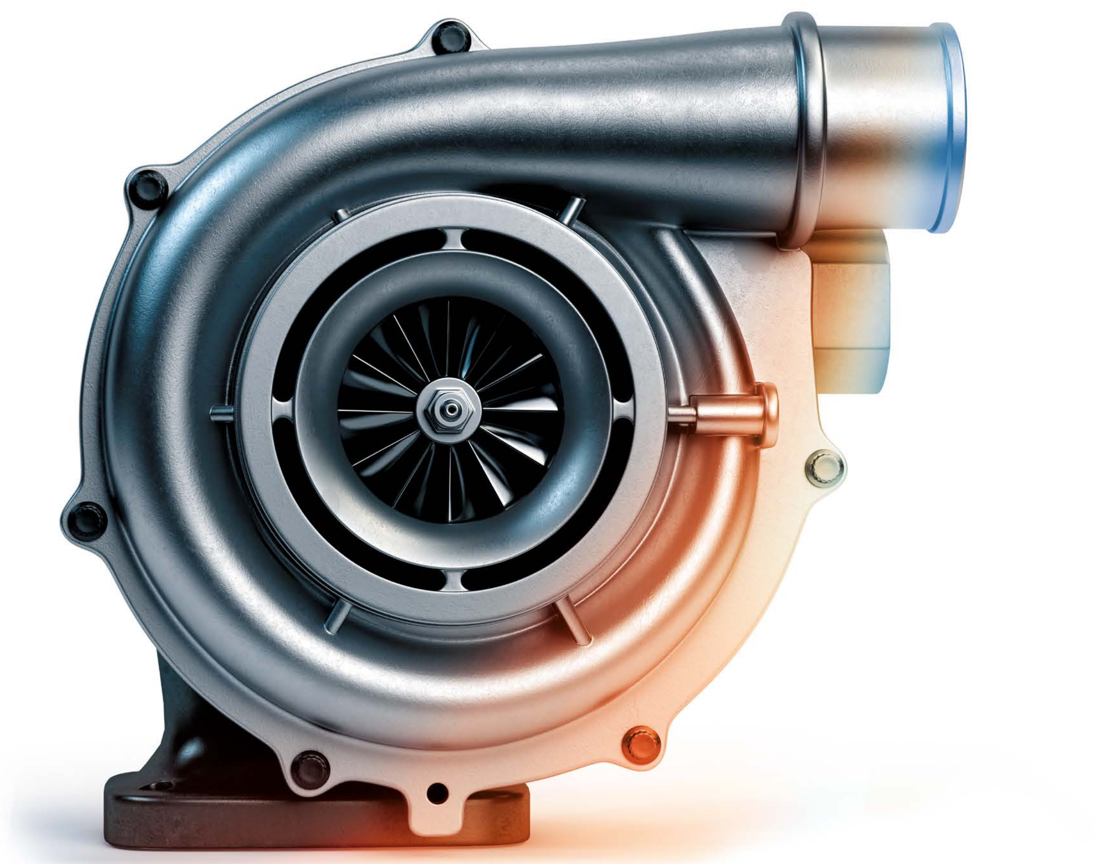
Russell Investments

PERSONALIZED
MANAGED ACCOUNTS

# DIRECT INDEXING SOLUTIONS

## THE NEXT LEVEL OF CUSTOMIZATION IN SEPARATELY MANAGED ACCOUNTS





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## Russell Investments' Personalized Managed Accounts may be the best vehicle for direct indexing.

Direct indexing allows investors to own a subset of the underlying securities that track an index and hold them in a separately managed account (SMA). This gives you the same market exposure as the index but also gives you the opportunity to build a customized portfolio while taking advantage of the power of tax loss harvesting to offset current and/or future capital gains. You can exclude certain securities or increase their exposure to others to reflect your specific goals, needs, or circumstances.

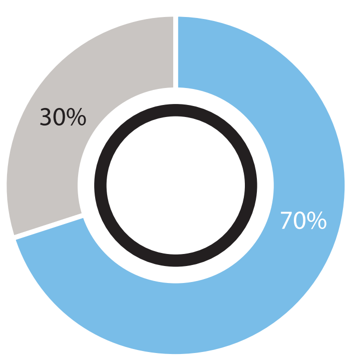
### Carefully crafted to suit your investment needs.

