

Maximise the performance of your assets.

Unnecessary
costs

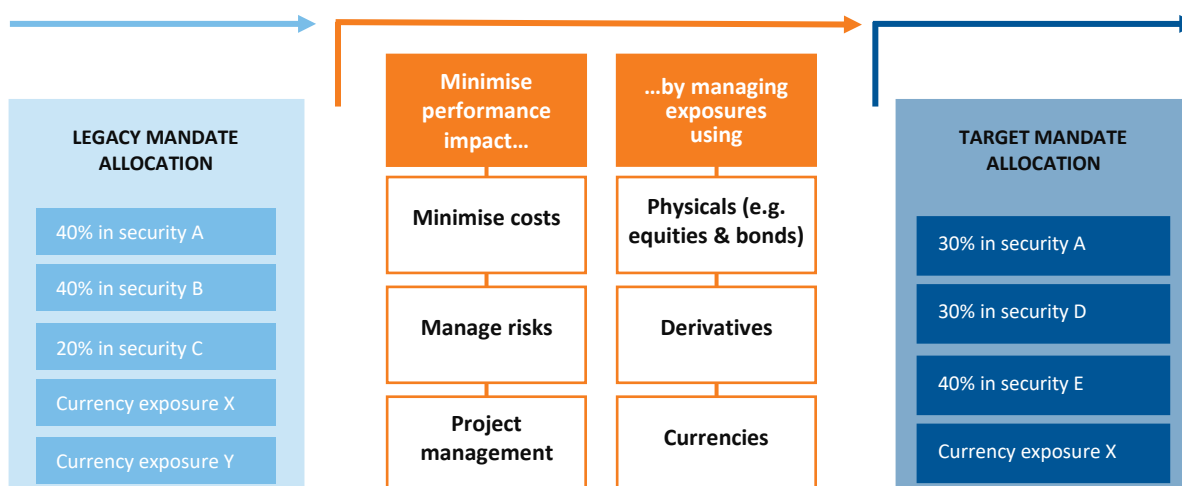
Unrewarded
risks

Administrative
workload

Performance can be lost if change is implemented poorly

Transition management (TM) is the process of managing changes to an institution's portfolio of securities, most typically when they make changes to their investment manager line up.

A transition manager should reduce unnecessary costs and unrewarded risks associated with these changes, as well as being responsible for the performance of the portfolios during this period.



Source: Russell Investments, for illustrative purposes only.

Benefits of a specialist transition manager

There are a number of risks associated with any restructuring of a portfolio of securities. A well-planned and executed transition strategy with extensive resource behind it, will help mitigate these risks and lower the impact of the asset restructure. This is achieved by:

- **Minimising unnecessary costs.** A transition manager looks to reduce costs, by maximising:
 - The amount of securities that can be retained, thus reducing the amount traded in the market
 - Implementing an execution strategy that reduces the impact of that trading.
- **Mitigating unrewarded risks.** During the time of transition, there is a risk that the performance of the portfolio being transitioned can lag behind the new portfolio's returns. A carefully structured hedging and trading strategy can help mitigate these risks.
- **Operational support.** A transition can represent a significant drain on an asset owner's resources and can be closely linked to other activities, such as a strategic asset allocation change after an asset/liability study. A transition manager shoulders this burden for you, as well as can eliminate the need for a performance holiday and increase overall accountability.

Better performance outcomes through creative strategies and quality execution

Our agency only business model, client-centric approach and seasoned team helps to ensure the best outcome from a transition. Our customised multi-venue approach encourages transparency, aligned interests and maximised risk-adjusted performance over short or long periods of change.



~73%

Over the last 5 years, our performance estimates have been within ~73% of actual results.¹

Past performance does not predict future returns.

¹Source: As of 31 December 2023. Transition Management Performance Composites, 5-year composite ending 2023 covering 599 transitions. For comparative purposes number of events within 1 standard deviation over the last 5 years was: 2022, 72%; 2021, 75%; 2020, 71%; 2019, 71%; 2018, 72%.

An experienced, well-resourced team

40+ yrs

Years of experience transitioning assets for clients

20

Transition Management Specialists around the globe

£71.4b

Assets transitioned in 2023*

80+

Investment professionals located globally

12 yrs

Transition manager average years of experience

Past performance does not predict future returns.

Source: Russell Investments, data as at 31 December 2023. *Asset transitioned, \$88.7 bn, £71.4 bn, €82.1 bn.



GET IN TOUCH:

Call Chris Davies, Managing Director, Head of EMEA CPS at [+44 \(0\)20 7024 6256](tel:+44202070246256) or email CDavies@russellinvestments.com.

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