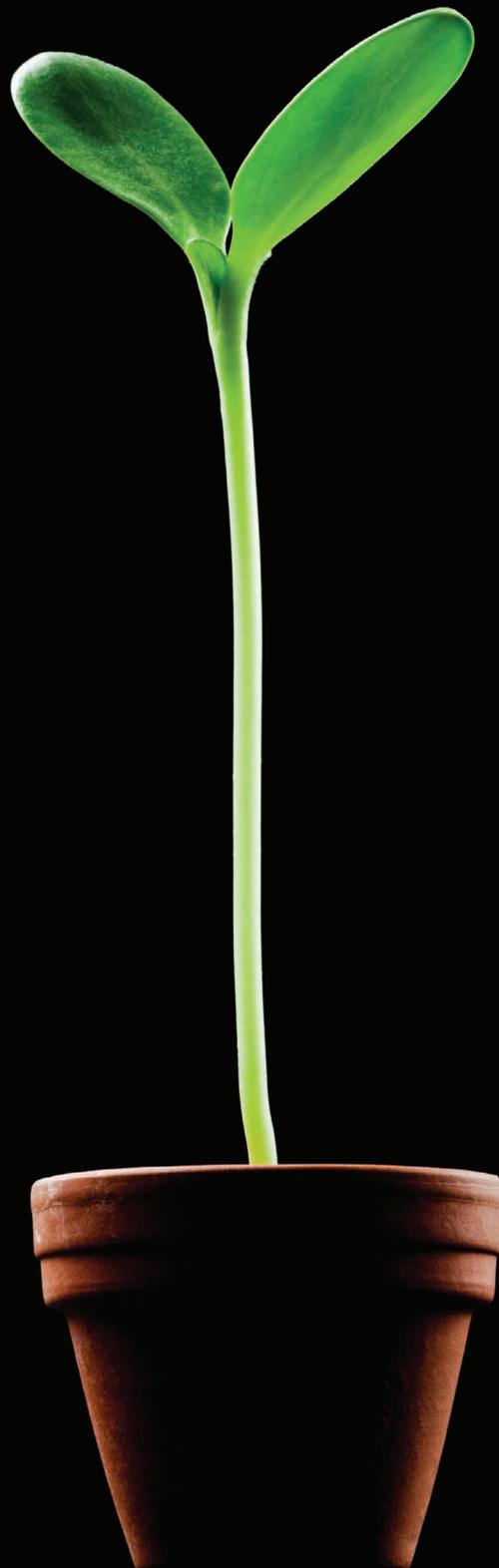


LONGEVITY



Outsourced CIO Solutions for Non-Profits

**Investment solutions to help fund
your organization's goals**



Managing your investments isn't your full-time job

Every non-profit organization has unique goals. Maybe these goals include spending 4% of your investment portfolio on community grant-making; or, providing financial aid and scholarships to 1,000 students each year; or, spending as much as possible (without worrying about perpetuity) to find a cure for cancer. No matter what your goals are, you need an investment program designed to help you achieve them.

Securing your organization's financial future in today's fast-moving, complex, and volatile market environment is demanding. Non-profit fiduciaries have to decide how to effectively manage the impact of short-term volatility without derailing their long-term investing goals.

They can do this by:

- Incorporating investment strategies that may offer incremental returns
- Not taking risks for which they don't expect to get paid
- Ensuring that their portfolio is implemented efficiently

These activities need to be done in real time, when the markets move – and most non-profit fiduciaries don't have enough hours in the day to do so proactively. This is where an outsourced chief investment officer (OCIO) can help.

A custom OCIO solution designed for you

An OCIO can help you more effectively manage and monitor your investment program, dynamically adapt your portfolio to today's markets, and seamlessly handle your administrative details. By lifting these burdens off your shoulders, you'll have time to focus on what really matters to your organization.

According to research from both the NACUBO-Commonfund Study of Endowments and the Council on Foundations-Commonfund Study of Investments for Foundations, nearly 50% of non-profit organizations with under \$500 million in investable assets have already moved to a custom built OCIO model to help meet their organization's goals.



50%
of non-profit organizations



with under
\$500M
in investable assets

Have already moved to a custom-built OCIO model.

Pictured is what we call the “fiduciary ladder.” It’s designed to help you visualize the decisions that your investment committee, board, and staff will make versus those that you outsource to your OCIO.

