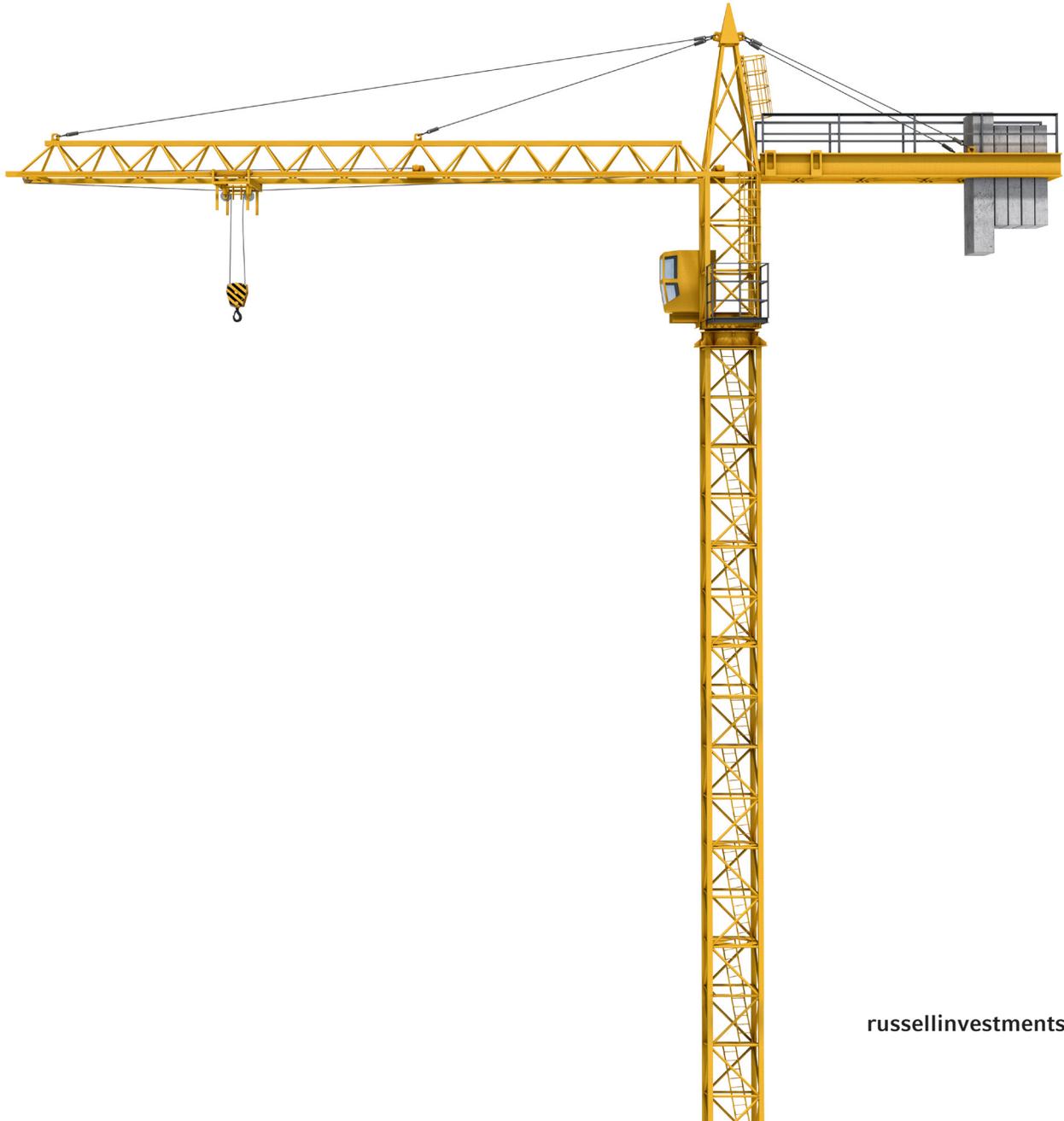


ALTERNATIVES

Investing in real assets

Income, diversification and inflation protection



What are real assets?

