

Personalized Small/Mid Cap SMA

Portfolio manager

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Investment objectives

The Personalized Small/Mid Cap SMA seeks to provide long-term capital growth from U.S. small and mid-cap stocks while delivering customized investment outcomes by incorporating client-directed customization, e.g., tax management, category and theme-based restrictions, and custom screens. The strategy is designed to outperform the Russell 2500™ Index over a full market cycle.

Investment process

Russell Investment Management, LLC ("RIM") selects the money managers and optimizes the portfolio utilizing quantitative and/or rules-based processes. RIM's portfolio construction process seeks to achieve the desired level of concentration, appropriate risk management, and exposure to strategic and tactical sources of excess return intended to meet the separately managed accounts investment objective over a market cycle. The underlying money managers are unaffiliated with RIM and have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations.

**Managers listed here are current as of 09/30/2025. These money managers are unaffiliated with Russell Investment Management, LLC ("RIM") and have non-discretionary asset management assignments pursuant to which they provide a model portfolio to RIM representing their investment recommendations. RIM may change portfolio asset allocation at any time, including not allocating portfolio assets to one or more money manager strategies or securities within a money manager's model portfolio.*

Product details

Model inception date	05/01/2007
Benchmark	Russell 2500™ Index
Minimum account size*	\$60,000–\$100,000
Typical holdings range	80

**The minimum account size varies by platform.*

Composite performance (%) as of September 30, 2025

	Quarterly	Year to Date	Annualized				Since inception ¹
			1 Year	3 Year	5 Year	10 Year	
Pre-tax composite returns (gross of fees) ^{2, 3}	6.01	5.87	5.10	14.29	—	—	3.25
Pre-tax composite returns (net of fees) ^{2, 3, 4}	5.26	3.62	2.10	11.29	—	—	0.25
Russell 2500™ Index ²	9.00	9.48	10.16	15.65	—	—	4.18

¹The composite was created on August 31, 2021.

²Returns less than one year are not annualized. Performance in this report represents the performance of PMA accounts that were funded in cash with no existing positions or account restrictions at inception.

³Composite includes cash-incepted fee-paying discretionary accounts with tax overlay services.

⁴Net of fees returns are reduced by all fees and transaction costs incurred and presented after the deduction of the highest annual wrap fee of 3%. This fee includes management fees, custody fees and advisory fees. Actual investment advisory fees incurred by clients may vary. Performance shown assumes reinvestment of dividends and capital gains distributions.

Performance quoted represents past performance and should not be viewed as a representation of future results. The investment return and principal value of an investment will fluctuate such that investments, when sold, may be worth more or less than the original cost. Post-liquidation returns may be adversely affected by an investor's deferred tax liabilities. Current performance may be lower or higher than the performance data quoted. Portfolios are managed to their respective strategies which may differ significantly in terms of holdings, industry weightings, and allocation from those of the benchmark. Portfolio performance, characteristics and volatility may differ from the benchmark. Unmanaged index returns assume reinvestment of any and all distributions, and unlike the performance composite returns, do not reflect fees, expenses and other expenses a client may incur. Investors cannot invest in an index.

Underlying managers and their investment strategies

Money manager*	Role	Year assigned
Ancora Advisors, LLC	Market-Oriented	2019
Lord, Abnett & Co. LLC	Biotechnology	2025
Copeland Capital Management, LLC	Market-Oriented	2019
DePrince, Race & Zollo, Inc.	Value	2022
Penn Capital Management Company, LLC	Value	2023
Polen Capital Management, LLC	Growth	2020
Royce & Associates, LP	Value	2023
Summit Creek Advisors, LLC	Growth	2019