Let's build a portfolio as unique as you. First, choose your chassis. Depending on your goals and preferences, choose a combination of one or several of our direct indexing strategies. Then simply select the features to customize your portfolio to best reflect your needs.

*As wealth grows, so do expectations and complexity—like* ***tax management****,* ***custom screens****and personalized* ***transition management****. Personalized Managed Accounts (PMA) is a distinctive solution tailored to help you achieve all three.*

### Direct indexed solutions to meet your portfolio needs

| | SOLUTION | BENCHMARK | INVESTMENT MINIMUM |
|---|---|---|---|
| **Individual Direct-Indexed (DI) SMAs:** Direct ownership of securities managed to track a chosen index. | Personalized DI All Cap SMA | Russell 3000® Index | $250,000 |
| | Personalized DI Large Cap SMA | S&P 500® Index | $100,000 |
| | Personalized DI Large Cap Growth SMA | Russell 1000® Growth Index | $100,000 |
| | Personalized DI Large Cap Value SMA | Russell 1000® Value Index | $100,000 |
| | Personalized DI International SMA | MSCI World ex USA (Net) Index | $250,000 |
| **Core Equity SMA:** Combines two direct-indexed strategies in a single account. | Personalized DI Core Equity SMA | | $500,000 |




70% Russell 3000 Index
30% MSCI World ex USA (Net) Index

- Personalized DI All Cap SMA
- Personalized DI International SMA

*The percentages represent the target allocation as of 6/1/2022 and may change in the future.*

*Please note that the products listed above may or may not be offered by your advisor's firm.*

## Take control with personalization…

**PMA empowers you to add custom overlay and exclusion services** to your Personalized Separately Managed Accounts to provide a truly active approach offering flexibility and a higher level of customization.

## Tailor your needs

**Help Maximize your after-tax wealth**

Access a robust toolkit of tax-managed overlay services designed to potentially maximize after-tax wealth.

**Develop an optimal tax-efficient transition plan**

Reposition your equity portfolio with appreciated low basis shares and embedded gains tax-efficiently on a timeline, tax or capital gain budget dictated by you.

**Align your investments with your preferences**

Restrict purchases or exclude holdings of specific stocks, industries , categories or themes in your customized portfolio.

**Diversify a concentrated stock position**

Build around a concentrated stock position with a low-cost basis that would trigger significant capital gains if you sold it.

**Limit purchases in stocks or industries you already own**

Limit additional ownership in restricted stock in a company to which you already have exposure.

## Equip your portfolio with our active tax-managed overlay services

**Centralized**

- Trading
- Implementation

**Year-round tax management**

- Tax-loss harvesting
- Wash sale minimization
- Tax-smart turnover
- Holding period management

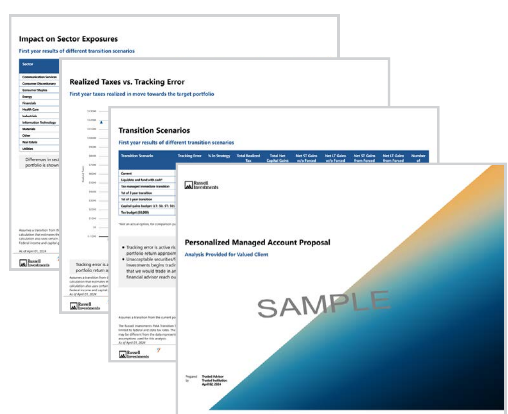
**Dedicated team**

- Investment professionals focused on potentially maximizing your after-tax outcome

## Transition accounts easily and efficiently

Our transition management service develops an optimal transition plan designed to:

- Transition your current portfolio to PMA tax-efficiently and seamlessly
- Optimize your transition around the timeline, tax or capital gain budget determined by you
- Manage large embedded capital gains
- Diversify concentrated portfolio positions
- Allow for restrictions based on your individual preferences



## About Personalized Managed Accounts

PMA is a distinctive solution of customizable Separately Managed Accounts tailored to investors' unique and specific needs. The PMA program allows you and your advisor to take control of your holdings while simplifying and streamlining your portfolio. This includes advanced tax management, customization for personal needs as well as personal wants, transition management as you move an existing account or holdings into PMA, right on down to transparency into your portfolio's holdings and trading activity. Russell Investments also offers active SMAs within its PMA structure. PMA leverages Russell Investments' extensive investment manager research, selection and monitoring process. This process is our trademark, forming the cornerstone of our advice to global institutional investors for more than 50 years.

