NAVIGATE

Russell Investments

Helping you aim higher with the control of tax-managed investing

FIRST NAME, LAST NAME
Associate Title
16 September, 2019

“The hardest thing to understand in the world is the income tax.”

—Albert Einstein

Taxes are hard

272

1,458

783,000

11,400

3,000,000

Word Count

GETTYSBURG ADDRESS

DECLARATION OF INDEPENDENCE

BIBLE

TAX LAW 1913

TAX LAW TODAY

Your fund is down, why are you paying a tax?

This may be the biggest fee you pay each year

91%

91% of U.S. equity funds (Active, Index and ETF funds) had negative returns in 2018.

86%

86% of U.S. equity funds paid a capital gains distribution in 2018.

11%

Average taxable distribution was **11%** of investment amount.

TAX-MANAGED INVESTING:
Maximize YOUR After-Tax Return +
Minimize YOUR Tax Bill

U.S. equity funds: Morningstar broad category 'US Equity' (large/mid/small V/B/G) which includes mutual funds and ETFs (and multiple share classes)
Average U.S. equity fund Distribution: Capital Gains/Share (% of NAV) based on Morningstar U.S. OE Mutual Funds and ETFs. % = Calendar Year Cap Gain Distributions / Year-End NAV. Distribution is assumed to be made at last day of year and reinvested. Tax rate is 23.8% (Max LT Cap Gain 20% + Net Investment Income 3.8%).

Agenda

1. Taxes: Tax code and impact on investment returns

2. Tax-managed investing: Introduction to after-tax wealth

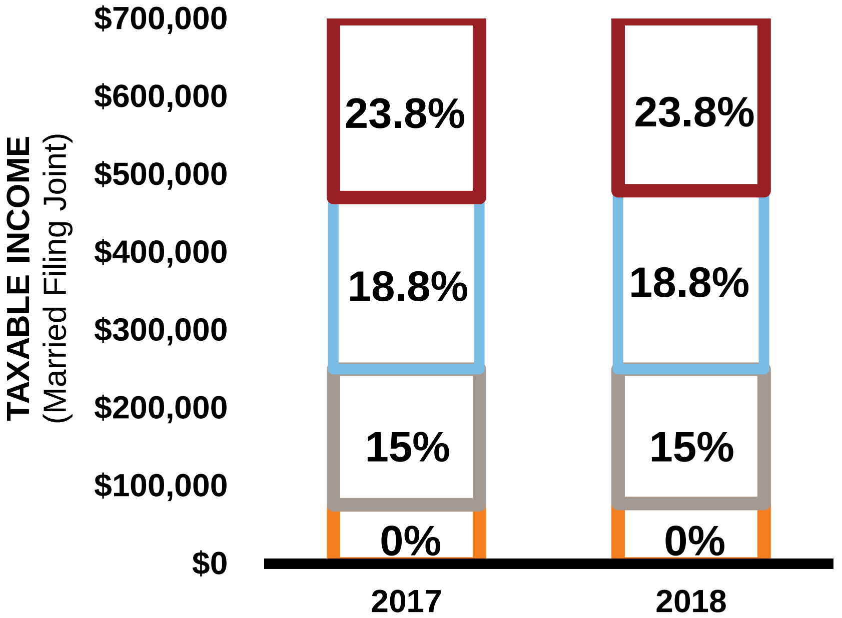
3. The opportunity: Improving after-tax wealth

Taxes: Tax code and impact on investment returns

Tax Cut & Jobs Act: Impact to investors

- Biggest change to tax code since 1986.
- Rates/thresholds for taxable income were generally lowered.
- Rates for long-term capital gains / qualified dividends ***generally remained the same.***
- 3.8% Net Investment Income Tax (NIIT) remained.
- Treatment of municipal bond interest generally unchanged.

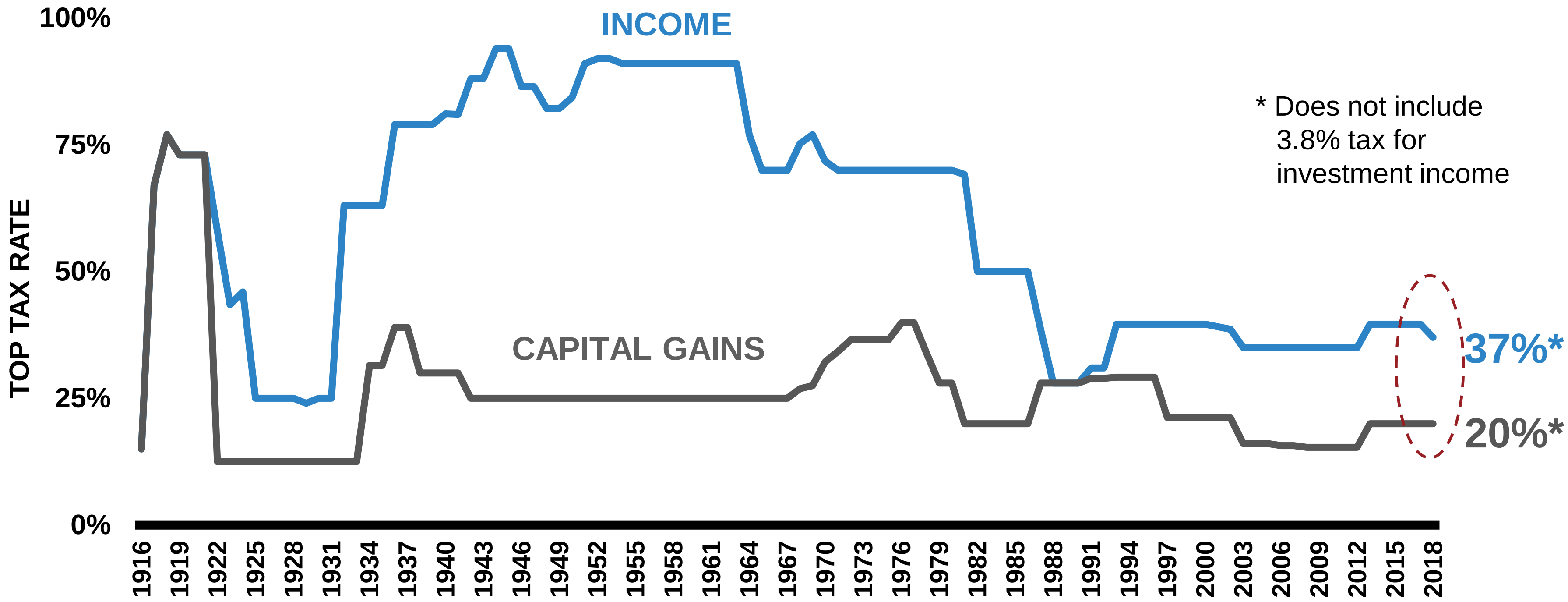
LONG-TERM CAPITAL GAINS/ QUALIFIED DIVIDENDS



