

**RUSSELL INVESTMENT COMPANY**

1301 Second Avenue  
18<sup>th</sup> Floor  
Seattle, WA 98101

March 6, 2020

**Tax-Managed International Equity Fund**

**IMPORTANT NOTICE OF INTERNET AVAILABILITY OF INFORMATION  
STATEMENT REGARDING A RECENT MONEY MANAGER CHANGE**

An Information Statement regarding a recent money manager change related to the Tax-Managed International Equity Fund (the “Fund”), a series of Russell Investment Company (“RIC”), is available for your review. This Notice presents only an overview of the more complete Information Statement that is available to you on the internet or by mail. We encourage you to access and review all of the important information contained in the Information Statement.

**The Fund is not soliciting proxy or consent authority, but is furnishing an Information Statement pursuant to Rule 14a-16 and 14c-2 under the Securities Exchange Act of 1934, as amended.**

The Information Statement details a recent money manager change related to the Fund. Specifically, the Board of Trustees of RIC (the “Board”) has approved the selection of Intermede Investment Partners Limited and Intermede Global Partners Inc. to serve as a new non-discretionary money manager to the Fund, following GQG Partners, LLC’s notification of their intent to terminate their contract as a money manager to the Fund. These changes became effective on December 27, 2019.

RIC’s investment adviser is Russell Investment Management, LLC (“RIM”). The Information Statement is being provided to you in lieu of a proxy statement pursuant to the terms of an exemptive order granted to RIM and RIC by the Securities and Exchange Commission. The order permits RIM to hire a money manager at any time, subject to the approval of the Fund’s Board, without a shareholder vote. Shareholders of the Fund must be provided with specified information within 90 days of the hiring of any new money manager. The order allows the Fund, in lieu of physical delivery of the Information Statement, to make the Information Statement available online.

The full Information Statement will be available on RIC’s website at <http://hosted.rightprospectus.com/RIC/> until at least 90 days after this notice was sent to you. A paper or email copy of the full Information Statement or other Fund related information may be obtained, without charge, by calling 1-800-787-7354 or emailing [service@russellinvestments.com](mailto:service@russellinvestments.com).

**If you want to receive more information regarding this recent money manager change, you may request a paper or email copy of the Information Statement per the instructions above. Requests for a paper copy of the Information Statement must be made by the 90th day after this notice was sent to you in order to receive timely delivery. There is no charge to you for requesting a copy.**

**RUSSELL INVESTMENT COMPANY**  
**1301 Second Avenue**  
**Seattle, Washington 98101**

**March 6, 2020**

**To Shareholders of the Tax-Managed International Equity Fund (the “Fund”):**

Enclosed is an Information Statement of Russell Investment Company (“RIC”) that details a recent money manager change related to the Fund. Specifically, the Board of Trustees of RIC (the “Board”) has approved the selection of Intermede Investment Partners Limited and Intermede Global Partners Inc. (“Intermede”) to serve as a new non-discretionary money manager to the Fund, following GQG Partners, LLC’s (“GQG”) notification of their intent to terminate their contract as a money manager to the Fund. These changes became effective on December 27, 2019.

The attached Information Statement provides information about Intermede, the new portfolio management contract with Intermede and the Board’s considerations in approving the new portfolio management contract.

**Please note that the Fund is not required to obtain shareholder approval for this money manager change. We are not asking you for a proxy and you are requested not to send us a proxy.**

If you have any questions regarding the Information Statement, please call 1-800-787-7354. A paper or email copy of the attached Information Statement may be obtained, without charge, by calling 1-800-787-7354.

Sincerely,



Jessica Gates  
Assistant Secretary  
Russell Investment Company

**RUSSELL INVESTMENT COMPANY**  
**1301 Second Avenue**  
**Seattle, Washington 98101**

**INFORMATION STATEMENT**  
**TAX-MANAGED INTERNATIONAL EQUITY FUND**

Under the terms of an exemptive order (the “Order”) issued by the Securities and Exchange Commission (“SEC”), this document is an Information Statement and is being furnished to shareholders of the Tax-Managed International Equity Fund (the “Fund”), a series of Russell Investment Company (“RIC”). Russell Investment Management, LLC (“RIM”) serves as the investment adviser of the Fund.

