down macro-economic and bottom-up stock-, sector-, country-, and currency-level factors.

Russell's manager analysis:

Russell regards AQR's investment approach to selecting countries, currencies, and securities as robust and effective. Russell views AQR's fundamental understanding of markets favorably and finds the depth of analysis performed is what differentiates this firm.

Russell believes that AQR's focus on trading makes the firm best in class. The firm has applied many state of the art trading practices in its portfolio implementation.

AQR is expected to do well when markets recognize valuation and momentum. The firm will not do as well when markets are heavily skewed in favor of either value or growth.

Russell International Developed Markets Fund Manager Profile

MFS Institutional Advisors, Inc.

September 2011

Firm background:

MFS Institutional Advisors, Inc. was founded in 1924. Sun Life Financial has been the majority owner since 1982.

Headquarters: Boston, MA

Founded: 1924

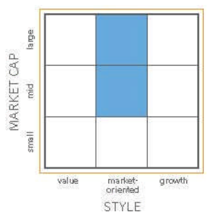
Lead manager: Marcus Smith

Asset Class: Non-U.S. equity

Investment style: Market oriented

Number of holdings: 65-85

Capitalization level: Mid to large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Market-oriented: Core

Growth biased

Value biased

\> **Growth at a reasonable price**

This manager uses the growth at a reasonable price sub-style.

Manager profile:

MFS Institutional Advisors, Inc. (MFS) was added to the Russell International Developed Market Fund in 2005. MFS is majority owned by Sun Life, although the parent shares some equity with the firm's professionals. A significant number of the senior investment professionals, including the lead manager for this strategy, have built their careers at MFS.

Investment process:

MFS employs a bottom-up, research intensive stock selection process. The firm selects securities it believes offer consistent, stable growth for a reasonable price. Marcus Smith, the lead manager, is supported by more than 50 equity analysts. These analysts are the main source of new ideas and maintenance of research for this strategy.

The analysts' research focuses on a broad universe of names – large companies and stocks of interest in the mid and small cap areas of the market – where MFS' research advantage is especially valuable. The analysts have extensive contact with companies, their customers and suppliers. The focus is primarily on higher quality companies with perceived strong competitive positions and sustainable growth characteristics.

While the MFS analysts are a source of ideas, the lead manager is ultimately responsible for stock selection. Russell believes Smith has the experience and global perspective to select from among the analysts' views and make effective cross-regional assessments.

Russell's manager analysis:

Russell believes the analytical resources at MFS are high quality, providing the manager with an advantage relative to its competitor firms.

MFS is expected to outperform when markets are led by companies with high quality and sustainable earnings growth, generally in more defensive markets. MFS will underperform when extremes of growth or value prevail and when risk sensitivity is abnormally low.

Russell Funds

Russell International Developed Markets Fund Manager Profile

del Rey Global Investors, LLC

September 2011

Firm background:

del Rey Global Investors, LLC was founded in 2009 to focus on international and global equities. The del Rey Global mission is to provide clients with superior risk adjusted returns, over a market cycle, in international and global equity markets.

Headquarters: Los Angeles, CA

Founded: 2009

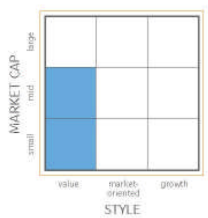
Lead manager: Paul Hechmer

Asset Class: Non-U.S. equity

Investment style: Value

Number of holdings: 40-60

Capitalization level: Mid to small cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Value: > **Low price/earnings value**

Relative value

High quality large cap value with yield emphasis

Deep value

This manager uses the low price/earnings value sub-style.

Manager profile:

del Rey Global Investors, LLC (del Rey) was added to the Russell International Developed Markets Fund in 2010. Russell has been following the founder, Paul Hechmer, for more than 4 years when he was with another firm before he launched del Rey Global Investors in 2009. The firm is largely owned by management, and is partially owned by Northern Lights Capital Partners, LLC and Charter Atlantic Capital Corporation (a U.S. subsidiary of BNP Paribas, a French Public Limited Company).

Investment process:

del Rey is a value manager that uses a rigorous bottom-up research approach to identify non-U.S. companies it believes to be intrinsically undervalued with strong and/or improving franchise quality. del Rey attempts to identify and benefit from the market's misperceptions, overreactions, and fixation on short-term results.