Rates unchanged / thresholds adjusted for inflation

Tax rates for income and capital gains

1916-2019

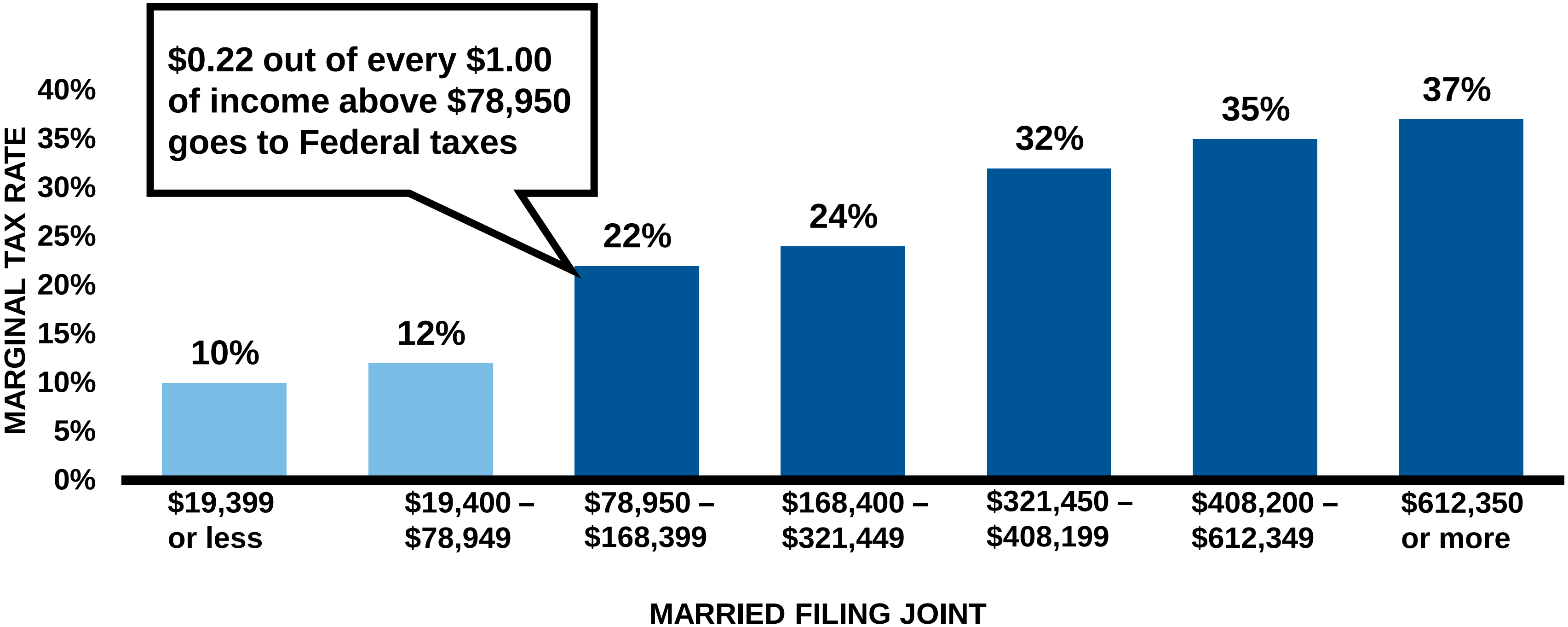


Yes, tax rates have changed. Make the tax conversation productive and focus on what you can control: How you invest.

Source: http://www.taxpolicycenter.org/taxfacts/displayafact.cfm?Docid=543

Who feels the pinch of taxes?

2019 marginal taxable income rates (payable in 2020)



You don’t need to be in the top bracket to benefit from tax-managed investing.

Source: Internal Revenue Service

How much return is lost to taxes (annual tax drag)?

U.S. EQUITY	INTERNATIONAL EQUITY	FIXED INCOME
3 YEARS Ending June 2019	**3 YEARS** Ending June 2019	**3 YEARS** Ending June 2019
2.0%	**1.1%**	**1.4%**

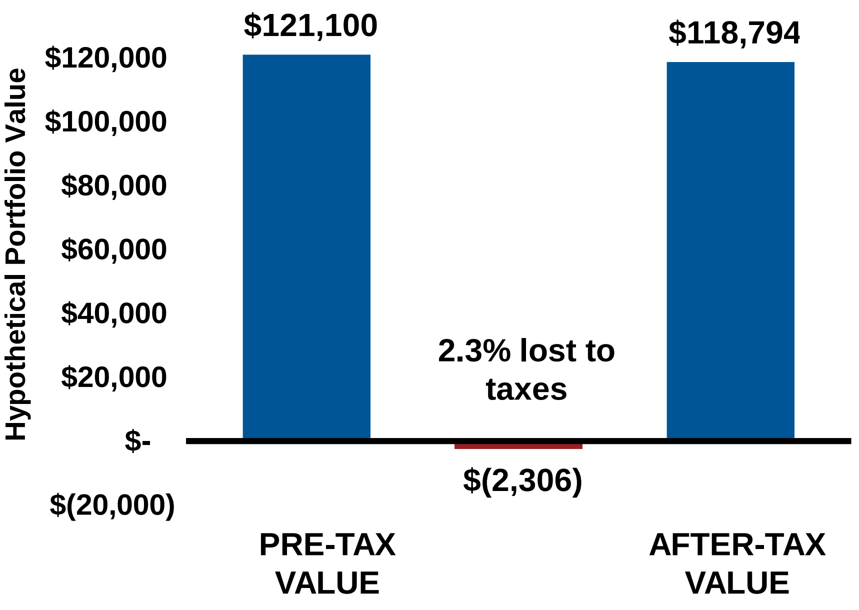
Taxable investors hold $8.5 trillion of the $17.7 trillion invested in open-end mutual funds[1]

U.S. Equity: Morningstar U.S. Equity Universes average, International Equity: Morningstar International Equity Universes average, Fixed Income: Morningstar Taxable Bond Universes average. Tax Drag: Morningstar Tax Cost Ratio See appendix at end of presentation for methodology.
Morningstar's tax cost ratio assumes the highest possible applicable tax rates, including the 3.8% net investment income tax. Many investors are not subject to the highest rates. Note that tax drag calculations only apply to taxable accounts.
[1]2019 ICI Factbook.