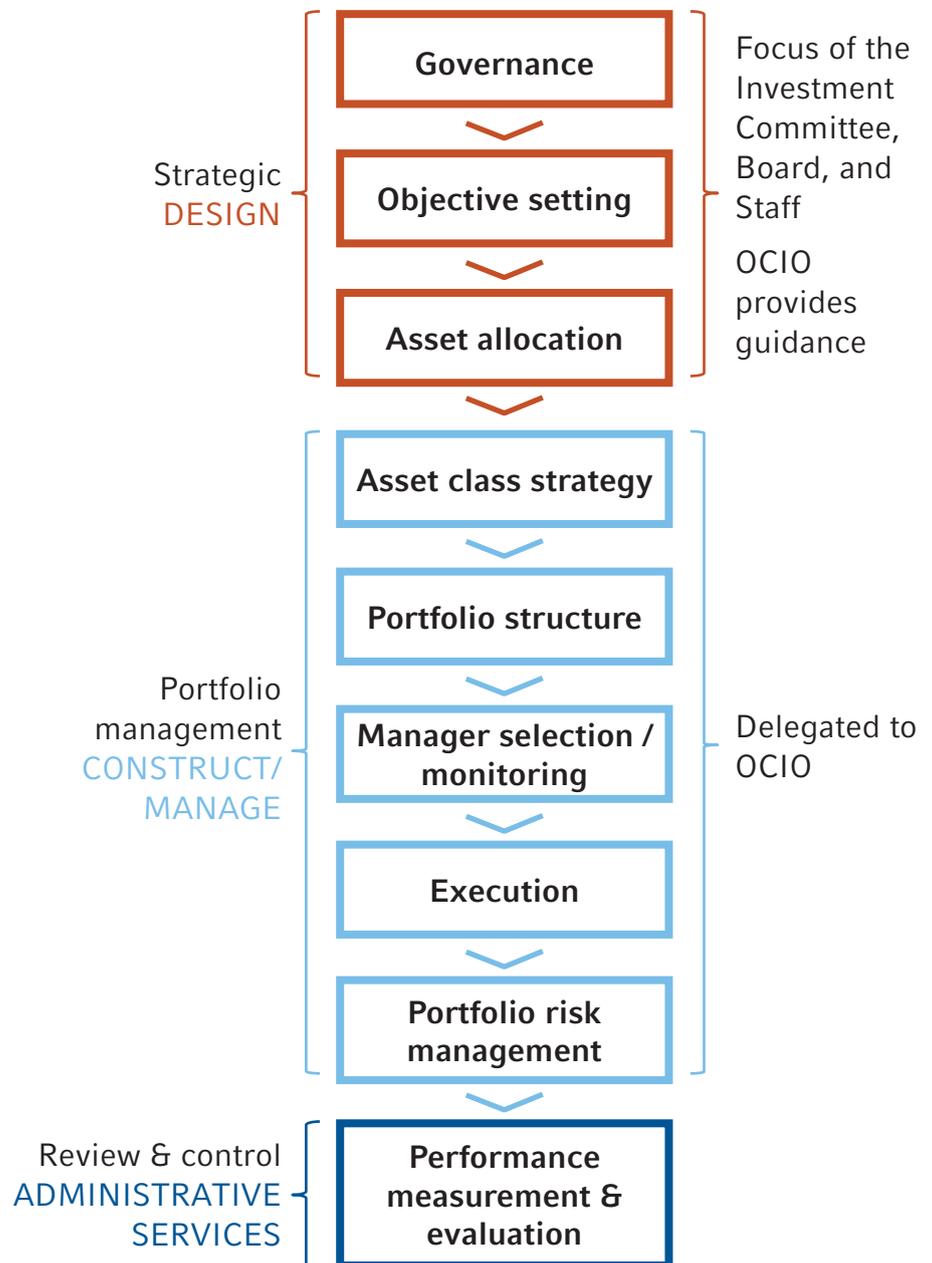
Strategic design (in orange) has the greatest impact on your long-term success. You retain decision-making authority for these items as well as fiduciary responsibility for your entire investment program. The job of an OCIO is to advise you on these long-term strategic decisions, and to implement them on your behalf.

Portfolio management (in light blue) represents the implementation of your strategic decisions. In our OCIO solution, we act as a co-fiduciary and take responsibility for all of these tasks, guided by the decisions you make at the strategic level. We do all of this with your specific goals in mind.

Lastly, review and control (in navy) is the evaluation of whether or not we’re on track to help you meet your goals.

Our job is to serve as an extension of your team, elevating the decisions your investment committee, board, and staff are responsible for at the governance level, and taking all the day-to-day investment management decisions off your plate.

OCIO: a more holistic approach for achieving better outcomes



A multi-asset investment approach

Multi-asset investing is the process of incorporating exposures to a globally diverse mix of asset classes and dynamically managing those exposures to capture short-term market opportunities and to mitigate risks. We believe this approach to managing an investment portfolio fundamentally changes what is possible in terms of return potential, volatility management, risk mitigation, and investment outcomes.