The firm devotes significant analytical resources to the evaluation of fundamentals. While investment ideas can originate from a variety of sources, often the first step is to screen the investable universe to identify companies that meet particular value-oriented quantitative characteristics. After determining that a stock possesses the required quantitative characteristics, additional qualitative analysis is performed that focuses on corporate strategy, improving fundamentals, competitive advantages, financial strength, and franchise quality.

del Rey will invest in Canada, as well as up to 15% in emerging markets. The firm will consider investing in any country with an investable market; however, portfolios are traditionally limited to relatively mature markets.

Russell's manager analysis:

Russell has a high degree of confidence in Paul Hechmer and his investment expertise. Russell regards del Rey's investment approach to selecting securities as robust and effective.

del Rey's investment strategy does best under conditions that favor value style investing and stock selection. They will not do as well when the investment environment is characterized by trend-following, momentum behavior.

Russell Funds

Russell International Developed Markets Fund Manager Profile

Mondrian Investment Partners, Ltd.

September 2011

Firm background:

Mondrian Investment Partners, Ltd. is a value-oriented money manager based in London. Its clients are large institutional investors from around the globe. It offers a range of products covering equity, fixed income and balanced mandates.

Headquarters: London, UK

Founded: 1990

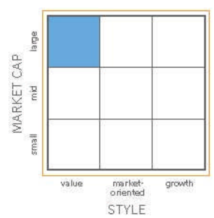
Lead manager: Elizabeth Desmond

Asset Class: Non-U.S. equity

Investment style: Value

Number of holdings: 40-60

Capitalization level: Large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Value: Low price/earnings value

Relative value

> High quality large cap value with yield emphasis

Deep value

This manager uses the high quality large cap value with yield emphasis sub-style.

Manager profile:

Mondrian Investment Partners, Ltd. (Mondrian) was added to the Russell International Developed Markets Fund in 1999. Its investment process targets below-market volatility levels but its portfolio is concentrated and will take significant, intentional overweights in stocks, countries and sectors.

The investment management team consists of a highly seasoned and stable group of professionals. Their process benefits from the team's long history of working together and their adherence to a well defined value investment philosophy. New team members are extensively trained in Mondrian's approach so that the research process is consistent across the group.

Investment process:

Mondrian assesses what it believes is the most likely outlook for a company, as well as the best and worst case scenarios, thus attempting to provide a better appreciation of a stock's true risk and reward trade-off. The team uses a variety of valuation tools intended to provide confirmation of the value of a stock.

Mondrian uses a proprietary Dividend Discount Model ("DDM"), and typically, aggregate portfolios will have an above average dividend yield. However, individually, each stock is not required to have an above average dividend yield, nor even currently pay a dividend at all. In such cases, Mondrian's analysts will assess the company's cash flow profile and future dividend paying capability in projecting future dividend payments. As a result, Mondrian's opportunity set may be larger than that of other value managers adhering to a strict yield criteria.

Mondrian's investment philosophy has shown patience with stocks that underperform over significant periods. Its forecasting time horizon is long (five to ten years) and the portfolio managers are fairly tolerant of stocks that disappoint for some time. The firm's system of monitoring holdings should mitigate some of the opportunity costs associated with this long horizon.

Russell's manager analysis:

Mondrian's research effort is intensive; portfolio managers and analysts focus on relatively few firms allowing the time and attention for thorough fundamental research. Russell views Mondrian's research effort positively based largely on the thoroughness and consistency of its approach.

Mondrian is expected to outperform when large cap value stocks perform well. It should also hold up well in down markets. Mondrian will underperform when growth, small cap, or lower quality companies lead, as measured by cash flow and balance sheet strength.

Russell Investments

Russell Funds

Russell International Developed Markets Fund Manager Profile

Pzena Investment Management, LLC

September 2011

Firm background:

Pzena Investment Management, LLC is an independent investment management firm that employs a classic approach to value investment for domestic and international portfolios.

Headquarters: New York, NY

Founded: 1995

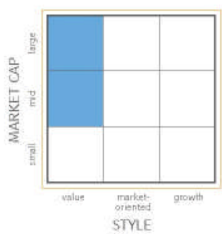
Lead managers: Caroline Cai, John Goetz and Michael Peterson

Asset Class: Non-U.S. equity

Investment style: Value

Number of holdings: 50-70

Capitalization level: Mid to large cap



Investment sub-styles used in the Russell International Developed Markets Fund:

Value: **> Low price/earnings value**

Relative value

High quality large cap value with yield emphasis

Deep value

This manager uses the low price/earnings value sub-style.

