

Tax-Managed U.S. Mid & Small Cap Fund

Money Manager and Russell Investments Overview

September 2018

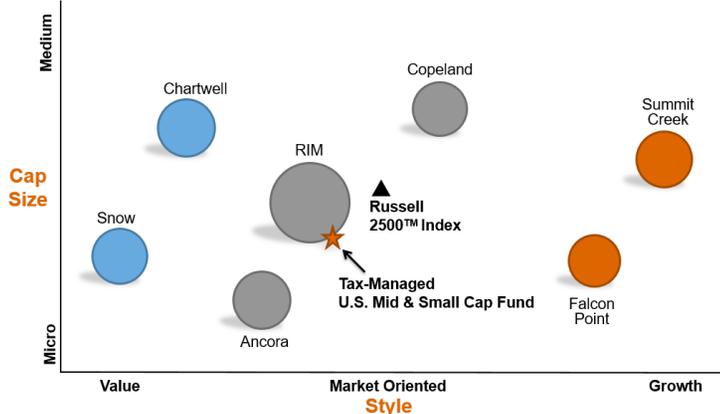
RUSSELL INVESTMENTS' APPROACH

Russell Investments uses a multi-asset approach to investing, combining asset allocation, manager selection and dynamic portfolio management in its investment portfolios. Using this approach as a framework for mutual fund construction, we research, monitor, hire and terminate (subject to Fund Board approval) money managers from around the world and strategically allocate fund assets to them. We oversee all investment advisory services to the funds and manage assets not allocated to money managers.

THE FUND

The Tax-Managed U.S. Mid & Small Cap Fund includes managers and strategies that use different investment styles based on stock selection and the level of tax-efficiency of their approaches. For example, the Fund may have a growth manager that selects higher quality growth companies, focusing on longer-term economic, geopolitical and business trends. Another growth manager may focus on security selection with the belief that earnings expectations drive stock prices. A value manager may be selected for its strong, bottom-up research, while another may focus on attractively priced value stocks with clear drivers of profit growth and price appreciation. In addition to the managers' strategies, Russell Investments manages a portion of the Fund's assets internally to seek to further enhance and diversify the Fund's investment strategies. Part of this is a tax optimized strategy that is expected to help harvest taxable losses to enhance post-tax returns. The Fund's benchmark is the Russell 2500™ Index.

FUND MOSAIC (as of September 2018)



This mosaic depicts, at a specific point in time, the approximate relative weighting of the managers and strategies within the fund plotted on the basis of cap size and style against fund benchmark (▲). Positions on this mosaic change over time as allocations and holdings change. The circle size represents the relative size of each allocation in the Fund.

Not FDIC Insured - May Lose Value - No Bank Guarantee

RUSSELL INVESTMENTS PORTFOLIO MANAGER

Megan Roach is a portfolio manager with primary responsibility for Russell Investments' small/mid-capitalization and large cap defensive U.S. equity funds. Prior to assuming portfolio management responsibilities, Megan served on the small cap manager research team from 2005 to 2015, including acting as head of research for the asset class since 2013. Megan holds a BA in finance and an MBA in investment management. Megan has been with Russell Investments since 2004.

THE PORTFOLIO MANAGER'S ROLE

The Russell Investments portfolio manager is responsible for identifying and selecting the strategies and money managers included in the Fund and determining the weight for each assignment. The portfolio manager manages the Fund on a daily basis to help keep it on track, monitoring risk and return expectations at the total fund level and making changes when deemed appropriate and/or necessary. Multiple resources from across the firm are used to help determine what is believed to be the best combination of managers and strategies. Manager research and capital markets research are some of the tools at the portfolio manager's disposal to help identify opportunities and manage risk.

TARGET ALLOCATION OF FUND ASSETS

The percentages below represent the target allocation of the Fund's assets to each money manager's strategy and Russell Investment Management, LLC ("RIM") strategy. This does not include liquidity reserves managed directly by RIM, which may constitute 5% or more of Fund assets at any given time.

