Russell Investments

Non-profit organizations

Further your mission. Empower your investments.

Nothing is more important than achieving your mission.

In the end, your mission is all that matters. It's why your organization was created and the motivation behind every one of your decisions. To accomplish your mission, you need the right investment approach — one that seeks to balance growth and helps to minimize the impact of unexpected events.

Four major considerations are at the heart of your investment process:

- **Asset allocation** — Diversifying your strategic asset allocation to support organizational goals and mitigate volatility.
- **Spending policy** — Creating consistent and reliable support for the organization.
- **Liquidity management** — Maintaining appropriate reserves to better balance the financial needs of the organization.
- **Risk management** — Developing a comprehensive framework focused on understanding embedded risks and unintended biases within the investment portfolio.

A RAPIDLY EVOLVING ENVIRONMENT

YESTERDAY

- U.S. equity and fixed income focus
- Stock picking
- Staying the course
- Uniform Management of Institutional Funds Act (UMIFA)

CATALYSTS FOR CHANGE

- Global market volatility
- Regulatory complexity
- Uniform Prudent Management of Institutional Funds Act (UPMIFA)

TODAY

- Global portfolios and wide array of strategies and asset classes
- Dynamic investing
- Sensitivity to volatility and tail risk

In today's complex and evolving world of global financial markets, is your organization positioned to meet challenges and succeed?

Work with a company that understands your passion

Russell Investments knows non-profits. Our team of experienced practitioners averages 20+ years of experience in advising and managing organizations like yours, so we have the knowledge that comes from having been there before — personally.

Our client list includes long-standing relationships with foundations, endowments, universities, healthcare organizations, and more. This means we understand that your organization has unique needs and issues, and can help anticipate your concerns so you're better able to respond.

Put our people and resources to work for your mission

This personal touch is blended with the strength and extensive resources of a global financial leader. Russell Investments has a long legacy of expertise in investment consulting, asset allocation, manager research and portfolio construction. Our relationships with world-class clients have helped us acquire the knowledge to deliver best practices in the areas of governance structure, risk management and investment management solutions.

Our experience and capabilities enable us to create a customized solution that's designed to support your organization's specific goals.

Develop a long-term holistic approach

When you help manage a non-profit, you tend to have your eye on the big picture. That's where Russell Investments comes in. Our approach is highly interactive, allowing your staff and trustees to focus on the areas that are most important to your organization's success. Your Russell Investments team is then responsible for providing advice on strategic and governance issues and on the day-to-day implementation of the overall investment program.

We seek to understand your organization and its goals in total — always keeping in mind the impact that each investment decision may have across the organization.

Our goal is to develop and implement solutions that are designed to last over the long term, while providing the flexibility to adapt as market, regulatory and economic conditions dictate.

Russell Investments' experience and strength

- Serving non-profit clients since 1977
- Dedicated team averaging 20 years of non-profit experience
- Over $2 trillion under advisement globally, as of December 31, 2011
- Providing investment advisory services to some of the world's most sophisticated investors since 1969
- Over 30 years of building multi-asset solutions
- $155 billion in global client assets under management, as of March 31, 2012
- $95 billion in fiduciary solutions assets, as of December 31, 2011

AN AWARD-WINNING PROVIDER

- *Pensions & Investments* Leading Consultant 2011
- 2012 *Fundfire* Survey Top Due Diligence In Manager Research
- 2011 *Global Investor* Top Marks
- *Pensions & Investments* Largest Outsourcer 2011

Integrating investment advice, strategy, portfolio construction and implementation.

Managing your organization's assets and meeting your mission requires that you have a carefully crafted Investment Policy Statement and strategic plan. It also means that you need an investment strategy built for the long-term, which meets the challenges of achieving intergenerational equity, and gives you a framework that lets you react and respond. Finally, you need the ability to make all of these elements work together seamlessly.

Russell Investments can deliver all of this to you in a single relationship that gives you clarity, a disciplined approach to investing and an efficient and effective implementation process.

Clarity: Advice that matters

Getting the right guidance in developing your strategic policy — direction that helps protect your organization over the long term and improve the way you manage your assets — is crucial. Russell has nearly four decades of experience in providing strategic advice to non-profit organizations. We advise on more than $2 trillion of institutional assets, and work with some of the world's most sophisticated investors.

Our approach is personal. We never provide an off-the shelf solution. Instead, we start with a deep understanding of your organization. We consider your goals, investment spending requirements, liquidity needs and risk tolerances before we develop any solution. We talk about where you are, and where you want to be, and then we develop a plan designed to help you get there.