A real asset is a tangible asset you can touch—like a bridge, or a building, or a bar of gold. These assets have intrinsic value that can be exchanged for other goods and services and in that sense are more “real” than traditional financial investments like equities or bonds.

An example of a real asset: **Ontario’s Hwy 407 Express Toll Route**

Unique asset:

- World’s first entirely automated, barrier-free toll highway
- 99-year concession length
- Strong toll-enforcement capability

Attractive characteristics:

- Monopoly asset with Consumer Price Index (CPI) + revenue growth
- Concessioned, long-term tolling structure
- High operating margins and predictable costs

Source: 407ETR Website, Russell Investments

In the continued search for better diversification and a broader opportunity set, some investors are looking beyond traditional markets to real assets. By real assets, we mean things like commodities (including oil, gold and copper), commercial real estate, and infrastructure (such as bridges, toll roads and dams). We also include inflation-linked securities—known as Real Return Bonds (RRBs) in Canada—because they hold their real value during inflationary periods.

Why choose Russell Investments?

Benefit from Russell Investments’ expertise in real assets*

- 15.7 C\$ billion in real assets managed globally
- Portfolio management team has more than 25 years experience investing in liquid real assets
- Research universe of more than 166** real assets products
- Bundled benefits
 - Access a multi-asset portfolio
 - Simple to understand and implement
- Manager selection benefits
 - Rigorous investment manager selection
 - No single manager will lead in all components
 - Reduce “single-manager risk”

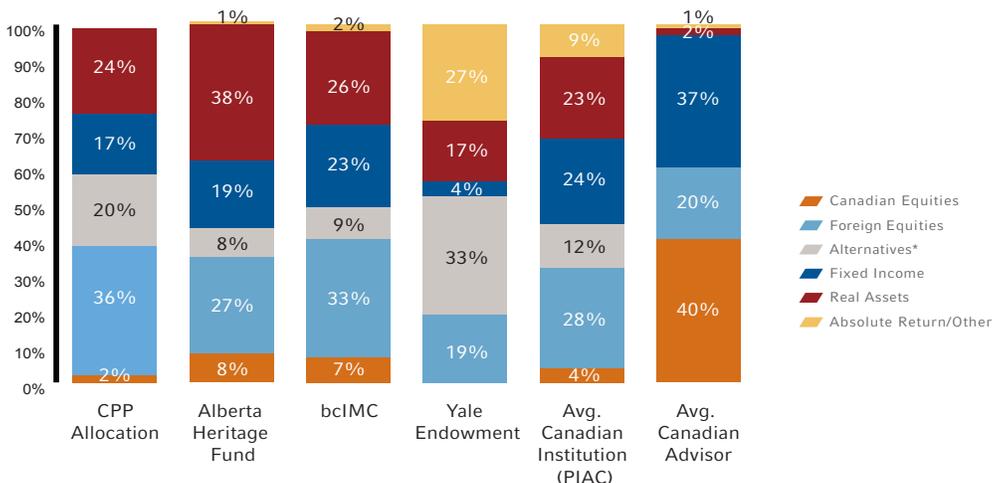
Please read the prospectus of the funds for a detailed description of the risks involved in this investment.

* All data as of June 30, 2020 (unless otherwise noted).

** Data as of September 30, 2020.

The institutional portfolio

Many institutional investors have added real assets to their portfolios over the past decade to improve diversification and help reduce overall portfolio volatility.



Allocations based on the following: Canada Pension Plan (CPP) 2018 Annual Report (AR), Alberta Heritage Fund 2018-2019 AR, British Columbia Investment Management Corp. (bcIMC) 2018-2019 AR, Yale Endowment based on fiscal year 2018 policy allocation, Avg. Canadian Institution based on Pension Investment Association of Canada (PIAC) 2018 data, and Avg. Canadian Advisor based on Russell Investments Advisor Evolved summary allocation for 2019. Numbers may not sum to 100% due to rounding. Allocations are subject to change.

*Alternatives includes strategies such as private equity, venture capital, and leveraged buyout.