## About Russell Investments

Russell Investments is one of the leading global investment partners providing tailored solutions and services to institutions and individuals through financial intermediaries. Russell Investments is dedicated to improving people's financial security. Our approach incorporates in-depth manager research to select some of the world's leading institutional investment managers and strategies, offering the best ideas of each manager within well-diversified separately managed accounts and mutual funds.

## Questions?

Ask your Financial Professional to learn more.

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### IMPORTANT RISK DISCLOSURES

Personalized Managed Accounts ("PMA") is a program of Russell Investment Management, LLC ("RIM") and offers customized portfolio management services.

Each Personalized Direct-Indexed Separately Managed Account is a product of Russell Investment Management, LLC ("RIM") and offered through RIM's Personalized Managed Accounts ("PMA") program. It represents a direct indexed portfolio provided by RIM. PMA is a separately managed account program of individually owned securities that can be tailored to meet investor's investment objectives. RIM offers diversified, single or multi-asset managed accounts that can be customized to the investor's investment objectives, circumstances and preferences, such as (but not limited to), market exposure, risk management, tax management, category and theme-based restrictions, and return objectives. Excluding any allocations to pooled investment vehicles, if any, each investor's account is managed separately from other investor accounts, allowing for a personalized experience to deliver unique investment outcomes.

Diversification and strategic asset allocation do not assure a profit or guarantee against loss in declining markets. Please remember that all investments carry some level of risk. Investment in one or more separately managed accounts is not a complete investment program and involves risk; principal loss is possible. The principal value of the account is not guaranteed at any time. There are no assurances that the objectives in this material will be met.

Investments in small cap, micro cap, and companies with capitalization smaller than the Russell 2000® Index, are subject to the risks of common stocks, may experience considerable price fluctuations and are more volatile than large company stocks. Generally, the smaller the company size, the greater the risks.

Investments in global equity may be significantly affected by political or economic conditions and regulatory requirements in a particular country. International markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation. Emerging or frontier markets involve exposure to economic structures that are generally less diverse and mature. The less developed the market, the riskier the security. Such securities may be less liquid and more volatile.

The decision to use PMA in investors' portfolios and related investment advice are provided through financial advisors and other financial intermediaries that are independent of RIM and its affiliates. Investors should consult with their financial advisor to determine which services and programs are appropriate to meet their investment objectives.

The following transition approaches which may be featured in the transition analysis report are available for all direct indexed SMAs:

The Timeline approach moves the existing portfolio to the new strategy over a set number years.

The Tax-Budget transition approach moves the existing portfolio to a new strategy while limiting taxes or capital gains per year.

Russell 3000® Index: Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market. The trademarks, service marks and copyrights related to the Russell indexes and other materials as noted are the property of their respective owners.

Russell 1000® Growth Index: Measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Value Index: Measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

The S&P 500® Index: A free-float capitalization-weighted index published since 1957 of the prices of 500 large-cap common stocks actively traded in the United States. The stocks included in the S&P 500® are those of large publicly held companies that trade on either of the two largest American stock market exchanges: the New York Stock Exchange and the NASDAQ. The S&P 500® Index is a product of S&P Dow Jones Indices LLC or its affiliates ("SPDJI") and has been licensed for use by Russell Investments. Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Russell Investments. The Personalized DI Large Cap SMA is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, or their respective affiliates and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

MSCI World ex USA (Net) Index: Index captures large and mid cap representation across 22 of 23 Developed Markets countries—excluding the United States. With 1,008 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

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