Discipline: An investment strategy that works

An investment strategy includes portfolio construction, risk management oversight and efficient implementation. If done effectively, your strategy can contribute to your ability to achieve your mission and your success as an organization.

One of the ways Russell strives to achieve this is through our renowned global capabilities in manager research. Each year, our research analysts conduct more than 3,000 qualitative manager evaluation sessions. More than 60 of our 540 global investment professionals are engaged full-time in researching investment managers for the benefit of our clients.

From our 24 offices around the world, we have a window into global markets and provide investment opportunities across the full range of traditional and alternative strategies.

Russell uses an open architecture platform, a solution that can include separate accounts, legacy managers, multi-manager funds, passive, derivatives for hedging, ETFs, enhanced asset allocation, and smart beta or factor exposures.

Access: Taking advantage of alternatives

Russell Investments has been advising clients on alternative investing since 1971. We believe that alternative strategies such as hedge funds, private equity, real estate, commodities and infrastructure, among others, can offer a return premium or diversification benefit beyond that available in traditional investments. Based on this belief, Russell Investments provides institutional clients with access to alternative investment strategies like these around the world, in both liquid and illiquid investment programs. Our alternative manager research spans the globe, covering both direct and third party funds of funds across an evolving universe of alternative strategies.

Efficiency: Innovative implementation, tools and tactics

For the past 30 years, Russell Investments has applied our strategic investment advice directly to the management of diversified portfolios. This means we can provide you with hard-won experience and insight, benefits of scale that help drive efficient implementation methods, reduced transaction costs, and better management of market exposures. These include:

- Overlay services
- Transition management
- Cash management
- Agency FX
- Commission recapture

SCALABLE SERVICES FOR A NEW GENERATION OF NON-PROFITS

Russell Investments is a trusted provider that offers a range of services — whether you want more traditional consulting and outsourcing, or comprehensive custom portfolios.

We deliver intelligence and support.

When you work with Russell Investments, you have a single relationship that is able to meet the investment needs across your organization. We're committed to keeping you informed, educated and prepared to make decisions with confidence.

Learn from thought leadership that helps shape industry trends

With leading-edge research and real-world experience in our consulting business, Russell Investments has always been at the forefront of innovative research and thought leadership, and we share that with you. As an example of how we keep our clients informed and ahead of change, in 2011 we published over 90 articles and research papers, provided more than 40 updates on markets and investment surveys, and hosted 20 live events and webcasts. We also spoke at nearly 40 industry conferences. Our goal is not only to turn our research and insights into practical recommendations for our clients, but also to educate and deliver best practices in a constantly changing environment.

Get an accurate perspective through custom reporting tools

Knowledge is power. Understanding this, we provide customized tools that cater to the information requirements of each of our non-profit clients. Russell Investments Non-Profit Reporting gives you the ability to better measure, monitor and assess your liquidity, spending and risk. As a result, it provides you with a clear picture and more closely aligns your mission, policy and portfolio to help you make decisions confidently.

Based on the services you use, we'll provide a personalized ClientLINK homepage that gives you the information you need to manage your investment program effectively.

Take advantage of our timesaving administrative services

Complementing our comprehensive solutions, Russell Investments also offers a full suite of administrative services. These include:

- Securities gift processing
- Sub-level accounting
- Target allocation determination
- Donor accounting services
- Planned giving administration
- Vendor coordination
- Audit assistance
- Scholarship distribution services
- Custom donor communications

Russell Investments Non-Profit Reporting provides the customized tools your trustees need to make decisions.

For more information: Call: 800-426-8506 Visit: www.russell.com/institutional

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Russell Investments helps you align your investment strategy with your organization's mission and objectives.

For more information, call **800-426-8506** or visit **www.russell.com/institutional**.

A relationship focused on you.

Russell Investments offers a complete, integrated relationship that's focused entirely on bringing your investments in line with your mission, and achieving your organization's goals.

We invite you to call us today to set up a conversation, and visit our website at www.russellinvestments.com/institutional.

Nothing contained in this material is intended to constitute legal, tax, securities or investment advice, nor an opinion regarding the appropriateness of any investment, nor a solicitation of any type. The general information contained in this publication should not be acted upon without obtaining specific legal, tax and investment advice from a licensed professional.

There is no guarantee that the stated objectives will be met.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

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.

Russell Investment Group is a Washington, USA corporation, which operates through subsidiaries worldwide, including Russell Investments, and is a subsidiary of The Northwestern Mutual Life Insurance Company.

First used April 2012

USI-12804