LifePoints Fund, Target Portfolio Series

Overview of 2019 asset allocation changes

September 2019

At Russell Investments, we follow a regular, methodical process of evaluating the asset allocation of our multi-asset portfolios. Current market conditions, our capital market forecasts and asset class exposures are all considered to determine if asset allocation shifts could benefit investors' long-term outcomes.

Our recent analysis suggests modest shifts in the allocations would potentially benefit LifePoints Funds, Target Portfolio Series investors. These shifts are scheduled to occur **on or around November 13, 2019.**

The main outcomes of these changes are to:

› **Ensure that the individual LifePoints Funds' strategic allocations remain aligned across the risk spectrum**

› **Align the Funds with Russell Investments' current market views and portfolio preferences**

› **Introduce the potential benefits of a factor-based bond portfolio**

What are the outcomes?

1. **Ensure that the individual LifePoints Funds' strategic allocations remain aligned across the risk spectrum**

   Russell Investments is lowering LifePoints Funds' strategic allocations to real assets (real estate, infrastructure, and commodities) due to valuation concerns and other market conditions. To maintain the desired strategic relationship between growth assets and diversifiers, many of the LifePoints Funds will be directing the real assets outflows to dedicated equity funds to seek to preserve the growth potential. The Funds' remaining allocations to fixed income and multi-assets will experience a mix of increases and decreases depending on each Fund's specified risk target.

2. **Align the Funds with Russell Investments' current market views and portfolio preferences**

   Russell Investments structures the equity component within the LifePoints Funds to maintain a global perspective. The current equity fund moves generally maintain this focus across the LifePoints Funds. Currently, as of August 2019, the U.S. equity market represents approximately 56% of the global market capitalization as represented by MSCI Indexes. Following the allocation changes, each of the Funds' equity portfolios will fall between 50% and 60% U.S. equity at the strategic level. Within U.S. equity, there has been a move away from the Sustainable Equity Fund as quality U.S. equity stocks have been on an extended strong run and are now appear relatively expensive. Those assets have generally been allocated to the Multifactor U.S Equity, Multifactor International Equity and Global Equity Funds to better reflect future opportunities and stay aligned with a global perspective.

Within the fixed income exposure, there has been a shift towards the Unconstrained Total Return Fund and the Multifactor Bond Fund. The intent of the Unconstrained Total Return increase is to diversify interest rate risk in this low rate environment, and the addition of Multifactor Bond Fund helping to diversify the active bond risk within the portfolio.

3. Introducing the Multifactor Bond Fund

Russell Investments will be **launching the Multifactor Bond Fund and adding the Fund to the LifePoints Funds, Target Portfolio Series** to seek to deliver the same benefits of active return potential and strategy diversification to the bond exposure as the current multifactor equity funds deliver to the equity portfolio.

Active investment managers have for decades used strategies to target factors—which are the underlying characteristics that drive returns of stocks, bonds and other assets. For instance, Credit, Rates, and Currency are three common bond factors that have the potential to deliver excess returns over the broad bond market. Factor investing targets exposure to these factors to seek to maximize a portfolio's return and manage its risk. In recent years, technological and research developments have allowed managers to provide more precise exposure to factors in a portfolio, harnessing these powerful tools to help meet client objectives. And now, through the introduction of the Multifactor Bond Fund, those potential benefits can be accessed in the fixed income allocation of the Lifepoints Funds, Target Portfolio Series.

Please see the asset allocation of each of the LifePoints Funds in the table below.