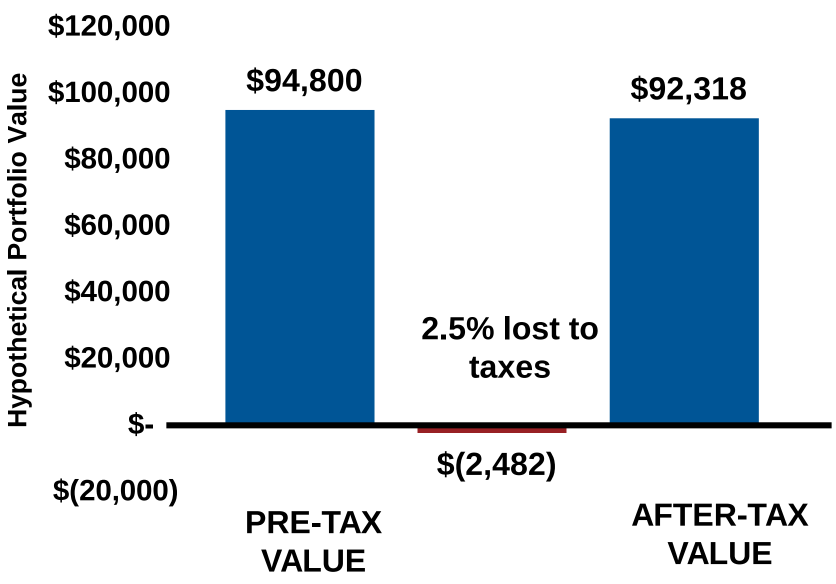
Up or down year / taxes are a drag

Impact on hypothetical $100,000 investment

2017: MARKET RETURN OF 21.1%
Average fund taxable distribution: 10%



2018: MARKET RETURN OF -5.2%
Average fund taxable distribution: 11%



As of 12/31/2018.
Calculation methodology: Assumed starting hypothetical portfolio value of $100,000. U.S. equity market return applied to starting value to arrive at ending pre-tax value. Percent lost to taxes is the estimated taxes due divided by $100k. This amount is then subtracted from the ending pre-tax value shown to arrive at final after-tax value.
Sources: U.S. equity market return: Russell 3000® Index. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.
Average U.S. Equity Fund Distribution: Capital Gains/Share (% of NAV) based on Morningstar U.S. OE Mutual Funds and ETFs. % = Calendar Year Cap Gain Distributions / Year-End NAV. Distribution is assumed to be made at last day of year and reinvested. Tax rate is 23.8% (Max LT Cap Gain 20% + Net Investment Income 3.8%).

The power of T

How much are taxes costing your clients?

Charlie

Charlie is invested in Funds that are representative of average.

Year End Balance	$500,000
Cap Gain Distribution	11%
1099	$55,000
Assumed Tax Rate	27%*
Tax Due	$14,850

A Hypothetical Illustration
*27%: Assumes 84% of tax = LTCG (23.8%) and 16% = STCG (40.8%).

The power of T

How much are taxes costing your clients?

Alex

Alex is invested in a solution that is tax-managed.

Year End Balance	$500,000
Cap Gain Distribution	0.12%
1099	$600
Assumed Tax Rate	27%*
Tax Due	$162

A Hypothetical Illustration

*27%: Assumes 84% of tax = LTCG (23.8%) and 16% = STCG (40.8%).

The power of T

How much are taxes costing your clients?

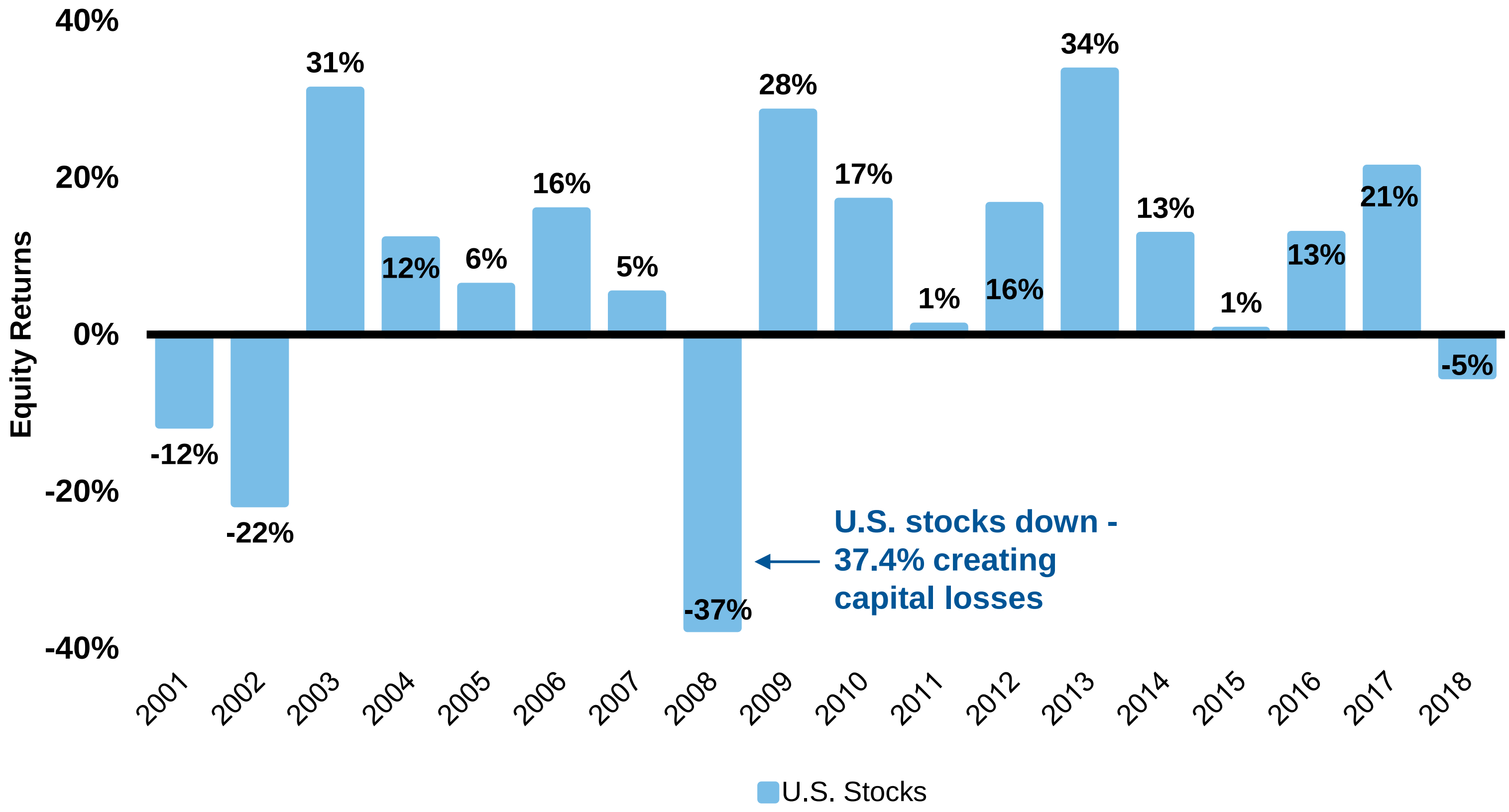
Alex		Charlie
$500,000	Year End Balance	$500,000
0.12%	Cap Gain Distribution	11%
$600	1099	$55,000
27%*	Assumed Tax Rate	27%*
$162	Tax Due	$14,850

Don’t focus only December 31st.
Consider impact of April 15th and beyond.

