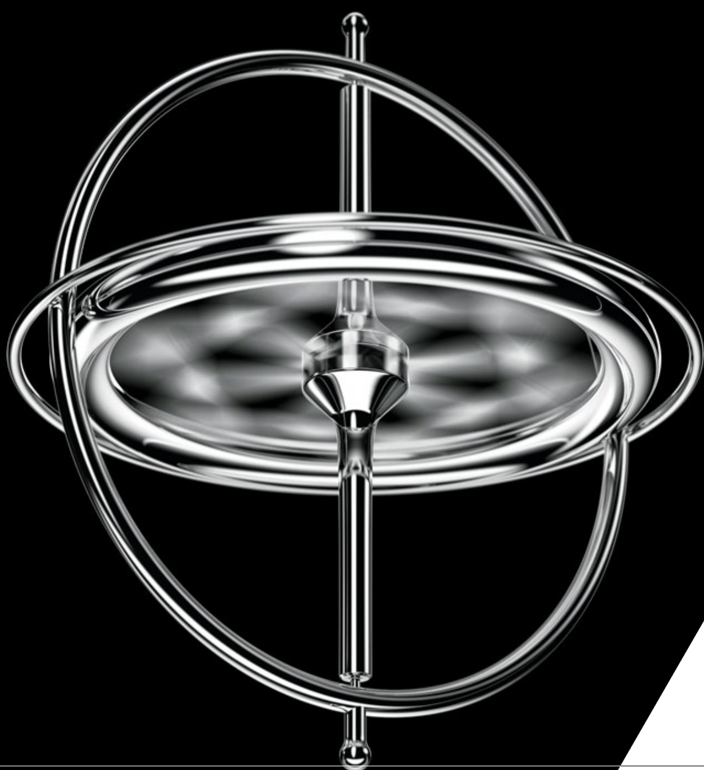
Investment Review

Nevada System of Higher Education

Russell Investments



Second Quarter 2019

Investment Review

Nevada System of Higher Education

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Agenda

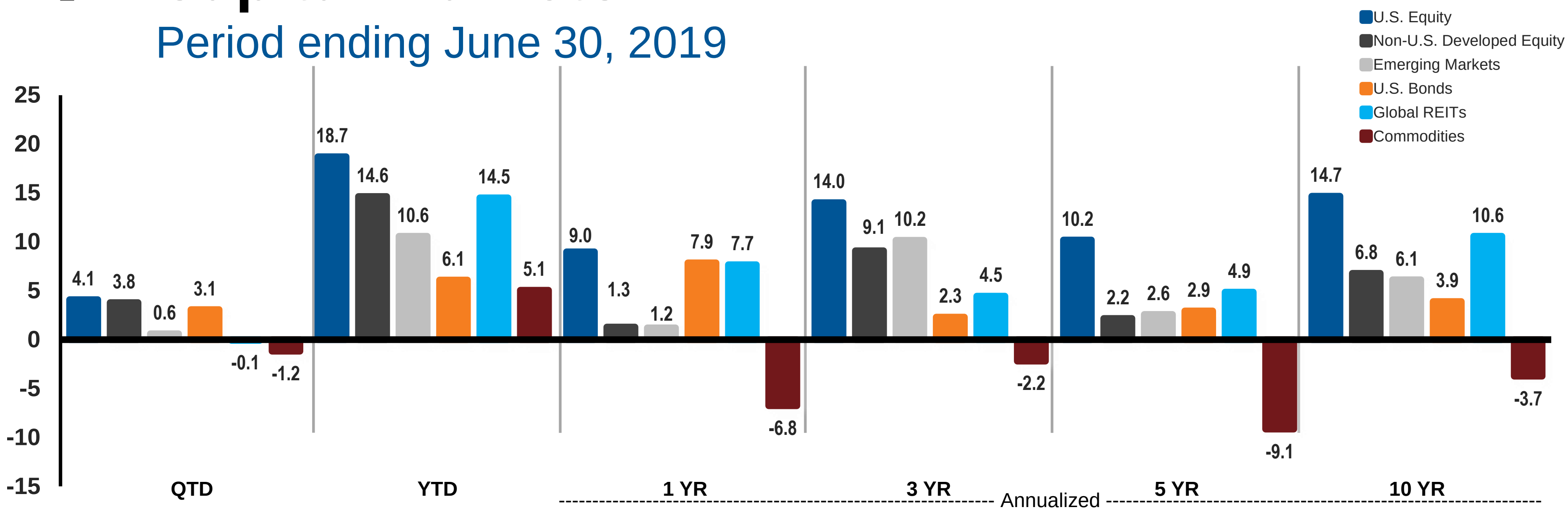
- Economic and Financial Markets Review
- Russell Investments Update
- Account Performance Summary
- Sustainable Multi-Asset Growth Fund
- Appendix
  - Russell Investments Fund Review
  - Account Performance Detail