12%	Ancora Advisors, LLC
12%	Chartwell Investment Partners, LLC
8%	Copeland Capital Management, LLC
9%	Falcon Point Capital, LLC
9%	Snow Capital Management, L.P.
10%	Summit Creek Advisors, LLC
40%	Russell Investment Management, LLC (RIM)*

All underlying third-party money managers of this Fund are non-discretionary money managers. Russell Investment Management, LLC manages the respective portions of the Fund's assets based upon model portfolios provided by each firm

*RIM manages this portion of the Fund's assets to effect the Fund's investment strategies and/or to actively manage the Fund's overall exposures. This includes the Fund's positioning strategy, which is used to seek excess return and manage portfolio risks by targeting specific exposures, and the active tax management strategy that is implemented across the entire fund. These strategies are used in conjunction with allocations to third-party managers to fully reflect Russell Investments' strategic and dynamic views with integrated liquidity and risk management.

Tax-Managed U.S. Mid & Small Cap Fund

Managers and Strategies Summary

September 2018

NAME	ALLOCATION	INVESTMENT FOCUS	ROLE	DETAILS OF ROLE IN THE FUND
ANCORA ADVISORS	12%	Invests in small and mid-cap special situations such as corporate restructuring and spinoffs, under-followed companies, and franchise stocks selling at temporary discounts.	Market-oriented	Ancora is opportunistic in seeking companies that are in special situations. The strategy focuses on market inefficiencies that the firm believes to be persistent and lucrative within the U.S. small and mid-cap space.
 Chartwell Investment Partners <i>Institutional and Private Asset Management</i>	12%	Emphasizes bottom-up research to find companies it believes are attractively valued.	Value	Chartwell's investment team searches for a mixture of value stocks (deep value, contrarian, and relative value) that the firm believes exhibit explicit catalysts that will drive fundamental improvement and capital appreciation.
 COPELAND CAPITAL MANAGEMENT, LLC Dividend Growth Investing	8%	Invests in small/mid cap companies with a history of strong dividend growth.	Market-oriented	Russell Investments believes dividend growth strategies can be effective in the U.S. small/mid cap market, and that Copeland is especially skilled at identifying which companies are more likely to sustain their historical dividend growth.
 FALCON POINT CAPITAL, LLC	9%	Invests in small/mid cap companies likely to sustain above average earnings growth that it believes are trading at relatively attractive valuations.	Growth	Falcon Point brings a "growth at a reasonable price" small/mid cap strategy to the Fund. They seek to include companies with recurring revenue streams as well as rapidly growing companies with potential to sustain earnings growth.
 SNOW CAPITAL MANAGEMENT	9%	Invests in companies that it believes are undervalued due to depressed earnings and poor market sentiment.	Value	Snow provides the Fund with a dynamic, deep value, small and mid-cap exposure, complementing the existing manager line-up.
 SUMMIT CREEK ADVISORS, LLC	10%	Conducts a bottom-up investment process that identifies high quality companies with what it believes to be consistent and sustainable revenue and earnings growth over a 3-5 year investment horizon.	Growth	Through in-depth fundamental research, Summit Creek searches for companies with low financial leverage, high return on equity, strong cash flow and significant management ownership. The team creates detailed financial models on all portfolio holdings and fully evaluates a company's competitive positioning and ability to execute on the business plan.
Russell Investment Management, LLC (RIM)	40%	Directly manages a positioning strategy within the Fund, which is designed with the dual mandate of improving the Fund's after-tax returns as well as controlling the Fund-level exposures and/or risks to meet preferred positioning. The active tax management aspect of the strategy is focused on improving the after-tax returns of the Fund by using active tax management strategies including tax-loss harvesting, deferral of gains, tax-lot management, and management of wash sales. This activity takes place across the entire Fund.	Positioning strategy and tax management	RIM oversees all investment advisory services to the Fund and manages all Fund assets. This includes the Fund's positioning strategy, which helps the Fund to achieve its desired risk/return profile, and the active tax management strategy that is implemented across the entire Fund. RIM also manages the Fund's liquidity reserves, which may constitute 5% or more of Fund assets at any given time (not included in the percentage cited on the left).