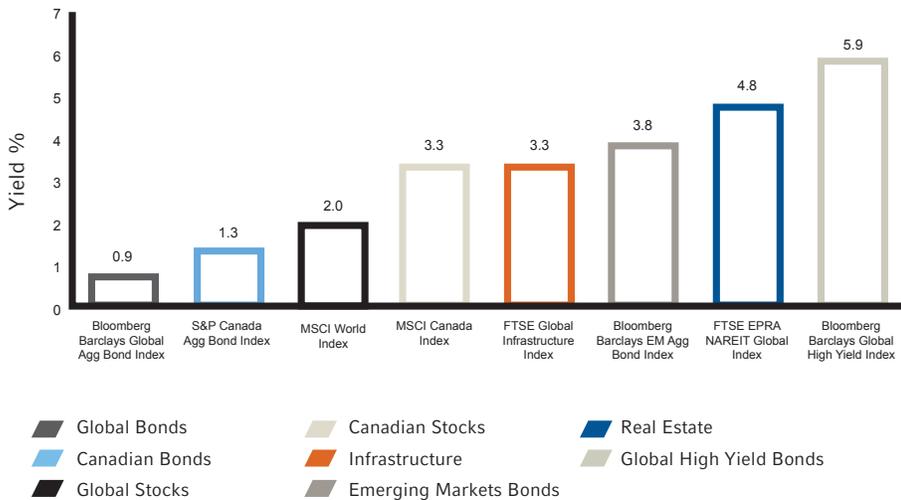
The asset mixes shown above are for illustrative purposes only. Please consult with your financial advisor before making any asset allocation changes.

Growth and income

Real assets can offer you both growth (capital appreciation) and income (yield) potential. They provide exposure to global trends such as population growth and industrial expansion, increased demand for energy, and growing use of natural resources in emerging economies. Many real assets—such as real estate and infrastructure—generate cash flow through rent or concessions, which may provide stable, long-term and dependable income streams.

Real asset sector yields exceed those of broader equities

(as of September 30, 2020)



Source: Rifinitiv Datastream, Russell Investments, as of 9/30/2020. Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.

Yields refer to dividend yields except in the case of the bond indexes, which refer to yield-to-maturity. Yield to maturity: The expected rate of return on a bond if it is held until maturity based on its current market price. It is not a measure of historical yield or the income received by an investor.

Dividend yield: Reflects the annual rate at which dividends are being paid. It is the weighted average of each index's annual dividend rate (including any one time special dividends) divided by the price of the index as of 9/30/2020. Dividend yields can change based on the performance of underlying stocks.

Diversification

Real assets have historically had a relatively low correlation to the financial assets you likely already hold in your portfolio like stocks and traditional bonds, because they tend to react differently in different market environments.

A strategic exposure to real assets may enhance diversification, and in turn, improve risk-adjusted return potential. A basic balanced growth allocation with 10% exposure to real assets has shown to enhance return per unit of risk (0.80 vs 0.84).

Source: Rifinitiv Datastream, RDB, Russell Investments, as of 9/30/2020. The following asset allocations were used for respective composites: Balanced Growth Composite: 60% S&P/TSX Composite Index and 40% FTSE/TMX Canada Universe Bond Index; Balanced Growth Composite with Real Assets: 52% TSX Composite Index, 38% FTSE/TMX Canada Universe Bond Index, 3.8% S&P Global Infrastructure Index, 3.7% FTSE EPRA/NAREIT Developed Index, 1.5% Barclays Canada Inflation Linked Index, and 1.0% Bloomberg Commodity Index. Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.

What are the benefits of real assets?

There are several reasons you may want to consider including real assets in your investment portfolio.



Historically low correlation to other assets:

Real assets have historically had a low correlation to the other assets you are most likely to already hold—stocks and traditional bonds.