Economic and Financial Markets Review

Second Quarter 2019

Capital markets

Period ending June 30, 2019

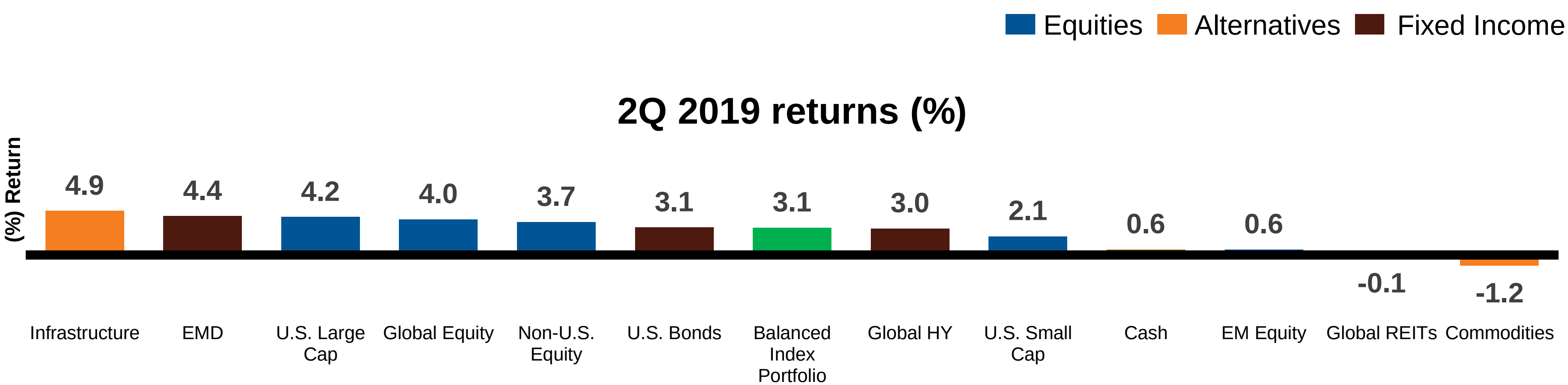


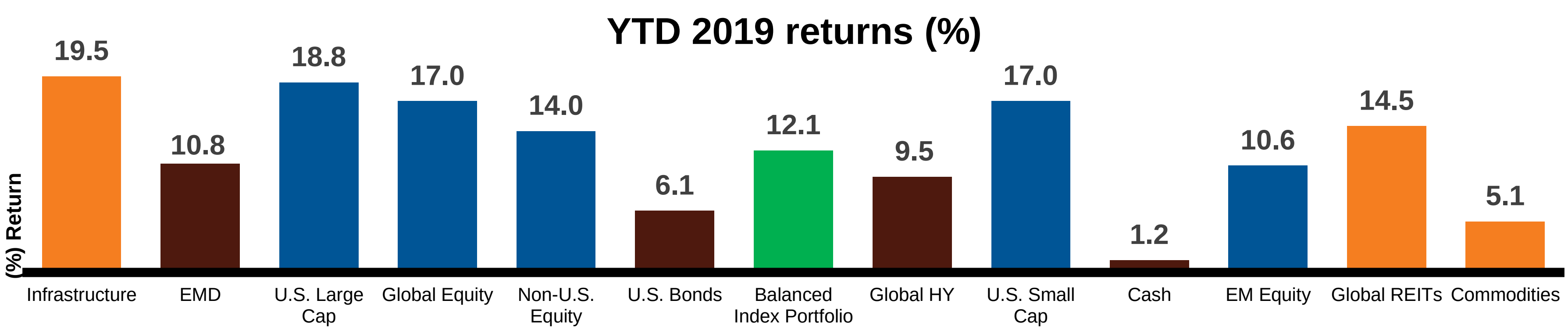
- The U.S.-China trade war escalated throughout the quarter when the U.S. raised the tariff from 10% to 25% on $200bn of imported goods. Tensions subsequently subsided following a temporary “truce”, however, trade policy has introduced considerable uncertainty into global supply chains. This, combined with lower global growth expectations, was not enough to stall a sustained equity market rally buoyed by expectations of a Fed rate cut.
- U.S. equities gained 4.1% during the quarter with financials leading the pack up 7.9% and technology stocks continuing to outperform, adding 5.9% in Q2. Energy, the only negative producing sector within the index, dropped -3.6% as mounting trade tensions and geopolitical issues among the U.S. and Iran cooled demand for crude oil.
- International markets added positive returns during the quarter, however, with heavy links to China within the Eurozone and Asia-Pac regions, developed markets added 3.8% and emerging markets only eked out a 0.6% gain.
- The U.S. Federal Reserve pivoted in their language throughout the quarter with the consensus expectation shifting towards rate cuts in the near future, contrasted with the anticipation of potential rate hikes to start the year. Investors flocked to the safety of fixed income through Q2 with longer dated bonds adding significant returns. U.S. Aggregate bonds gained 3.1% with the 10-Year Treasury Bond yielding 2.00% as of 6/30/19.
- Global REITs remained relatively mute during the quarter with a -0.1% drop. Up 14.5% YTD, REITs have acted as one of the best performing asset classes through 2019, albeit with the majority of that return coming in the earliest months of the year.
- Agriculture was the standout performer within the commodities index through the quarter, as weather events led to significant crop planting delays and subsequent price increases. The majority of other sectors suffered price declines, however, offsetting gains as the aggregate commodity based index lost -1.2% in Q2.