For illustrative purposes only.

2018 Capital gains: Insult to injury

U.S. equity market returns & capital gains distributions

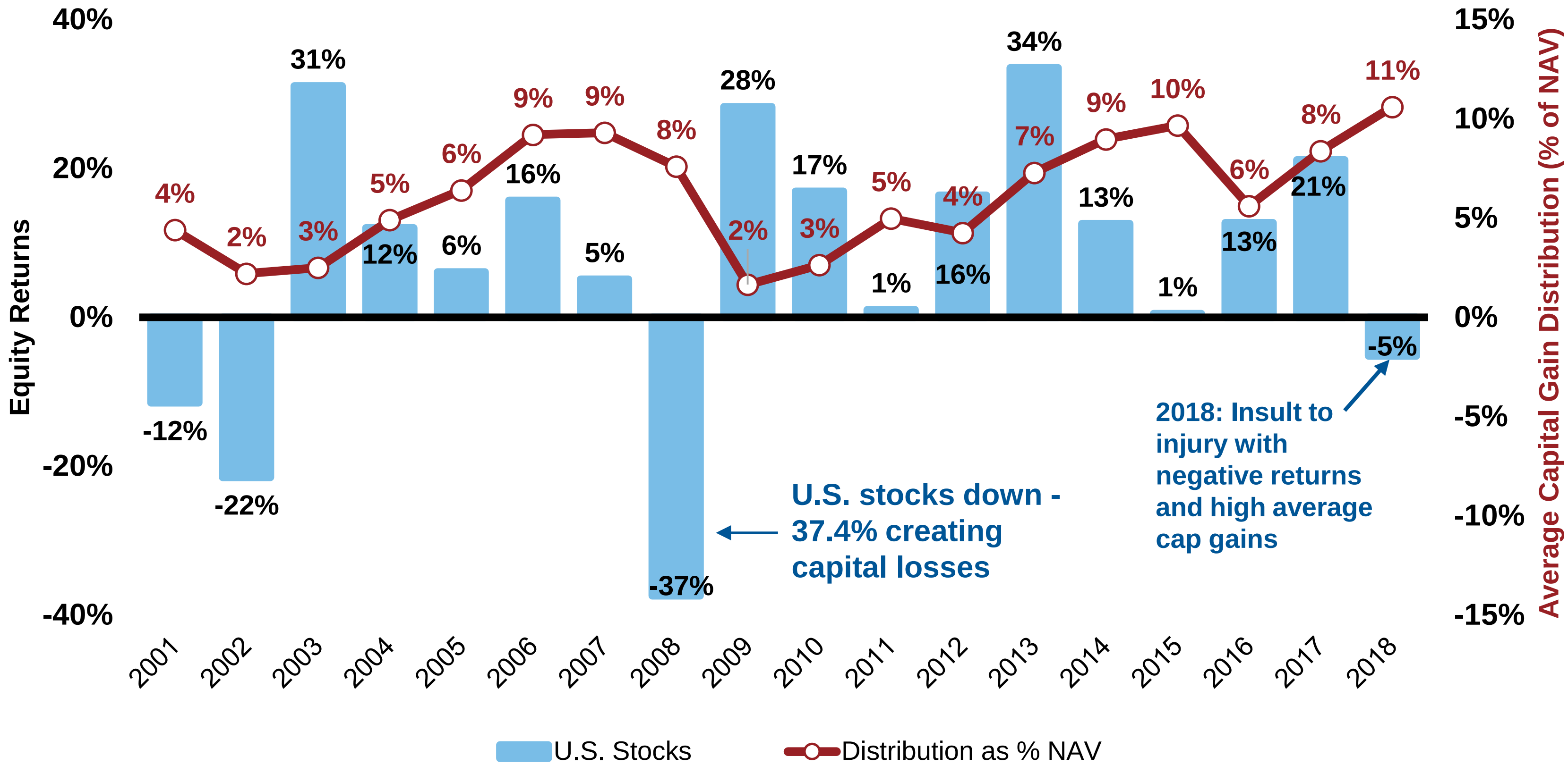


U.S. Stocks: Russell 3000® Index. U.S. equity funds: Morningstar broad category 'US Equity' which includes mutual funds and ETFs (and multiple share classes).
% = Calendar Year Cap Gain Distributions / Year-End NAV. For years 2001 through 2013, used oldest share class. 2014 forward includes all share classes.
Indexes are unmanaged and cannot be invested in directly. Returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

2018 Capital gains: Insult to injury

U.S. equity market returns & capital gains distributions

2018 average U.S. equity fund distribution: 11%



U.S. Stocks: Russell 3000® Index. U.S. equity funds: Morningstar broad category 'US Equity' which includes mutual funds and ETFs (and multiple share classes).
% = Calendar Year Cap Gain Distributions / Year-End NAV. For years 2001 through 2013, used oldest share class. 2014 forward includes all share classes.
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Potential tax impact on portfolio

A meaningful percent of total return lost to taxes

FUND CATEGORY Average annualized 3-years ending June 2019	**PRE-TAX RETURN %**	**TAX DRAG %**	**PRE-TAX RETURN – TAX DRAG**	**AMOUNTS LOST TO TAXES OVER 3 YEARS ($500k investment)**
U.S. Equity	12.8%	2.0%	10.8%	**37,364**
International Equity	9.2%	1.1%	8.1%	**19,188**
Fixed Income	3.4%	1.4%	2.1%	**21,474**
30% U.S. Equity / 20% International Equity / 50 % Fixed Income Portfolio	7.4%	1.5%	5.9%	**25,463**

Portfolio surrenders 21% of pre-tax return going from 7.0% to 5.5%.
1.5% tax drag has the same impact as 1.5% fee.

U.S. Equity: Morningstar U.S. Equity Universes average, International Equity: Morningstar International Equity Universes average, Fixed Income: Morningstar Taxable Bond Universes average. Tax Drag: Morningstar Tax Cost Ratio. See appendix at end of presentation for methodology.
*Measures the difference between the cumulative return of $500,000 earning the pre-tax and after-tax returns over three years in each Fund universe.

Not all tax efficiency is equal. How do you assess?