FUNDS	**CONSERVATIVE**		**MODERATE**		**BALANCED**		**GROWTH**		**EQUITY GROWTH**	
UNDERLYING FUNDS	**Current**	**New**	**Current**	**New**	**Current**	**New**	**Current**	**New**	**Current**	**New**
Multifactor U.S. Equity	4.0%	5.0%	5.5%	9.0%	9.0%	10.0%	14.0%	16.0%	14.5%	16.0%
Sustainable Equity	1.0%		4.0%		9.0%		11.0%		14.5%	
U.S. Dynamic Equity	1.0%		4.0%		9.0%	4.0%	11.0%	8.0%	14.5%	8.0%
U.S. Small Cap Equity		2.0%	4.0%	7.0%	6.0%	6.0%	9.0%	9.0%	12.0%	12.0%
Multifactor International Equity	1.0%	2.0%	3.0%	6.0%	4.0%	12.0%	8.0%	15.0%	8.5%	15.0%
Global Equity			6.0%	7.0%	10.0%	15.0%	12.0%	15.0%	15.0%	21.0%
Emerging Markets	1.0%	2.0%	3.0%	5.0%	4.0%	6.0%	5.0%	7.0%	6.0%	8.0%
Equity Allocation	**8.0%**	**11.0%**	**29.5%**	**34.0%**	**51.0%**	**53.0%**	**70.0%**	**70.0%**	**85.0%**	**80.0%**
Commodity Strategies	3.0%		3.0%	2.0%	3.0%	2.0%	3.0%	2.0%	3.0%	2.0%
Global Infrastructure	2.0%		2.5%		2.5%		3.0%		3.0%	
Global Real Estate Securities	1.0%		2.0%		1.5%	2.0%	2.0%	2.0%	2.0%	3.0%
Alternative Allocation	**6.0%**	**0.0%**	**7.5%**	**2.0%**	**7.0%**	**4.0%**	**8.0%**	**4.0%**	**8.0%**	**5.0%**
Unconstrained Total Return	4.0%	15.0%	4.0%	18.0%	3.0%	13.0%	3.0%	10.0%	2.0%	11.0%
Opportunistic Credit*	6.0%		10.0%		9.0%		6.0%		5.0%	
Strategic Bond	21.0%	21.0%	23.0%	20.0%	26.0%	17.0%	13.0%	6.0%		
Multifactor Bond		15.0%		14.0%		3.0%				
Investment Grade Bond	12.0%		16.0%							
Short Duration Bond	20.0%	18.0%								
Fixed Income Allocation	**63.0%**	**69.0%**	**53.0%**	**52.0%**	**38.0%**	**33.0%**	**22.0%**	**16.0%**	**7.0%**	**11.0%**
Multi-Strategy Income	23.0%	20.0%	10.0%	12.0%	4.0%	10.0%				
Multi-Asset Growth Strategy								10.0%		4.0%
Multi-Asset Allocation	**23.0%**	**20.0%**	**10.0%**	**12.0%**	**4.0%**	**10.0%**	**0.0%**	**10.0%**	**0.0%**	**4.0%**

Special Notes: * Effective March 1, 2019 the Global Opportunistic Credit Fund was renamed the Opportunistic Credit Fund. [1] Multi-Asset is defined as funds that contain more than one, broad asset class (equity, fixed income and alternatives).

Next steps

If you currently invest in the LifePoints Funds, please discuss these changes with your financial advisor. This reallocation could have tax implications. Please inform your tax advisor of this event.

Important information

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.

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 Multifactor Bond Fund is a new fund without an operating history, which may result in additional risk. There can be no assurance that the Fund will grow to an economically viable size, in which case the Fund may cease operations. In such an event, investors may be required to liquidate or transfer their investment at an inopportune time.

Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Fund investments in non-U.S. markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation.

Investments that are allocated across multiple types of securities may be exposed to a variety of risks based on the asset classes, investment styles, market sectors, and size of companies preferred by the investment managers. Investors should consider how the combined risks impact their total investment portfolio and understand that different risks can lead to varying financial consequences, including loss of principal.

Bond investors should carefully consider risks such as interest rate, credit, repurchase and reverse repurchase transaction risks. Greater risk, such as increased volatility, limited liquidity, prepayment, non-payment and increased default risk, is inherent in portfolios that invest in high yield ("junk") bonds or mortgage backed securities, especially mortgage backed securities with exposure to subprime mortgages. Investment in non-U.S. and emerging market securities is subject to the risk of currency fluctuations and to economic and political risks associated with such foreign countries.

Exposure to the commodities markets may subject the Fund to greater volatility than investments in traditional securities, particularly if the investments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates or sectors affecting a particular industry or commodity and international economic, political and regulatory developments. The use of leveraged commodity-linked derivatives creates an opportunity for increased return, but also creates the possibility for a greater loss.

The LifePoints® Funds are a series of funds which expose an investor to the risks of the underlying funds proportionate to their allocation. Investment in LifePoints® Funds involves direct expenses of each fund and indirect expenses of the underlying funds, which together can be higher than those incurred when investing directly in an underlying fund.

Strategic asset allocation and diversification do not assure profit or protect against loss in declining markets.

There is no guarantee that the results stated in this document will be met.

Russell Investments cannot provide tax advice. End investors should consult with financial and tax advisors before investing.

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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