U.S. Equity: (Russell 3000® Index) U.S. stock index which includes the 3,000 largest U.S. stocks as measured by market capitalization. Sector returns as measured by Russell 1000 Index.
Non-U.S. Developed Equity: (MSCI World ex USA Net) (Linked) International market index that includes Western Europe, Japan, Australia and Canada.
Emerging Markets: (MSCI Emerging Markets Index Net Linked) Emerging markets index that includes S. Korea, Brazil, Russia, India and China.
U.S. Bonds: (Bloomberg-Barclays U.S. Aggregate Bond Index) Broad index for U.S. fixed income market.
Global REITs: (FTSE EPRA/NAREIT Index - Linked) Index for global publicly traded real estate securities.
Commodities: (Bloomberg Commodity Index Total Return) Broad index of common commodities.

What worked and what didn't

Halfway there…2019





Source: U.S. Small Cap: Russell 2000® Index; U.S. Large Cap: Russell 1000® Index; Global: MSCI World Net Index; Non-U.S.: MSCI EAFE Net index; Infrastructure: S&P Global Infrastructure Index; Global High Yield: Bloomberg Barclays Global High Yield Index; Global REITs: FTSE EPRA/NAREIT Developed Index; Cash: FTSE Treasury Bill 3 Month Index; EM Equity: MSCI Emerging Markets Index; U.S. Bonds: Bloomberg Barclays U.S. Aggregate Bond Index; EMD: JPM EMBI Plus Bond Index; Commodities: Bloomberg Commodity Index Total Return; Balanced Index: 5% U.S. Small Cap,15% U.S. Large Cap, 10% Global, 12% Non-U.S., 4% Infrastructure, 5% Global High Yield, 4% Global REITs, 0% Cash, 6% EM Equity, 30% U.S. Bonds, 5% EMD and 4% Commodities.
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.

Market summary

As of June 30, 2019

United States

> The Federal Reserve (Fed) is concerned about lower inflation and generally moderating economic data. Due to higher risks to the economic outlook, Fed Chairman Powell commented that the Fed remained “prepared to use [its] policy tools to support activity as needed” – fueling expectation of a near-term rate cut.
> The latest non-farm payrolls (90,000 May) came in weaker than expected, but the unemployment rate remained unchanged at 3.6%. Core inflation rate ticked lower to 2.0% year-over-year in May, while the final print for first quarter GDP growth rate confirmed a 3.1% quarter-over-quarter expansion.
> The U.S. manufacturing cycle slowed abruptly at the end of 2018 and remained weak at mid-year 2019. Meanwhile, the global manufacturing cycle continued to decelerate through May and is approaching recessionary levels.
> Combined with lingering global trade uncertainty, the 10-year U.S. Treasury yield declined 40bps to 2.01%. It has traded below the federal funds rate since May 22, and this inversion of the curve is a hallmark of the late cycle. An inverted yield curve has predicted every U.S. recession over the past 50 years.

Europe

> The long anticipated growth rebound remains just that, anticipated. The one-off factors that depressed growth are taking longer to turn around. These include the new emissions-testing regime that caused a collapse in German automobile production, the political turmoil in Italy, Brexit uncertainty, the U.S.-China trade dispute and the gilets jaunes political protest movement in France.
> The Bank of England clarified that it was ready to implement some form of economic stimulus in case of a no-deal Brexit. This comes as Prime Minister Theresa May resigned in early June, paving the way for a new UK prime minister to pick up the mammoth task of delivering Brexit and reuniting a fragmented party – which was further hit in local elections.