Tax-Managed U.S. Mid & Small Cap Fund

Ancora Advisors, LLC

September 2018

FIRM BACKGROUND

Ancora Advisors, LLC is an employee owned investment advisory firm. Ancora offers comprehensive investment solutions for institutions and individuals in the areas of fixed income, equities, global asset allocation, alternative investments and retirement plans.

Headquarters: Cleveland, OH

Founded: 2003

Lead manager: Dan Thelen, CFA

A N C O R A
A D V I S O R S

Asset class: U.S. Equity

Number of holdings: 50-70

Capitalization level: Small and mid cap

Sub-style: Special situations

MANAGER PROFILE

Ancora Advisors, LLC (Ancora) was added to the Tax-Managed U.S. Mid & Small Cap Fund in 2017. Ancora is a non-discretionary manager in the Fund. Dan Thelen is the portfolio manager leading this small to mid-cap strategy. He is based in Ancora's Birmingham, MI office.

WHAT THIS MANAGER BRINGS TO THE FUND

Ancora is opportunistic in seeking companies that are in special situations such as corporate restructuring and spinoffs, companies emerging from bankruptcy, under-followed companies, and franchise stocks selling at temporary discounts.

INVESTMENT PROCESS

Ancora's strategy focuses on market inefficiencies that the firm believes to be persistent and potentially lucrative within the U.S. small to mid-capitalization space. Ancora attempts to take advantage of short-term stock price dislocations that may arise through periods when market trading volumes are thin (e.g. around holidays). In evaluating these special situations, Ancora screens on key growth and profitability factors including returns on capital, long-term demonstrated growth rates and cash flow returns on equity. The investment team further screens based on each company's valuation relative to its industry.

Ancora reviews the holdings periodically on a bottom-up basis to ensure they are consistent with Ancora's view of the economy on a top-down basis. During the research and due diligence process, the portfolio manager and the analysts will talk with company management, customers and suppliers to better understand the company's prospects.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

Dan Thelen has 15+ years experience as a micro-mid cap investor and Russell Investments believes the environment at Ancora provides him with an unencumbered opportunity to focus on generating excess returns. Thelen is, in Russell Investments' view, among the top tier of investors in terms of passion, focus on performance and continuous process improvement. Dan's focus on special situations and intense performance orientation stood out to Russell Investments immediately during the first research meeting in 2013 and this drove Russell Investments' prioritization to become one of the first institutional investors in his micro and small cap strategy in 2014.

Given Ancora's focus on special situations rather than a defined growth or value-oriented substyle, the most favorable market environments are expected to be those not dominated by extreme factor payoffs, for example, when value or growth stocks dramatically outperform or underperform the broader market. Russell Investments expects that periods dominated by extreme factor payoffs may be unfavorable for Ancora. Overall, the portfolio's factor exposures tend to be moderate, leading to security selection accounting for the greatest portion of excess returns over a market cycle.

Tax-Managed U.S. Mid & Small Cap Fund

Chartwell Investment Partners, LLC

September 2018

FIRM BACKGROUND

Chartwell Investment Partners, Inc. is an investment firm providing advisory and sub-advisory investment management services primarily to institutional plan sponsors such as public mutual funds, corporations, Taft-Hartley funds, endowments and foundations. It is a subsidiary of TriState Capital Holdings, Inc.

Headquarters: Berwyn, PA

Founded: 1997

Lead manager: Dave Dalrymple

Chartwell Investment Partners

Institutional and Private Asset Management



Asset class: U.S. Equity

Number of holdings: 60-90

Capitalization level: Small and mid cap

Sub-style: Relative value

MANAGER PROFILE

Chartwell Investment Partners, Inc. (Chartwell) was added to the Tax-Managed U.S. Mid & Small Cap Fund in 2004. Chartwell is a non-discretionary money manager in the Fund. Dave Dalrymple leads this value focused strategy at Chartwell.

WHAT THIS MANAGER BRINGS TO THE FUND

Chartwell's investment team searches for a mixture of value stocks (deep value, contrarian, and relative value) that the firm believes exhibit explicit catalysts that will drive fundamental improvement and capital appreciation. Chartwell conducts an extensive bottom-up fundamental research process and thorough due diligence as part of its stock selection process.