The Fund employs a multi-manager approach whereby RIM manages a portion of the Fund’s assets based upon model portfolios provided by multiple non-discretionary money managers unaffiliated with RIM who employ distinct investment styles. The Fund’s money managers have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations, based upon which RIM purchases and sells securities for the Fund. RIM also manages the portion of the Fund’s assets that RIM determines not to manage based upon model portfolios provided by the Fund’s money managers. RIM, as the Fund’s adviser, may change the allocation of the Fund’s assets at any time. The Order permits RIM to hire a money manager at any time, subject to the approval of the Board of Trustees of RIC (the “Board”), without a shareholder vote. Pursuant to the terms of the Order, the Fund is required to notify its shareholders within 90 days of when a new money manager is hired for the Fund.

**Change of Money Manager**

On December 10, 2019, the Board authorized the signing of a portfolio management contract to engage Intermede Investment Partners Limited and Intermede Global Partners Inc. (“Intermede”) as a non-discretionary money manager with respect to a portion of the assets of the Fund determined by RIM. This authorization followed notification by GQG Partners, LLC (“GQG”), an existing money manager to the Fund, of their intent to terminate their contract as a money manager to the Fund. On December 27, 2019, the portfolio management contract with GQG terminated.

**Portfolio Management Contract**

Effective December 27, 2019, RIM, as fiduciary for RIC, entered into a new portfolio management contract with Intermede. The contract will continue until May 31, 2021. Thereafter, the contract will continue in effect for successive annual periods if its continuance has been specifically approved at least annually by RIC’s Board, including the affirmative vote of a majority of the Trustees who are not parties to the contract, or “interested persons” (as defined in the Investment Company Act of 1940) of any such party, cast in person at a meeting called for the purpose of considering such approval. The contract is automatically terminated if assigned. The contract may be terminated without payment of any penalty by RIM or RIC immediately upon written notice to Intermede and by Intermede upon 30 days’ written notice to RIM.

**Board Approval of Portfolio Management Contract**

In evaluating the portfolio management contract with Intermede, the Board considered that the Fund, in employing a manager-of-managers method of investment, operates in a manner that is distinctly different from most other investment companies. In the case of most other investment companies, an advisory fee is paid by the investment company to its adviser which in turn, employs and compensates individual portfolio managers to make specific securities selections consistent with the adviser’s style and investment philosophy. In the case of the Fund, an advisory fee is paid by the Fund to RIM which in turn compensates the money manager firms hired to make specific securities recommendations.

The Board considered that RIM (rather than any money manager) is responsible under the investment advisory agreement for determining, implementing and maintaining the investment program for the Fund. Assets of the Fund generally have been allocated among the strategies of multiple non-discretionary money managers.

RIM is responsible for selecting, subject to Board approval, money managers for the Fund and for actively managing allocations and reallocations of assets among the money managers’ strategies. The Board has been advised that RIM’s goal is to construct and manage diversified portfolios in a risk aware manner. Each money manager for the Fund in effect performs the function of an individual portfolio manager who is responsible for recommending portfolio securities for the portion of the Fund assigned to it by RIM (each, a “segment”) in accordance with the Fund’s applicable investment