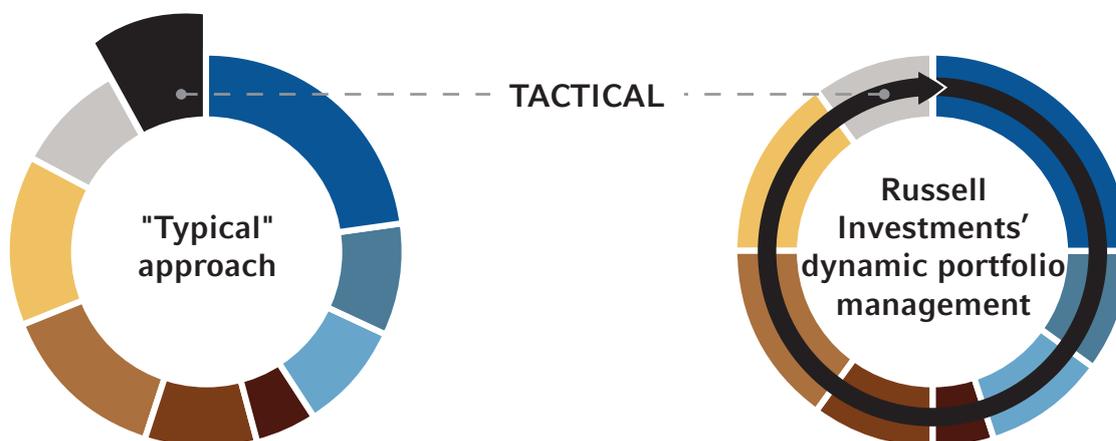
The chart at the bottom left depicts a “typical” approach to dynamic and multi-asset investing. This portfolio is constructed using single asset class sleeves combined with an additional tactical sleeve bolted onto the portfolio. In this type of portfolio construction, each sleeve is managed separately, and the tactical sleeve is applied without taking into account the current positions and risk budget of the managers in each individual asset class sleeve.

The chart on the bottom right shows Russell Investments' approach to dynamic and multi-asset investing. As you can see, the tactical component is spread across the total portfolio and the tactical shifts are informed by the underlying holdings of the managers and strategies held within the total

portfolio. This approach also takes into account the risk budget of the total portfolio as well as the shifts taking place within the market. This approach allows the portfolio managers to adapt short-term market shifts in order to help retain long-term return potential. This strategic, multi-asset approach is designed to enhance returns and mitigate investment risks, and it requires the skills of a team of full-time, dedicated, experienced investment professionals. This capability is built into every OCIO solution we offer to our non-profit clients and we believe this is what makes Russell Investments' "best-in-class" solutions a cut above the rest.

The benefits of Russell Investment's multi-asset approach include:

- The ability to adjust to market shifts as they happen, instead of once a quarter when you meet
- Dynamic management among asset classes within your investment solution
- Putting all of your capital to work in the markets instead of carving a percentage out to fund a tactical allocation



- | | | |
|---------------------------|---------------------------|-----------------------|
| ■ U.S. Equity | ■ Core Fixed Income | ■ Private Equity |
| ■ International Equity | ■ High Yield Fixed Income | ■ Private Real Estate |
| ■ Emerging Markets Equity | ■ Hedge Funds | |

For illustrative purposes only.



Integrating responsible investing into your investment program

As a United Nations-supported Principles for Responsible Investment (UNPRI) signatory since 2009, we are committed to providing investment solutions that align with these standards. Our approach integrates ESG considerations across our investment process, which means that you're able to invest for sustainability as well as financial returns.

Within our OCIO offering, we have embedded responsible investment practices and ESG beliefs across our investment approach. Plus, all of our investment professionals are accountable for considering ESG factors within our funds and investment processes. Our integrated investment approach includes:

Manager research and ESG metrics

We research and rank thousands of investment products on their ability to add value to portfolios, and integrate a product's ESG score when assessing that product's manager. All manager reviews include an assessment of how ESG is implemented within the investment managers' policies, process, awareness, and offering. We also calculate our funds' ESG and carbon metrics for use by our analysts and portfolio managers.

Insights & research

Our research actively looks towards the future. To understand how best to add long-term value for clients, we evaluate manager products both on an individual basis and an industry basis. We advocate for best practices in specialized products such as low carbon portfolios, governance-driven strategies, green bonds, and impact investing. This helps to continually improve our own product offerings in these areas and offer "best-in-class" strategies.

Active ownership & engagement

Russell Investments believes voting is a part of a share's value-creation process. We aim to improve the long-term investment outcomes of assets through our active stewardship and voting policy by promoting four core principles: transparency, accountability, independence, and long-term value. As stewards, we monitor the effectiveness of company management on an ongoing basis.

As shareholders, we aim to exert influence on corporate governance, social, and environmental practices through our votes.