INVESTMENT PROCESS

The firm performs fundamental analysis on what it identifies as the "high potential" stocks. Chartwell first attempts to understand the reason for a stock's depressed valuation. If it cannot identify a valid cause, it will not consider the stock further. The firm evaluates the company's business model, competitive position and business prospects to determine value. Finally, the firm identifies an explicit fundamental catalyst before purchasing a stock. Examples of catalysts that Chartwell considers are management changes, margin improvement, new products, restructuring, and acquisitions/divestures.

The portfolio is diversified by value sub-style. The portfolio manager seeks to have exposure to deep value, traditional value and relative value stocks. This approach is intended to result in a portfolio that is less factor biased in its performance pattern.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

Russell Investments has been tracking Chartwell since 2000. Dave Dalrymple is a knowledgeable investor who displays a competitive drive and sensible investment insight.

Chartwell is generally expected to outperform when the market favors valuation and quality factors and will underperform when the market is favoring defensive areas, not rewarding fundamentals, and when lower quality companies are being favored.

Tax-Managed U.S. Mid & Small Cap Fund

Copeland Capital Management, LLC

September 2018

FIRM BACKGROUND

Copeland Capital Management, LLC is a boutique investment management firm specializing in dividend growth investing. The firm manages portfolios for high net worth individuals and many types of institutions, including corporate pension plans, educations and religious endowments, charitable foundations, health care institutions, and municipalities.

Headquarters: Conshohocken, PA

Founded: 2005

Lead manager: Mark Giovanniello, CFA



Asset class: U.S. Equity

Range of holdings: 40-50

Capitalization level: Small and mid cap

Sub-style: Dividend growth

MANAGER PROFILE

Copeland Capital Management, LLC (Copeland) was added to the Tax-Managed U.S. Mid & Small Cap Fund in December 2017. Mark Giovanniello is the firm's CIO and is the key decision maker, backed by a robust investment team.

WHAT THIS MANAGER BRINGS TO THE FUND

Russell Investments believes dividend growth strategies can be effective in the U.S. small/mid cap market, and that Copeland is especially skilled at identifying which companies are more likely to sustain their historical dividend growth.

INVESTMENT PROCESS

Copeland's strategy generally invests in domestic companies with market capitalizations between \$250 million and \$2 billion that have historical track records of consistent dividend growth. Dividend growth is more important to the strategy than absolute level of dividends.

Copeland believes that a company's dividend growth rate is a significant driver of its total return. Strategy holdings are selected using a proprietary multi-factor quantitative model. The model seeks companies with a history of consistent dividend increases and financial stability that Copeland believes will continue. The highest-ranking names are then evaluated through a fundamental research process.

The investment process is collaborative and typically includes every member of the investment team. Each analyst has specific sector coverage responsibility. The team meets on a daily basis to discuss current holdings in the portfolio, pertinent macro-economic and geopolitical news, and trading recommendations, if any. Every team member provides input in determining the names that are included in the portfolio. The portfolio manager, Mark Giovanniello, has the final decision in determining names for inclusion as well as portfolio weights.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

Copeland was founded in 2005 with a focus on U.S. large cap securities, but the hiring of Mark Giovanniello and launch of the firm's small- to mid-cap strategies in 2009 catapulted those strategies to flagship status at the firm, which prompted Russell Investments to begin researching them in 2012. Russell Investments values Copeland's 100% employee-owned status as well as the uniqueness of its investment philosophy relative to small cap peers.

Copeland is expected to outperform when high dividend growth, higher quality factors (such as return on equity), and stocks with lower earnings variability and price volatility are rewarded. Copeland is expected to underperform in aggressive stock market rallies led by higher risk and volatility market segments.

Tax-Managed U.S. Mid & Small Cap Fund

Falcon Point Capital, LLC

September 2018

FIRM BACKGROUND

Falcon Point Capital, LLC is an employee-owned investment management firm. The firm provides services to high net worth individuals, pension and profit sharing plans, other pooled investment vehicles, endowments, foundations, institutions, and trusts.