objective, policies and restrictions, any constraints placed by RIM upon its recommendation of portfolio securities and the money manager's specified role in the Fund. RIM is responsible for communicating performance expectations to each money manager; supervising compliance by each money manager with the Fund's investment objective and policies; authorizing money managers to recommend certain investment strategies for the Fund; and recommending annually to the Board whether portfolio management contracts should be renewed, modified or terminated. In addition to its annual recommendation as to the renewal, modification or termination of portfolio management contracts, RIM is responsible for recommending to the Board the additions of new money managers or terminations or replacements of existing money managers at any time when, based on RIM's research and ongoing review and analysis, such actions are appropriate. RIM may impose specific investment constraints from time to time for each money manager intended to capitalize on the strengths of that money manager or to coordinate the investment activities of money managers for the Fund in a complementary manner. Therefore, RIM's selection of money managers is made not only on the basis of performance considerations but also on anticipated compatibility with other money managers in the Fund. In light of the foregoing, the overall performance of the Fund over appropriate periods reflects, in great part, the performance of RIM in designing the Fund's investment program, structuring the Fund, selecting an effective money manager with a particular investment style or sub-style for a segment that is complementary to the styles of the money managers of other Fund segments, and allocating assets among the money managers' strategies in a manner designed to achieve the objectives of the Fund.

The Board considered that the prospectus for the Fund and other public disclosures emphasize to investors RIM's role as the principal investment manager for the Fund, rather than the investment recommendation role of the Fund's money managers, and describe the manner in which the Fund operates so that investors may take that information into account when deciding to purchase shares of the Fund.

At a meeting held on December 10, 2019, the Board received a proposal from RIM to approve a new portfolio management contract between RIM and Intermede. The Trustees approved the terms of the proposed portfolio management contract with Intermede based upon RIM's recommendation to hire the money manager at the proposed fee rate; information as to the reason for the proposed change; information as to the money manager's role in the management of the Fund's investment portfolio (including the amount of Fund assets to be managed pursuant to the money manager's strategy) and RIM's evaluation of the anticipated quality of the investment advisory services to be provided by the money manager; information as to any significant business relationships between the money manager and RIM or Russell Investments Financial Services, LLC, the Fund's underwriter; the Fund's Chief Compliance Officer's evaluation of the money manager's compliance program, policies and procedures in relation to the money manager's role in the management of the Fund's investment portfolio, and certification that they were consistent with applicable legal standards; RIM's explanation as to the lack of relevance of money manager profitability to the evaluation of portfolio management contracts with money managers because the willingness of the money manager to serve in such capacity depends upon arm's-length negotiations with RIM; RIM's awareness of the standard fee rates charged by the money manager to other clients; RIM's belief that the proposed money manager fees would be reasonable in light of the anticipated quality of investment advisory services to be rendered; and the expected costs of transitioning Fund assets. The Trustees considered information provided by RIM that, based on Fund assets of approximately \$1.6 billion (as of September 30, 2019), the proposed changes including any changes to the target allocation of Fund assets among the Fund's money managers and RIM would decrease by approximately \$33,147 the aggregate money manager fees to be paid by RIM from its investment advisory fee as a result of the engagement of the money manager and, as a result, increase its profitability from its relationship with the Fund. The Trustees' approval also reflected their findings at prior meetings, including their May 20, 2019 meeting, where the Fund's existing advisory agreement with RIM was approved, as well as information received throughout the course of the year, regarding the reasonableness of the aggregate investment advisory fees paid by the Fund, and the fact that the aggregate investment advisory fees paid by the Fund would not increase as a result of the implementation of the proposed money manager changes because the money manager's investment advisory fees are paid by RIM.

## **Compensation**

Under its advisory agreement with RIC, RIM receives an advisory fee from the Fund for its services. From its advisory fee, RIM, as agent for RIC, pays all Fund money managers for their investment recommendation services. The remainder of the fee is retained by RIM as compensation for its services and to pay expenses. Quarterly, each Fund money manager, including Intermede, is paid a pro rata portion of its annual fee, based on the monthly average of all the assets allocated to its strategy. The annual rate of the advisory fees payable by the Fund to RIM as a percentage of the average daily net assets of the Fund is 0.84% (estimated to be \$12,859,801 based on an assumed average asset level of \$1,530,928,721 for the twelve months ended October 31, 2019, RIC's fiscal year end). Prior to the changes described herein, the aggregate annual rate of the advisory fees payable by RIM to the Fund's money managers was approximately 0.135% (estimated to be \$2,066,754 based on the same asset level). Giving effect to the changes described in this notice including any changes to the target allocation of Fund assets among the Fund's money managers and RIM, as applicable, the aggregate annual advisory fee payable by RIM to the Fund's money managers would have been approximately 0.13% (estimated to have

been \$2,036,135 based on the same asset level). Because the money managers' investment advisory fees are paid by RIM, the aggregate investment advisory fees paid by the Fund to RIM will not increase as a result of the changes described herein.