TAX EFFICIENCY

Tax-Oblivious	Inherently Efficient	Tax-Aware	Tax-Active	Tax-Oriented

- Most mutual funds

- Most index funds
- Most ETFs

- Tax-aware mutual funds
- Tax-managed separate accounts

- Municipal bonds
- Deferred annuities

- TIME & EFFORT **+**

Tax-managed investing: Introduction to after-tax wealth

Managing taxes so you keep more of your return

"WORST"	▪ Non-qualified dividend income ▪ Short-term capital gains ▪ Interest income	Top Tax Rate 40.8%
"BETTER"	▪ Qualified dividends ▪ Long-term capital gains	Top Tax Rate 23.8%
"BEST"	▪ Municipal bond interest* ▪ Unrealized capital appreciation	Top Tax Rate 0.0%

Not all return is equal: Understanding source may help in growing after-tax wealth.

Applies to federal taxes only.
*Generally for municipal bonds, only interest from bonds issued within the state is exempt from that state's income taxes. Municipal bond interest income may impact taxation of Social Security benefits.

Key beliefs driving Russell Investments tax-managed equity investing

IDEA GENERATION

ACTIVE MANAGEMENT

TAX-MANAGED IMPLEMENTATION

CENTRALIZED TRADING AND IMPLEMENTATION

TAX LOSS HARVESTING

TAX-SMART TURNOVER – REFRESHING TAX LOTS

MANAGE HOLDING PERIOD

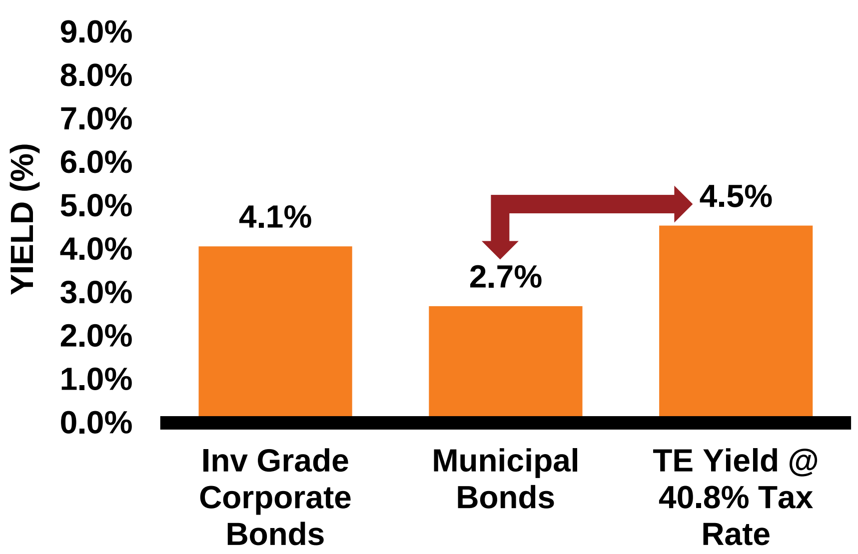
MINIMIZE WASH SALES

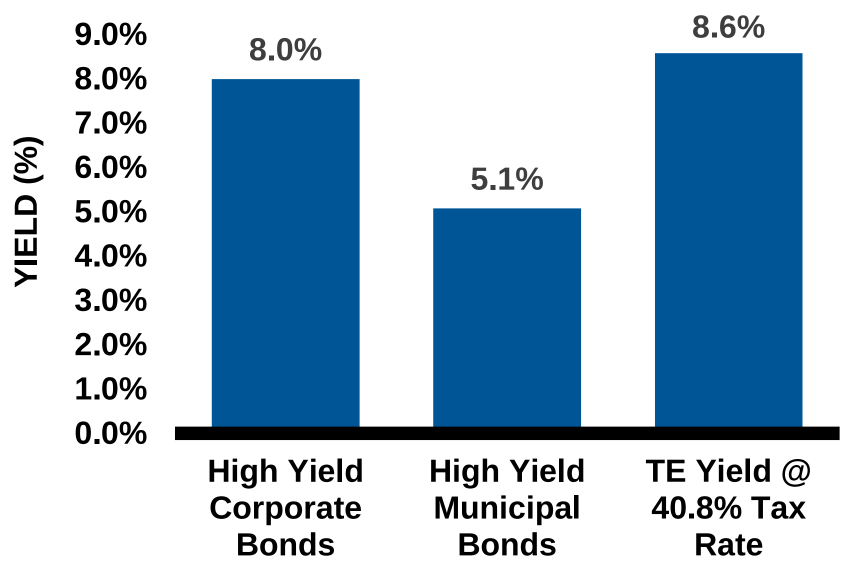
MANAGE FUND'S YIELD

Municipal bonds can be beneficial for tax-sensitive investors

- Tax-equivalent yield matters: $\frac{\textbf{(Yield)}}{\textbf{(1-Marginal Tax Rate)}}$

- An investor in the top tax bracket would need to ***earn a taxable yield of 4.5% to match the 2.7% yield*** of municipal bonds.