Manager profile:

Pzena Investment Management, LLC (Pzena) was added to the Russell International Developed Markets Fund in 2009. Russell has been following the founder, Richard Pzena, for nearly 20 years when he was with another firm before starting his own firm in 1995. The manager runs a customized portfolio specifically for Russell.

Investment process:

Pzena's portfolios tend to emphasize larger capitalization stocks in developed markets. Portfolios may also invest in emerging markets when valuations are perceived as sufficiently discounting additional risks.

Pzena is focused on generating excess returns within its products, is committed to the value style of investing, and accepting of the volatility associated with this investment style. The firm does intensive research prior to investing. Its attention to the quality of the company's management, long-term operational viability, and avoidance of excessive leverage is intended to help it avoid stocks with large potential downsides and can help mitigate the risk of buying stocks with deteriorating fundamentals.

Pzena compares a stock's price to its normalized long-term earnings forecast relative to a global universe. Because the firm is primarily valuation driven, it does not put emphasis on identifying factors likely to drive stock price appreciation in the near-term.

Russell's manager analysis:

Russell has a high regard for the investment expertise of the professionals at Pzena. The supporting analysts have strong business backgrounds, and Pzena has built a strong team to support its international and global product offerings. The decision-making process is a collaborative approach among three co-portfolio managers and Russell believes the interaction between the decision makers and research analysts is strong and allows for effective decision making.

Due to Pzena's deep value orientation, Russell expects this manager to do best when deep value stocks outperform. Russell also expects the firm to be a strong early-cycle investor. Because the firm tends to be sector agnostic and valuation-centric, Russell expects it to underperform in growth-oriented markets.

Fund objectives, risks, charges and expenses should be carefully considered before investing. A prospectus containing this and other important information can be obtained by calling 800-787-7354 or by visiting www.russell.com. Please read the prospectus carefully before investing.

Money managers listed are current as of 9/15/2011. Subject to the fund's Board approval, Russell has the right to engage or terminate a money manager at any time and without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. Investments in the Funds are not deposits with or other liabilities of any of the money managers and are subject to investment risk, including loss of income and principal invested and possible delays in payment of redemption proceeds. The money managers do not guarantee the performance of any Fund or any particular rate of return.

This document will be updated annually. If a manager change is made during a year, a manager specific page will be added or removed.

Non-U.S. markets and emerging or developing markets entail different risks than those typically associated with U.S. markets, including currency fluctuations, political and economic instability, accounting changes and foreign taxation. Non-U.S. securities may be less liquid and more volatile than the U.S., and emerging markets securities may be less liquid and more volatile than U.S. and longer-established non-U.S. markets.

Large capitalization (large cap) investments involve stocks of companies generally having a market capitalization between $10 billion and $200 billion. The value of securities will rise and fall in response to the activities of the company that issued them, general market conditions and/or economic conditions.

Market-oriented investments are generally subject to risks similar to that of both growth and value style investing.

Growth investments focus on stocks of companies whose earnings/profitability are accelerating in the short term or have grown consistently over the long term. Such investments may provide minimal dividends which could otherwise cushion stock prices in a market decline. Stock value may rise and fall significantly based, in part, on investors' perceptions of the company, rather than on fundamental analysis of the stocks. Investors should carefully consider the additional risks involved in growth investments.

Value investments focus on stocks of income-producing companies whose price is low relative to one or more valuation factors, such as earnings or book value. Such investments are subject to risks that their intrinsic values may never be realized by the market, or, such stock may turn out not to have been undervalued. Investors should carefully consider the additional risks involved in value investments.

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

The Russell Developed ex-US Large Cap Index offers investors access to the large-cap segment of the developed equity universe, excluding securities classified in the US, representing approximately 40% of the global equity market. This index includes the largest securities in the Russell Developed ex-US Index.

MSCI EAFE Index is an index, with dividends reinvested, representative of the securities markets of 20 developed countries in Europe, Australasia and the Far East.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

For more information on Russell Funds, contact your investment professional or plan administrator for assistance.

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Securities products and services offered through Russell Financial Services, Inc. member FINRA, part of Russell Investments.

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