For the most recently completed fiscal year, the Fund paid no aggregate commissions to brokers affiliated with Intermede.

The money managers may use brokerage commissions to pay for soft dollar research services. Any such use will be in accordance with Section 28(e) of the Securities Exchange Act of 1934.

### **Similar Investment Advisory Relationships**

Intermede does not act as an investment adviser to other registered U.S. investment companies with investment objectives similar to those of the Fund.

### **Additional Information About Intermede**

Intermede Investment Partners Limited, 75 Wells Street, Third Floor, London W1T 3QH, United Kingdom and Intermede Global Partners Inc., 650 California Street, Floor 7, San Francisco, CA 94108 is 40% owned by National Australia Bank Limited, Level 4, 800 Bourke Street, Docklands, VIC 3008 Australia, a publicly traded company. The remaining 60% is owned by SCA Global Advisors Limited, 75 Wells Street, Third Floor, London W1T 3QH. SCA is 100% employee owned, with Barry Dargan controlling SCA through his 59.7% ownership.

The names and principal occupations of the principal executive officers and each director or general partner of Intermede, all located at 75 Wells Street, Third Floor, London W1T 3QH, United Kingdom and 650 California Street, Floor 7, San Francisco, CA 94108, are listed below.

<b>Name</b>	<b>Principal Occupation/Title</b>
Barry Dargan	Chief Executive Officer
James Kim	Investment Analyst
Rupert Mahon	Chief Operating Officer
David MacGregor	Non-Executive Director
Jill Rikard-Bell	Non-Executive Director

No officers or trustees of RIC are officers, employees, directors, general partners or shareholders of Intermede. In addition, since the beginning of RIC's most recently completed fiscal year, no trustee of RIC has had, directly or indirectly, a material interest in any transaction or material proposed transaction to which Intermede, its parent entity or subsidiaries or any subsidiaries of the parent of any such entities, was or is to be a party. Since the beginning of RIC's most recently completed fiscal year, none of the Trustees purchased or sold securities of Intermede or its parent or subsidiaries.

### **Related Information**

*Russell Investment Management, LLC*, 1301 Second Avenue, 18<sup>th</sup> Floor, Seattle, WA 98101, provides or oversees the provision of all investment advisory and portfolio management services for the Fund.

*Russell Investments Financial Services, LLC*, 1301 Second Avenue, 18<sup>th</sup> Floor, Seattle, WA 98101, a wholly-owned subsidiary of RIM, is the principal distributor of Fund shares.

*Russell Investments Fund Services, LLC*, 1301 Second Avenue, 18<sup>th</sup> Floor, Seattle, WA 98101, a wholly-owned subsidiary of RIM, is the administrator of the Fund.

### **Additional Information**

As permitted by law, only one copy of this Information Statement is being delivered to shareholders residing at the same address, unless such shareholders have notified RIC of their desire to receive multiple copies of the Information Statements RIC sends. If you would like to receive an additional copy, please contact RIC by calling 1-800-787-7354 or writing to 1301 Second Avenue, 18<sup>th</sup> Floor, Seattle, WA 98101. RIC will then promptly deliver a separate copy of the Information Statements to any shareholder residing at an address to which only one copy was mailed. Shareholders wishing to receive separate copies of RIC's Information Statements in the future, and shareholders sharing an address that wish to receive a single copy if they are receiving multiple copies should also direct requests as indicated.

If you have any questions about the changes described in this Information Statement or if you wish to obtain a copy of the Fund's annual or semiannual reports to shareholders at no charge, please contact your Russell Investments authorized financial intermediary or RIC, at 1301 Second Avenue, 18<sup>th</sup> Floor, Seattle, WA 98101 or 1-800-787-7354.