Industry collaboration

We provide education throughout the year and are involved with advising governments and industry bodies across the world. As part of this we are signatories to the United Nations-Principles for Responsible Investment.

If you're looking to further customize your approach to sustainable investing, we also offer custom-built solutions, including: impact or thematic investing and exclusionary screening. Each of these solutions is tailored to your organization's investment objectives, mission, and goals.

Responsible investing is intelligent investing

At Russell Investments we believe that a sound awareness of ESG factors and a robust process can help to deliver strong investment returns and meet objectives over the long-term. To reflect this, we have developed a set of four beliefs upon which our responsible investing practice is founded. These beliefs are as follows.

1. ESG factors impact security prices. These factors can vary by company, industry, and region and their importance can vary through time.
2. A deep understanding of how ESG factors impact security prices is value-adding to a skillful investment process.
3. Embedding ESG considerations into a firm's culture and processes improves the likelihood of prolonged and successful investing.
4. Active ownership of securities is an effective tool for improving investment outcomes.



What to expect from your Russell Investments' team

You'll have access to an experienced team focused on helping you achieve your investment goals. Your team will be led by a dedicated investment professional who will serve as your strategic advisor and relationship manager.

Your relationship manager will serve as your gateway to the larger Russell Investments team, which includes:

- Russell Investments' dedicated non-profit team, which provides investment strategy, thought leadership, industry best practice evaluation, and governance tool creation for our non-profit clients
- Our global team of nearly 330 investment professionals, which is responsible for global manager research, market insights, and multi-asset investing
- A dedicated conversion manager who will serve as your primary point of contact as you work with us to establish your new relationship, portfolio, and services
- A dedicated account executive, who is responsible for delivering customized administrative services and support, including:
 - Custody services
 - Audit assistance
 - Vendor coordination
 - My access – secure online access to your customized reporting
 - Loan collateral administration
 - Custom board reporting
 - Planned giving administration*
 - Securities gift processing*
 - Donor accounting and custom donor communication*
 - Endowment / sub-accounting*

Together, our team will work seamlessly with your investment committee, board, and staff to develop and manage a customized investment program.

* Additional fees may apply



Invested in your success

Being able to deploy our experience effectively for your benefit is crucial to the long-term success of your investment portfolio, and key to how our team works with you.

- We expect our staff to be as passionate and committed to achieving your mission as you are. We achieve that by developing an intimate understanding of your organization and by becoming a natural extension of your team.
- Our passion and understanding is reinforced by our commitment to delivering consistent, high-quality customer service.
- The high standards we expect our team to meet are an integral part of Russell Investments' culture and one of the drivers of how we help you achieve success.

Russell Investments strives to provide a comprehensive OCIO solution designed to help your non-profit organization pursue your return goals, regardless of market conditions.

At the end of the day, what matters to your organization is having the financial resources to pursue and achieve your mission – and a successful investment program is fundamental to achieving that goal. With Russell Investments by your side, we are confident that we can help you achieve that success.



Benefits of working with Russell Investments as your OCIO provider

Russell Investments has the tools and capabilities to implement and manage the right solution for your non-profit organization. We deliver outcome-oriented OCIO solutions that align with your spending needs and help grow your portfolio over time. Each of our clients enjoys the benefits of:

Access and experience

- Over 35 years of OCIO experience
- Full, undivided attention, as OCIO is our primary business, representing more than 80% of firm revenue
- Award-winning manager research from a global team of professionals**

Dynamic portfolio management

- No delay between decision and execution
- Ability to opportunistically pursue market opportunities
- Alignment of portfolio positioning with your goals

Unbiased, co-fiduciary partner

- Open-architecture platform, active & passive investment options
- Accountability – our interests are aligned with yours
- Ability to negotiate lower fees with outside managers on your behalf

** For the sixth year in a row, Russell Investments was voted among the top two for having the best manager due diligence practices in a 2014 FundFire survey of nearly 100 investment professionals. Russell Investments was rated as having the most rigorous due diligence process for evaluating a product's suitability in a client portfolio. In five of those years, we were ranked #1. FundFire discontinued the survey in 2015.

About Russell Investments

Russell Investments has over 35 years of experience helping non-profit organizations fund their missions. Our dynamic, outcome-oriented approach has been developed specifically to meet the needs of our non-profit clients. We'd be honored to talk with you about how we can design an investment program tailored to your organization's goals and objectives.

For more information, contact:

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Managing Director, Head of Non-Profits & Healthcare Systems
866-739-7979

russellinvestments.com/nonprofit

IMPORTANT INFORMATION

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

The NACUBO Commonfund Study of Endowments and Council on Foundations-Commonfund Study of Investments for Foundations cited were completed in 2015. These are completed annually. There may be more current information available.

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. Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets. Data is historical and is not indicative of future results.

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