Diversify your equity exposure:

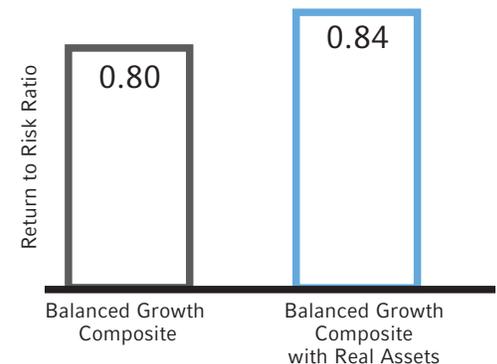
Adding real assets to a portfolio is a way to diversify your equity exposure and also obtain access to an often under-represented asset category.



The potential to improve investment outcomes:

Through low historical correlations and improved diversification, strategic exposure to real assets may improve risk-adjusted returns.

Return per unit of risk



Russell Investments real assets solutions

Russell Investments offers several options to access real assets, allowing you to build a customized portfolio that is designed to meet your specific needs. For a diversified portfolio of real assets, **Russell Investments Real Assets** is a simple way to gain access to this unique asset class. Alternatively, you can invest separately in the **Russell Investments Global Real Estate Pool** or the **Russell Investments Global Infrastructure Pool**.

RUSSELL INVESTMENTS REAL ASSETS

Russell Investments Real Assets blends multiple strategies in a single multi-asset solution.

- Strategically allocates among multiple asset classes and Russell Investments-researched “best in class” managers to target broad inflationary and market concerns.
- Tactically shifts between a carefully selected group of real assets, each of which presents different risk and return characteristics in different environments.
- Incorporates Russell Investments’ rigorous research on each asset class to structure a portfolio that offers potentially enhanced returns and lower volatility, while providing inflation sensitivity.



TARGET PORTFOLIO COMPOSITION¹



- 38% Global Infrastructure Pool
- 37.5% Global Real Estate Pool
- 15% Inflation Linked Bond Fund
- 9.5% Commodity ETFs

RUSSELL INVESTMENTS GLOBAL REAL ESTATE POOL

Target pool allocation*

The pool’s sub-advisers are experienced real estate managers.

- Deutsche Asset & Wealth Management** —(50%) Bottom-up focused strategy with growth component and sophisticated risk controls.
- Cohen & Steers Capital Management, Inc. —(40%) Market-oriented approach that takes dynamic top down tilts.
- Russell Investments Implementation Services, LLC —(10%) Risk exposure management.



POOL COMPOSITION



- 28.34% Diversified
- 19.01% Residential
- 14.90% Industrial
- 10.65% Retail
- 8.56% Health Care
- 6.24% Office
- 6.16% Self Storage
- 4.64% Data Centers
- 1.48% Lodging/Resorts

RUSSELL INVESTMENTS GLOBAL INFRASTRUCTURE POOL

Target pool allocation*

The pool’s sub-advisers are experienced infrastructure managers.

- First Sentier Investors (Australia) IM Ltd.—(38%) Bottom-up, fundamentals-based approach.
- Nuveen Asset Management LLC—(38%) Relative value, high-turnover approach with ‘pure play’ investment philosophy.
- Cohen & Steers Capital Management, Inc.—(19%) Bottom-up and top-down, value investment style.
- Russell Investments Implementation Services, LLC—(5%) Risk exposure management.



POOL COMPOSITION



- 25.22% Electric Utilities
- 14.31% Energy Pipelines
- 13.30% Toll-Roads
- 12.80% Airport Services
- 11.57% Multi-Utilities
- 7.53% Communications
- 5.75% Other
- 3.71% Gas Utilities
- 2.43% Railroads
- 2.37% Water Utilities
- 1.01% Marine Ports

¹ The name of each underlying fund in the portfolio is preceded by “Russell Investments” with the exception of the Commodity ETFs. Data as of September 2020.