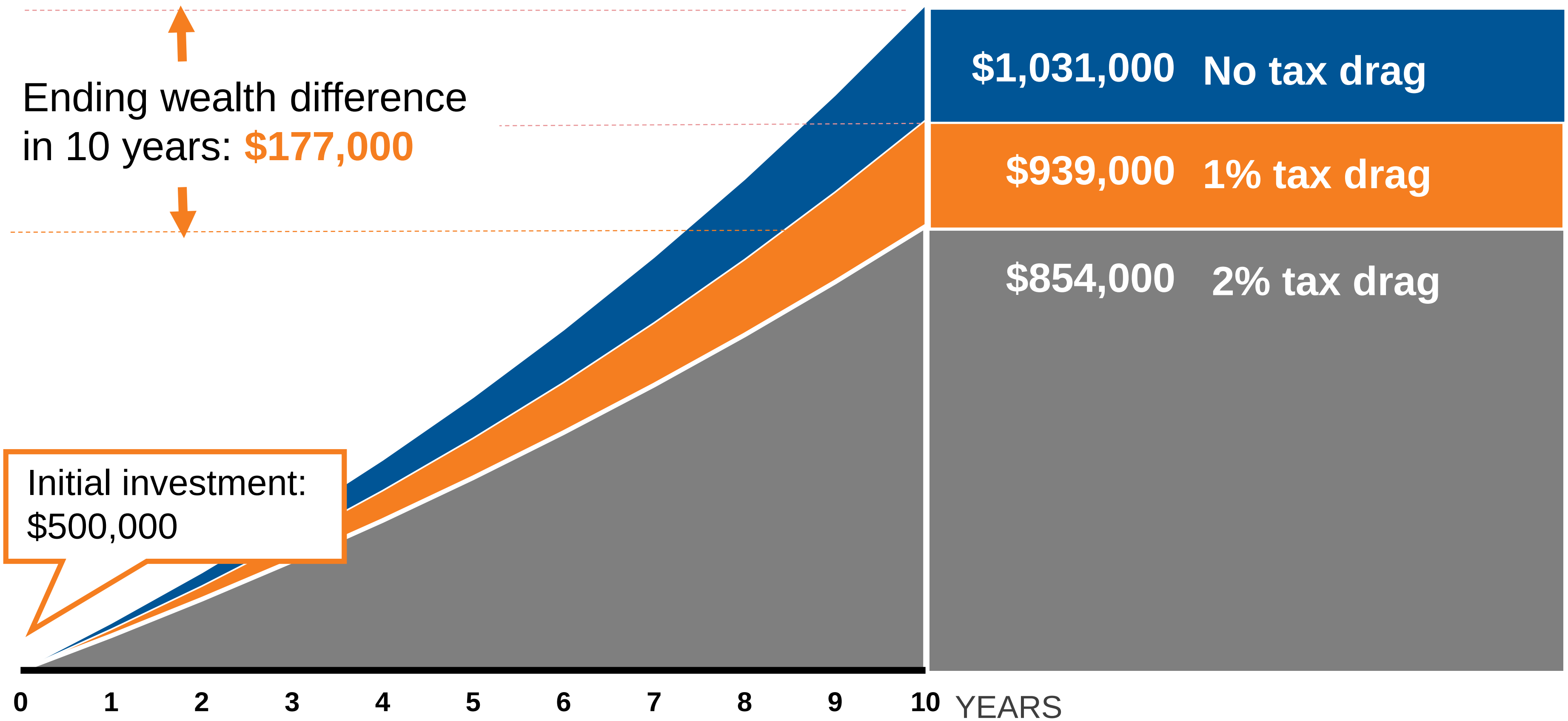


Source: Barclays Live. Data as of 12/31/2018. Yield quoted represents the Yield-to-Worst on the following Bloomberg Barclays indices: Inv Grade Corporate Bond = U.S. Corporate Investment Grade Index; Municipal Bonds = Municipal Bond Index; High Yield Corporate Bonds = U.S. Corporate High Yield Index; High Yield Municipal Bonds = High Yield Municipal Bond Index. Marginal Tax Rate used is 40.8% (37.0% + 3.8%).
Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment. Indexes are unmanaged and cannot be invested in directly.

The opportunity: Improving after-tax wealth

Put the math in your favor

Hypothetical growth of $500,000 over 10 years at 7.5% per year

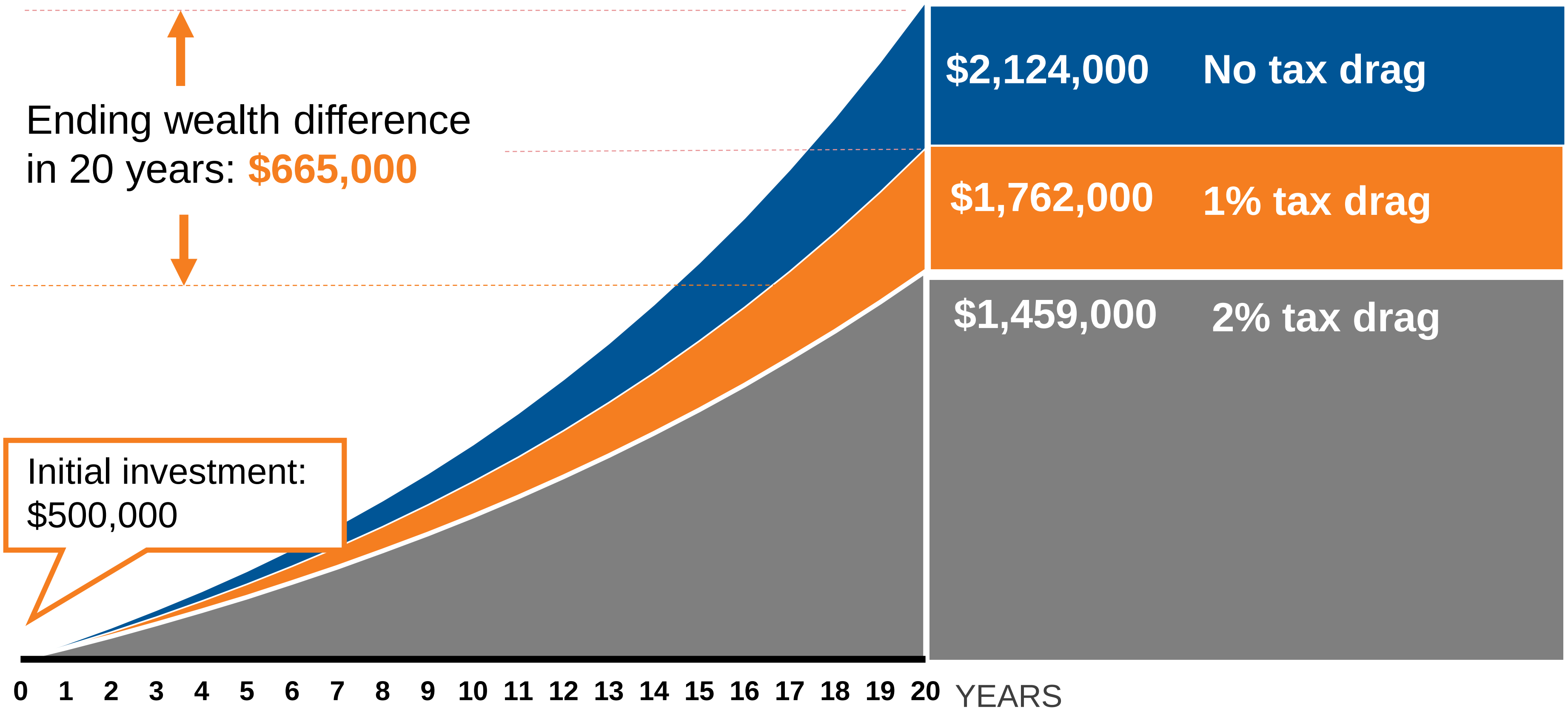


10 year hypothetical impact of taxes, assumed annual return: 7.5%

This is a hypothetical illustration and not meant to represent an actual investment strategy.
Tax drag is the reduction of potential investment returns due to taxes.
Taxes may be due at some point in the future and tax rates may be different when they are.
Investing involves risk and you may incur a profit or loss regardless of strategy selected.

Put the math in your favor – 20 years

Hypothetical growth of $500,000 over 20 years at 7.5% per year



20 year hypothetical impact of taxes, assumed annual return: 7.5%

This is a hypothetical illustration and not meant to represent an actual investment strategy.
Tax drag is the reduction of potential investment returns due to taxes.
Taxes may be due at some point in the future and tax rates may be different when they are.
Investing involves risk and you may incur a profit or loss regardless of strategy selected.

How are funded capital gains distributed/taxed?