Headquarters: San Francisco, CA

Founded: 1986

Lead manager: Jim Bitzer



Asset class: U.S. Equity

Range of holdings: 30-50

Capitalization level: Small and mid cap

Sub-style: Consistent growth

MANAGER PROFILE

Falcon Point Capital, LLC (Falcon Point) was added to the Tax-Managed U.S. Mid & Small Cap Fund in December 2017. Jim Bitzer and Mike Thomas are the senior investment professionals, backed by a robust investment team.

WHAT THIS MANAGER BRINGS TO THE FUND

Falcon Point brings a "growth at a reasonable price" small/mid cap strategy to the Fund. They attempt to add value by investing in companies they believe are likely to sustain above average earnings growth over a two to three-year time horizon, and which are selling at attractive valuations. They seek to include companies with recurring revenue streams as well as rapidly growing companies with potential to sustain earnings growth.

INVESTMENT PROCESS

Falcon Point focuses on bottom-up research. The firm's investment team attempts to identify high-quality small- to mid-cap companies before they attract significant Wall Street attention or large institutional ownership. This is intended to allow the Fund to benefit from investments in smaller companies during periods of internal growth and from the expanding price-earnings ratios that often result from ensuing market recognition. The team exhibits a unique ability to combine information gleaned from management and competitor meetings, along with SEC filings, to gain conviction in companies with strong potential to sustain earnings growth. The decision-making process relies primarily on proprietary research conducted directly with the senior management of prospective investments. Detailed in-house models are prepared on each company. Regular conversations with management, customers, suppliers and Wall Street analysts are conducted to confirm expectations and clarify new developments.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

Russell Investments began researching Falcon Point in 2007. The firm has built a strong track record in small cap investing strategies over the past 10+ years. Russell Investments values the perspective afforded to Jim Bitzer and Mike Thomas through their management of fixed income, long-only and long-short portfolios. Russell Investments considers Falcon Point to be more valuation sensitive than many growth managers. The investment team is comprised of energetic investment professionals and Russell Investments views their passion and focus on gaining unique insights as sources of competitive advantage.

The firm's longer-term investment horizon may lead to a greater tolerance for short-term earnings disappointments compared to growth-oriented peers. Russell Investments expects this strategy to perform best when the small/mid cap market is rewarding consistently growing companies trading at moderate valuations. Speculative markets that are led by the highest growth and valuation market segments can provide headwinds for this strategy.

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Snow Capital Management, L.P.

September 2018

FIRM BACKGROUND

Snow Capital Management L.P. was founded in 1980 as R.A.S. Capital and focused on private wealth management. The firm later changed its name to Snow Capital Management and was registered with the SEC in 1990 as an investment adviser.

Headquarters: Sewickley, PA

Founded: 1980

Lead manager: Joshua Schachter

Asset class: U.S. Equity

Number of holdings: 50-60

Capitalization level: Small and mid cap

Sub-style: Deep value

MANAGER PROFILE

Snow Capital Management L.P. (Snow) was added to the Tax-Managed U.S. Mid & Small Cap Fund in 2016. Snow is a non-discretionary money manager in the fund. Joshua Schachter leads this value-focused manager assignment.

WHAT THIS MANAGER BRINGS TO THE FUND

Snow provides the Fund with a dynamic, deep value, small and mid-cap exposure, complementing the existing manager lineup. Russell Investments believes Snow is skilled at distinguishing companies where prior fundamental weakness is likely temporary and selecting timely investments for when companies are close to an inflection point in fundamentals and investor sentiment.

INVESTMENT PROCESS

Snow seeks to invest in companies that it believes are undervalued due to depressed earnings and poor market sentiment. From this subset, Snow selects companies within structurally sound industries with reasonable balance sheets that it expects to benefit from multiple expansions as well as earnings normalization over the next 18-24 months.