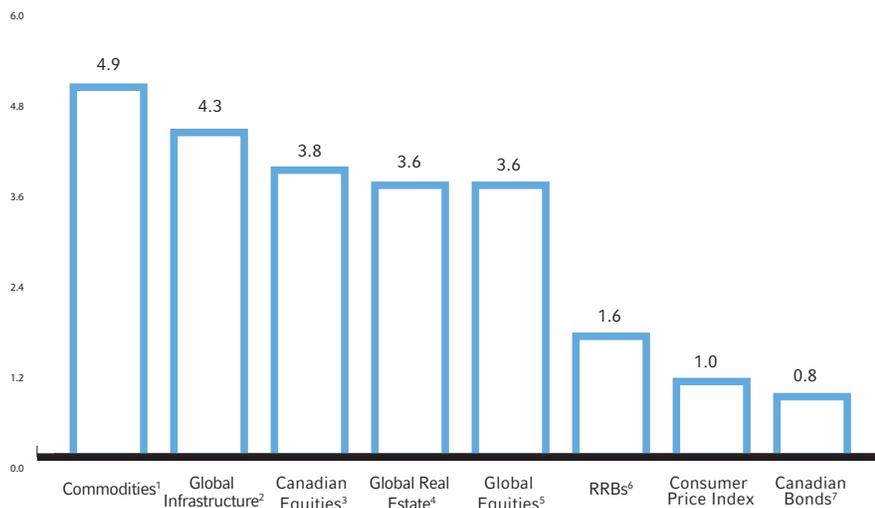
* Sub-advisers are current as of October 2020. Russell Investments has the right to engage or terminate a sub-advisor at any time and without notice.

** This strategy is managed by RREEF America LLC, (“RREEF”), under the brand name Deutsche Asset & Wealth Management.

Potential inflation hedge

Based on long-term, historical index data, real assets have tended to gain in value during inflationary periods. Real estate rents and concessions for many infrastructure investments (like power plants) are often tied to the consumer price index, while the price of commodities, which represents the inputs to production, tends to rise.

Performance (%) during period of rising inflation* / April 2001 - September 2020



Source: Rfinitiv Datastream, Russell Investments, as of 9/30/2020. All returns are in \$US with the exception of Canadian equities and Canadian bonds.

*Rising inflation is, by Russell Investments' definition, when CPI is greater than 0.7% for a given quarter. This analysis looked at average quarterly returns and determined which quarters met the definition of rising inflation from 4/30/2001 to 9/30/2020. Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.

¹Bloomberg Commodity Index US\$

²S&P Global Infrastructure Index US\$

³S&P/TSX Composite Index

⁴S&P Global REIT Index US\$

⁵MSCI World Index US\$

⁶IBOXX America Inflation-Linked Index \$US

⁷FTSE TMX Canada Universe Bond Index

Potential risks of investing in real assets

Investments in real assets have risks that go beyond the traditional risks of equities and bonds.

Investments in real assets have risks that go beyond the traditional risks of equities and bonds.

Infrastructure-related companies are exposed to changes in the economic, regulatory and political environment.

They can be affected by rising costs associated with more onerous environmental and other regulations, difficulty in raising adequate capital, the effects of surplus capacity, potential competition from other providers, changes in fuel costs and supply, new energy conservation policies, government regulation of rates charged to customers, and the risks of an accident or terrorist act.

Investments in real estate companies can be affected by changes in real estate values. Real estate securities

are also indirectly subject to the risks associated with direct ownership of real estate, which include potential declines in the value of real estate, changes in general and local economic and real estate market conditions, changes in debt financing availability and terms, increases in property taxes and other operating expenses, and changes in tax laws and interest rates. The value of securities of companies that service the real estate industry may also be affected by such risks.

Investing in commodity futures is volatile and even a small movement in market prices could cause large losses

The risks of investing in RRBs include interest-rate risk, liquidity risk and some credit risk.

Fund codes (FRC)

	B (FRONT LOAD)	B (LOW LOAD)	F (FEE BASED)	O
Real Assets	138	162	142	144
Real Assets 5% distribution	-	-	172	-
Infrastructure Pool	096	068	108	110
Infrastructure Class	3096	3068	3108	3110
Real Estate Pool	120	160	125	128

All fund names are preceded by Russell Investments.

IMPORTANT INFORMATION

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

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