Assumptions

- Mutual fund with $10 Net Asset Value (NAV) per share
- 10% capital gain distribution
- Entire distribution is both long-term in nature and qualified
- Distribution is reinvested

	NAV	SHARES	TOTAL VALUE
Value before distribution	$10	100	$1,000
10% LT capital gain distribution	$1	100	$100
Value after distribution	$9	100	$900
Reinvest distribution at new NAV	$9	11	$100
Value after redistribution	$9	111	$1,000
Investor owes tax on $100 distribution @ 23.8%			($24)
True after-tax value			**$976**

10% capital gain distribution is taxable

Distribution is reinvested; NAV goes to 9, but you now have more shares

While the total investment value is still $1,000 you now owe the IRS $24

Taxes are often paid from a different account.
Make sure you connect taxes to investment returns for true measure of return.

For illustrative purposes only.

Don’t wait until tax time to take action

Proactive tax management is a better solution

Form 1040: Page 2

Form 1040 (2018) Page 2

	1	Wages, salaries, tips, etc. Attach Form(s) W-2	1
Attach Form(s) W-2. Also attach Form(s) W-2G and 1099-R if tax was withheld.	2a	Tax-exempt interest . . . 2a b Taxable interest	2b
	3a	Qualified dividends . . . 3a b Ordinary dividends	3b
	4a	IRAs, pensions, and annuities . 4a b Taxable amount	4b
	5a	Social security benefits . 5a b Taxable amount	5b
	6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	6
	7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6	7
Standard Deduction for—	8	**Standard deduction or itemized deductions** (from Schedule A)	8
• Single or married filing separately, $12,000	9	Qualified business income deduction (see instructions)	9
• Married filing jointly or Qualifying widow(er), $24,000	10	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-	10
	11	a Tax (see inst.) (check if any from: 1 ☐ Form(s) 8814 2 ☐ Form 4972 3 ☐) b **Add** any amount from Schedule 2 and check here ▶ ☐	11
• Head of household, $18,000	12	a Child tax credit/credit for other dependents **b Add** any amount from Schedule 3 and check here ▶ ☐	12
	13	Subtract line 12 from line 11. If zero or less, enter -0-	13
• If you checked any box under Standard deduction, see instructions.	14	Other taxes. Attach Schedule 4	14
	15	Total tax. Add lines 13 and 14	15
	16	Federal income tax withheld from Forms W-2 and 1099	16
	17	Refundable credits: a EIC (see inst.) b Sch. 8812 c Form 8863 **Add** any amount from Schedule 5	17
	18	Add lines 16 and 17. These are your total payments	18
Refund	19	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you **overpaid**	19
	20a	Amount of line 19 you want **refunded to you.** If Form 8888 is attached, check here ▶ ☐	20a
Direct deposit? See instructions.	▶ b	Routing number ▶ c Type: ☐ Checking ☐ Savings	
	▶ d	Account number	
	21	Amount of line 19 you want **applied to your 2019 estimated tax** ▶ 21	
Amount You Owe	22	**Amount you owe.** Subtract line 18 from line 15. For details on how to pay, see instructions ▶	22
	23	Estimated tax penalty (see instructions) ▶ 23	

Go to *www.irs.gov/Form1040* for instructions and the latest information. Form **1040** (2018)

2b: TAXABLE INTEREST

- Interest income
- Can be taxed at individual’s highest marginal rate
- What is the after-tax yield?

3a/b: DIVIDENDS
(Qualified vs. non-qualified)

- From mutual funds and/or individual stocks
- Know the difference (unqualified rate can be 82% higher)

6: OTHER INCOME
See new IRS Form Schedule 1

- Schedule 1 includes other income
- Line 13 reports capital gain distributions from mutual funds
- Is the distribution high in relation to amount invested?

AFTER-TAX RETURN =
Investment pre-tax return – Tax impact
(both Federal and State)

For illustrative purposes only.

Opportunity: Tax-managed investing for trusts

Progressive trust tax rates requires tax-managed investing

- Trusts[1] cross top marginal rate at $12,751 vs. $612,351 for couples (MFJ[2])
- Trusts pay 3.8% Net Investment Income Tax[3] at $12,751 vs. $250,000 for couples (MFJ)

What account size could pay top rate?	
Assumed mutual fund account balance	$128,000
Fund declares 10% capital gain distribution	10%
Taxable gain	$12,800

Trust with only $128,000 could qualify for top marginal rate of:

- 40.8% if ST Capital Gain
- 23.8% if LT Capital Gain

(includes Net Investment Income Tax of 3.8%)

[1] Note that not all trusts are taxable. For irrevocable taxable trusts that do not distribute income to beneficiaries, the undistributed income may be taxable.
[2] Married Filing Jointly, federal amounts payable in 2018
[3] Net Investment Income Tax based upon Modified Adjusted Gross Income. All tax rates and tax stats from the Internal Revenue Service.

A framework for making the switch from non-tax-managed to tax-managed

WHAT MATTERS = PAYBACK PERIOD

1. Tax Cost to switch
2. Potential improvement in after-tax returns
3. Investor time horizon

EXAMPLE

1. 3 years in U.S. Market ~ 32%
   - 24% post tax (8% tax cost switch)
2. Assume 2% tax increase after-tax returns
3. Payback period ~ 3.6 years

Payback Period is the number of years to recoup the tax-cost of switching portfolios.
Hypothetical example for illustrative purposes only. Market return: Russell 1000® Index. Tax rate assumed = long term rate at highest marginal rate (23.8% = (Max ST Cap Gain 20% + Net Investment Income 3.8%). Payback period assumes 2% per annum compound excess returns after tax of a tax managed solution relative to non-tax managed

Tax-management strategies to employ year round

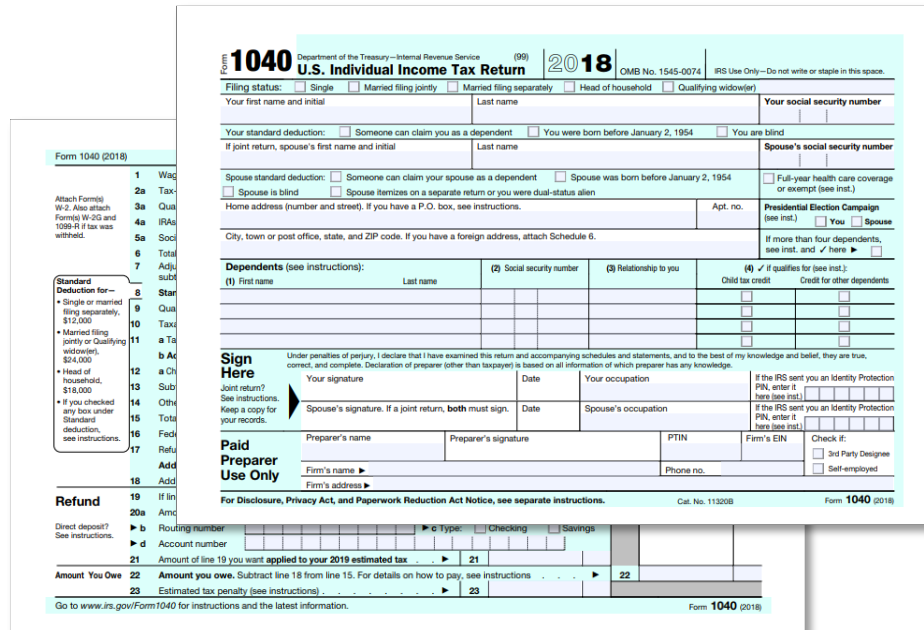
- Asset location matters (IRA, 401k, taxable, etc.)
- Pay attention to the holding period
- Understand turnover
- Select tax lots / Avoid wash sales
- Manage portfolio yield
- Harvest losses throughout year (not just year-end)
- Centralize the portfolio management of multiple managers
- Diversify different sources/types of municipal bond interest*