- Ancora is opportunistic in seeking companies that are in special situations such as corporate restructuring and spinoffs and under-followed companies. The strategy focuses on market inefficiencies that the firm believes to be persistent and lucrative within the U.S. small and mid-cap space.
- Lord Abnett invests in small cap biotechnology stocks through a fundamental approach that emphasizes sustainable competitive advantages, improving sentiment, and underappreciated growth opportunities.
- Copeland invests in small cap companies with a history of strong dividend growth. The belief is that dividend growth strategies can be effective in the U.S. small cap market, and Copeland is especially skilled at identifying companies that are more likely to sustain their historical dividend growth.
- DePrince is a relative value manager that seeks to identify highly discounted securities with above average dividend yield that are poised to experience positive fundamental change.
- Penn strives to achieve capital appreciation by identifying small and medium capitalization companies that are likely to experience a change in capital structure. The firm's researchers select individual securities via fundamental research that combines sector expertise with credit and equity market analysis.
- Polen seeks to identify companies with strong earnings growth and relative strength that also exhibit justifiable valuations and tailwinds provided by long-duration investment themes.
- Royce seeks to add value by focusing on companies with a history of returning capital to shareholders via share repurchases and/or dividends. The team utilizes a bottom-up, risk aware approach when selecting securities and complements this approach with the use of data, analytics and technology.
- Summit Creek utilizes in-depth fundamental research to identify higher quality small cap growth stocks with forecasted sales and earnings growth greater than 15% which will be consistent and stable over a three-to-five-year time frame.

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Model portfolio characteristics⁴

	Model	Benchmark
Number of holdings	80	2473
P/E ratio	25.60	230.67
P/B ratio	2.69	2.45
P/CF ratio	15.23	19.01
Dividend yield (%)	1.78	2.47
Weighted Average Market Cap (Millions in USD)	10,671.62	8,863.13

⁴ The information presented is based on the model portfolio data and individual investors' portfolios may vary.

Model top 10 holdings⁵

Security	Sector	% of Model
Pure Storage, Inc.	Information Technology	2.60
Bel Fuse Inc.	Information Technology	2.42
Wolverine Worldwide, Inc.	Consumer Discretionary	2.29
Casey'S General Stores, Inc.	Consumer Staples	2.09
The Ensign Group, Inc.	Health Care	2.09
Jackson Financial Inc.	Financials	1.97
Dick'S Sporting Goods, Inc.	Consumer Discretionary	1.96
Sofi Technologies, Inc.	Financials	1.92
Encompass Health Corporation	Health Care	1.92
Halozyme Therapeutics, Inc.	Health Care	1.88

Model sector allocation (%)^{5, 6}

	Model	Benchmark
Financials	19.69	17.22
Industrials	18.66	20.31
Information Technology	15.65	14.27
Consumer Discretionary	13.58	11.66
Health Care	9.75	11.82
Materials	8.47	5.13
Energy	3.64	3.77
Utilities	3.50	3.05
Communication Services	2.37	3.01
Real Estate	2.32	6.52
Consumer Staples	2.09	3.24

⁵The information presented is based on the model portfolio data and individual investors' portfolios may vary. The information presented should not be considered a recommendation to purchase or sell any security. There is no assurance that any securities presented will remain in the model portfolio at the time you receive information, that securities sold have not been repurchased or the asset allocation will be the same. The securities presented do not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's holdings. It should not be assumed that the securities holdings and allocations presented were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities presented herein.

⁶Due to rounding, totals may not equal to 100%.

Market Commentary

The U.S. economy is still adjusting to the effects of the widespread tariff hikes implemented earlier in the year. While GDP growth estimates for 3Q are in the 3.5% - 4.0% range, representing a rebound from 2Q, the overall trend is downward, with consensus growth expected towards 2.0% for the

rest of the year. The tariffs will continue to weigh on growth through 2026, followed by mild rebound beginning in 2027 as the economy adapts and monetary policy eases. Inflation, which has cooled, could rise again depending of the impact of tariffs.

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Key terms

P/E ratio: The ratio of the company's share price to the company's earnings per share

P/B ratio: The ratio of the company's share price to the company's book value per share

P/CF ratio: The ratio of the company's share price to the company's cash flow per share

Dividend yield: The ratio of the dividend payment per share relative to the share price

Important risk disclosures

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.

Indexes and/or benchmarks are unmanaged and are provided for general comparison purposes only. They cannot be invested in directly. Returns represent past performance, and are not a guarantee of future performance, and are not indicative of any specific investment.

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.

Important information

Russell Investment's Personalized Managed Accounts (PMA) program claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Russell Investment's Personalized DI Large Cap SMA has been independently verified for the period through 12/31/2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

A list of composite descriptions is available upon request. The firm's policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request.

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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.

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