Snow's long time horizon allows it to look beyond Wall Street's focus on near term earnings estimates. Its process is designed to enable it to build a diversified portfolio of financially strong companies with depressed stock prices because of likely temporary difficulties that can be resolved. This contrarian philosophy is expected to result in a portfolio of stocks with an uneven payoff pattern. Snow believes the downside is potentially limited because of low valuation combined with sufficient financial quality. In these situations, Wall Street's opinion is already negative, and investor expectations are low. The upside potential comes from an expected earnings turn-around and a positive change in investor sentiment and expansion in price-to-earnings (P/E) that is expected to accompany an earnings recovery.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

Russell Investments first met Joshua Schachter in May 2011 and views him to be a motivated and objective value investor with access to highly regarded firm founder Richard Snow, as well as a team of four experienced sector analysts.

Russell Investments expects Snow to perform best in markets driven by capital appreciation as inexpensive stocks revert toward normal valuation levels and in markets that favor companies with high earnings variability rather than those with stable earnings. Dividend yield focused environments and more defensive "flight to quality" environments tend to be difficult for this type of investment approach.

Tax-Managed U.S. Mid & Small Cap Fund

Summit Creek Advisors, LLC

September 2018

FIRM BACKGROUND

Summit Creek Advisors LLC is an emerging small cap growth investment management firm. The firm provides separately managed accounts to corporate and public pensions, foundations and endowments, family offices and high net worth individuals.

Headquarters: Minneapolis, MN

Founded: 2005

Lead managers: Joe Docter, CFA and Adam Benson, CFA



Asset class: U.S. Equity

Number of holdings: 50-55

Capitalization level: Small and mid cap

Sub-style: High earnings growth

MANAGER PROFILE

Summit Creek Advisors LLC (Summit Creek) was added to the Tax-Managed U.S. Mid & Small Cap Fund in 2010. Summit Creek is a non-discretionary money manager in the Fund. Joe Docter leads this emerging small/mid cap growth manager assignment at Summit Creek.

WHAT THIS MANAGER BRINGS TO THE FUND

Through in-depth fundamental research, Summit Creek searches for companies with low financial leverage, high return on equity, strong cash flow and significant management ownership. The team creates detailed financial models on all portfolio holdings and fully evaluates a company's competitive positioning and ability to execute on the business plan.

INVESTMENT PROCESS

Summit Creeks' investment team uses a bottom-up investment process to identify high quality companies with what it believes to be consistent and sustainable revenue and earnings growth over a 3 to 5-year investment horizon. Through in-depth fundamental research, the firm searches for companies with low financial leverage, high return on equity, strong cash flow and significant management ownership.

Once a stock is in the portfolio, Summit Creek continues to perform its rigorous research. The team creates detailed financial models on all portfolio holdings and fully evaluates a company's competitive positioning and ability to execute on the business plan. In addition, Summit Creek has frequent discussions with company management, competitors, suppliers, and attends numerous investor conferences.

Summit Creek's portfolio has approximately 50 stocks, and a longer-term outlook, which results in a relatively low turnover. This is intended to make Summit Creek's portfolio more tax-efficient and consistent with the Fund's investment objective of seeking to provide long-term capital growth on an after-tax basis.

RUSSELL INVESTMENTS' MANAGER ANALYSIS

The firm possesses an experienced and motivated team, a proven investment discipline, a good long-term track record, and optimal ownership structure and research environment.

Russell Investments has been following the team at Summit Creek for several years, since the team was with a previous firm. The team founded Summit Creek in 2005.

Summit Creek will likely perform better when growth leads and when price volatility and earnings variability are low. The firm will likely underperform when value is leading, when lower quality stocks are leading, and in more volatile markets.

Tax-Managed U.S. Mid & Small Cap Fund

Russell Investment Management, LLC

September 2018

FIRM BACKGROUND

Russell Investment Management, LLC is the advisor to Russell Investment Company (RIC) Funds. Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates with minority stakes held by funds managed by Reverence Capital Partners and Russell Investments' management. Russell Investments provides asset management and investment services to institutional and individual investors around the world.