Strategies should strive to defer gain recognition.

*Generally for municipal bonds, only interest from bonds issued within the state is exempt from that state's income taxes.

Helping to achieve long-term financial goals

- It’s not about tax avoidance, but higher after-tax wealth.
- Taxes can definitely have an impact on achieving long-term financial goals.
- There are steps you can take to help manage the impact of taxes.



It’s not about what you make, but what you keep!

Thank you.

Any questions?

Appendix

Mutual Funds and Capital Gains

Consider the timing of fund purchases and sales relative to distributions

- If you **purchase** before year-end distribution:
  - You risk "Buying the Distribution".
  - Distributions apply to all existing shareholders equally.
  - You will have to pay taxes on any fund gains incurred throughout the entire year. *This is true even if you didn't hold the fund the entire year.*
  - Could be a significant tax impact that is due even if you reinvest the capital gains distribution.
  - When fund goes ex-dividend the market price drops by the amount of the dividend.

- If you **sell** prior to year-end distribution:
  - You will be taxed on the market value changes from date of purchase value to date of sale value (minus any return of capital).

Important Information and 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.

Income from funds managed for tax-efficiency may be subject to an alternative minimum tax, and/or any applicable state and local taxes.

Indexes and/or benchmarks are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.

Historical data shown not an indicator of future results. Other universes/indexes will produce different results.

End investors should consult with their financial and tax advisors before investing.

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May Lose Value
Not Bank Guaranteed
Not Insured by any Federal Government Agency

Additional disclosures

Russell 3000® Index:
Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

MORNINGSTAR CATEGORY DEFINITIONS:
Large-blend portfolios are fairly representative of the overall U.S. stock market in size, growth rates, and price. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of U.S. industries, and owing to their broad exposure, the portfolios' returns are often similar to those of the S&P 500 Index.

Large-growth portfolios invest primarily in big U.S. companies that are less expensive or growing more slowly than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

Large-value portfolios invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). Most of these portfolios focus on companies in rapidly expanding industries.

Mid-Cap blend portfolios invest in U.S. stocks of various sizes and styles, giving it a middle-of-the-road profile. Most shy away from high-priced growth stocks but aren't so price-conscious that they land in value territory. The U.S. mid-cap range for market capitalization typically falls between $1 billion and $8 billion and represents 20% of the total capitalization of the U.S. equity market. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

Mid-Cap growth portfolios invest in stocks of all sizes, thus leading to a mid-cap profile, but others focus on midsize companies. Mid-cap growth portfolios target U.S. firms that are projected to grow faster than other mid-cap stocks, therefore commanding relatively higher prices. The U.S. mid-cap range for market capitalization typically falls between $1 billion and $8 billion and represents 20% of the total capitalization of the U.S. equity market. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).

Mid-Cap value portfolios focus on medium-size companies while others land here because they own a mix of small-, mid-, and large-cap stocks. All look for U.S. stocks that are less expensive or growing more slowly than the market. The U.S. mid-cap range for market capitalization typically falls between $1 billion and $8 billion and represents 20% of the total capitalization of the U.S. equity market. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

Small blend portfolios favor U.S. firms at the smaller end of the market-capitalization range. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

Small growth portfolios focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. These portfolios tend to favor companies in up-and-coming industries or young firms in their early growth stages. Because these businesses are fast-growing and often richly valued, their stocks tend to be volatile. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).

Small value portfolios invest in small U.S. companies with valuations and growth rates below other small-cap peers. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

Municipal bond portfolios invest primarily in municipal bonds.

Additional disclosures (cont’d)

Methodology for Universe Construction:

- Average of Morningstar’s Tax Cost Ratio for universes as defined.
- Averages calculated on a given category. For example, average reflects the arithmetic average of the Morningstar Tax Cost Ratio for the universe/category as listed. Data includes all share classes
- Large Cap/Small Cap determination based upon Morningstar Category.
- If fund is indicated by Morningstar as passive or an ETF, the fund is considered to be passively managed. Otherwise, the fund is considered to be actively managed.
- Tax Drag: Morningstar calculated Tax Cost Ratio.
- Morningstar Categories included:
  - U.S. Equity: US Fund Large Blend, US Fund Large Value, US Fund Large Growth, US Fund Mid-Cap Blend, US Fund Mid-Cap Value, US Fund Mid-Cap Growth
  - Fixed Income (Taxable Bond): US Fund Long Government, US Fund Intermediate Government, US Fund Short Government, US Fund Inflation-Protected Bond, US Fund Long-Term Bond, US Fund Intermediate-Term Bond, US Fund Short-Term Bond, US Fund Ultrashort Bond, US Fund Bank Loan, US Fund Stable Value, US Fund Corporate Bond, US Fund Preferred Stock, US Fund High-Yield Bond, US Fund Multisector Bond, US Fund World Bond, US Fund Emerging Markets Bond, US Fund Emerging-Markets Local-Currency Bond, US Fund Nontraditional Bond
  - International Equity: US Fund China Region, US Fund Diversified Emerging Markets, US Fund Diversified Pacific/Asia, US Fund Europe Stock, US Fund Foreign Large Blend, US Fund Foreign Large Growth, US Fund Foreign Large Value, US Fund Foreign Small/Mid Blend, US Fund Foreign Small/Mid Growth, US Fund Foreign Small/Mid Value, US Fund India Equity, US Fund Japan Stock, US Fund Latin America Stock, US Fund Miscellaneous Region, US Fund Pacific/Asia ex-Japan Stock, US Fund World Large Stock, US Fund World Small/Mid Stock

Methodology for Tax Drag:

Includes all open ended investment products – mutual funds/ETFs that are both active and passive. Tax Drag reflects the arithmetic average of Morningstar Tax Cost Ratio. Data includes all share classes and reflects Morningstar category of US Equity and Taxable Bond for equities and fixed income respectively.