Headquarters: Seattle, WA

Founded: Russell Investments, founded in 1936

TAX MANAGEMENT & POSITIONING STRATEGY:

Asset class: U.S. Equity

Number of holdings: 100-500

Capitalization level: Small and mid cap

Russell Investment Management, LLC (RIM) oversees all investment advisory services to the Fund and manages assets not allocated to managers.

MANAGER AND STRATEGY OVERSIGHT

Russell Investments' portfolio managers have ultimate responsibility for ensuring fund outcomes are consistent with Fund objectives. The portfolio managers and analysts track the effectiveness of every money manager and strategy in the Fund. Occasionally, adjustments may be necessary due to reasons such as a change in control at a money manager, the opportunity to select another manager or strategy the portfolio manager believes offers an investment proposition that would help improve the Fund, or changes in market dynamics.

Any significant Fund changes must be validated through an internal governance process to ensure all key considerations were addressed by the portfolio managers. Money manager changes are also subject to approval by the Fund's Board of Trustees.

INVESTMENT MANAGEMENT

RIM manages a positioning strategy within the Fund, which is designed with the dual mandate of improving the Fund's after-tax returns as well as controlling Fund-level exposures and/or risks to meet preferred positioning. Positioning strategies are customized portfolios directly managed for use within the total portfolio. Portfolio managers use positioning strategies to seek excess return and manage portfolio risks by targeting specific exposures. These strategies are used in conjunction with allocations to active manager strategies to fully reflect Russell Investments' strategic and dynamic insights with integrated liquidity and risk management.

The positioning strategy used in this Fund is a dedicated portion of the Fund assets that can be rebalanced as needed by the portfolio managers to keep the total portfolio aligned with Russell Investments' strategic beliefs (e.g. value, momentum, quality and volatility) as well as the Fund's preferred positioning. This allows the portfolio manager to express Russell Investments' views across multiple factor and industry exposures simultaneously while regularly adapting to changing markets and manager portfolios.

Additionally, this strategy, in conjunction with RIM's overall management of the total fund, also engages in active tax management strategies such as tax-loss harvesting, deferral of gains, tax-lot management and management of wash sales in order to further enhance the Fund's after-tax returns. RIM's management of the entire fund allows the firm to purchase and sell securities in an effort to make optimal tradeoffs at the total fund level between fund exposures and tax management activities. RIM also strives to enhance the ongoing tax efficiency of the Fund by seeking to manage wash sales and assisting in the tax management of manager weight changes and transitions.

MANAGING THE LIQUIDITY RESERVE

Every Russell Investments mutual fund maintains cash reserves, which is cash awaiting investment or held to meet redemption requests or to pay expenses. This Fund typically exposes all or a portion of its cash to the performance of certain markets by purchasing equity securities and/or derivatives (also known as "equitization"), which typically includes index futures contracts. The Fund invests any remaining cash in short-term investments, including an unregistered cash management fund advised by Russell Investments.

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

Money managers listed are current as of September 19, 2018. Subject to the fund's Board approval, Russell Investments 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.

Small capitalization (small cap) investments generally involve stocks of companies with a market capitalization based on the Russell 2000® Index. Investments in small cap, micro cap, and companies with capitalization smaller than the Russell 2000® Index are subject to the risks of common stocks, including the risks of investing in securities of large and medium capitalization companies. Investments in smaller capitalization companies may involve greater risks as, generally, the smaller the company size, the greater these risks. In addition, micro capitalization companies and companies with capitalization smaller than the Russell 2000® Index may be newly formed with more limited track records and less publicly available information.

The investment styles employed by a Fund's money managers may not be complementary. This concentration may be beneficial or detrimental to a Fund's performance depending upon the performance of those securities and the overall economic environment. The multi-manager approach could increase a Fund's portfolio turnover rates which may result in higher levels of realized capital gains or losses with respect to a Fund's portfolio securities, higher brokerage commissions and other transaction costs.

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.

Income from funds managed for tax efficiency may be subject to an alternative minimum tax, and/or any applicable state and local taxes.

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.

Russell Investments cannot provide tax advice. Please consult a tax consultant for further questions and/or prior to investing.

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

Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates with minority stakes held by funds managed by Reverence Capital Partners and Russell Investments' management

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