Asia/Pacific

> Exports from the region have slowed, while manufacturing activity growth (as reflected by recent Purchasing Managers Indices) has slowed or in some countries, including South Korea and Taiwan, continued to contract.
> The Indian election saw the re-election of Prime Minister Narendra Modi, which should provide some support to the economy. In addition to the re-election, the Reserve Bank of India has remained accommodative by cutting interest rates twice in the last three months.
> Japan’s economy continued to look lackluster, with the planned raising of the value-added tax remaining a key risk watchpoint. First quarter GDP was strong; however, most of the strength came from a fall in imports (which boosts GDP but suggests fading domestic demand). Consumer spending was reasonably solid, despite soft consumer sentiment, while business confidence took a hit due to the U.S.-China trade confrontations.

Market Summary for 2Q:

> Russell 3000® Index added 4.1%.
> MSCI World Index ex USA Net increased 3.8%.
> MSCI Emerging Markets Index Net rose 0.6%.
> Bloomberg Barclays Aggregate Bond Index gained 3.1%.
> FTSE EPRA/NAREIT Developed Real Estate Index Net fell -0.1%.
> Bloomberg Commodity Index Total Return was up down -1.2%.

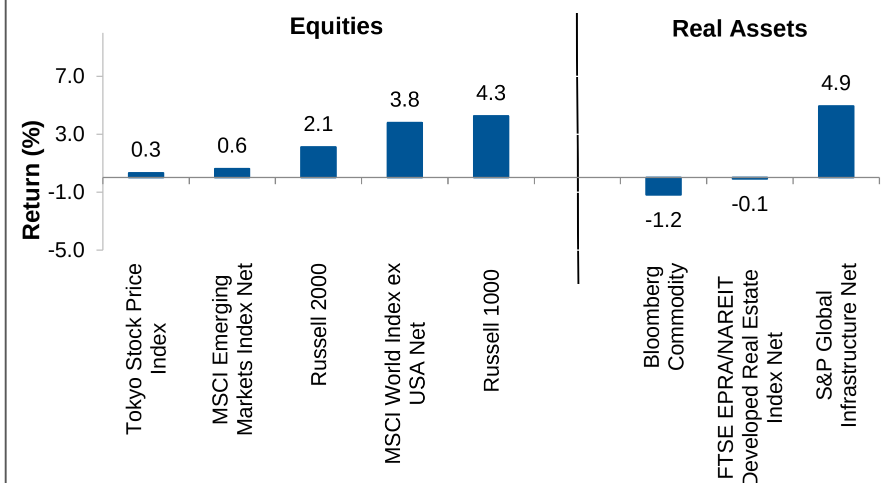
Source: Russell Investments, 2019 Annual Global Market Outlook – Q3 update: China syndrome.
There is no guarantee that any stated expectations will occur.

Return-seeking asset review

As of June 30, 2019

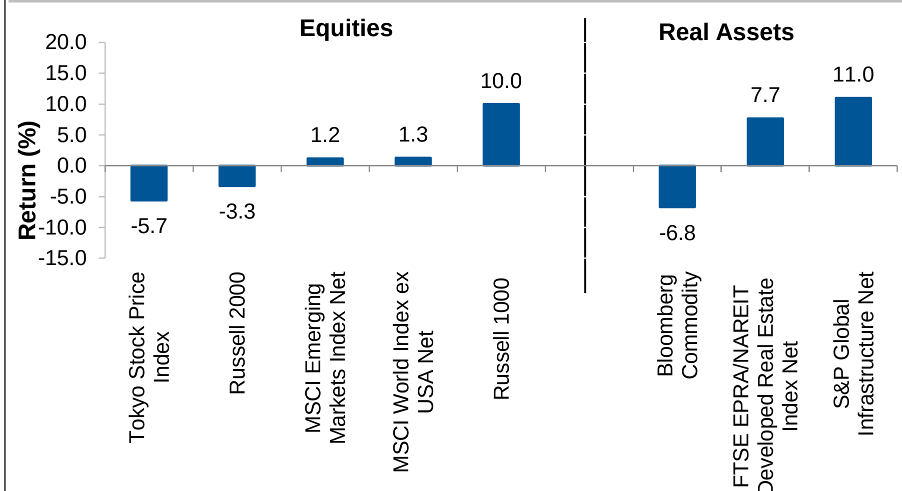
- The U.S.-China trade war escalated throughout Q2 when the U.S. raised the tariff from 10% to 25% on $200bn of imported goods. Tensions subsequently subsided following a temporary “truce,” however, trade policy introduced considerable uncertainty into global supply chains. This, combined with lower global growth expectations, was not enough to stall a sustained equity market rally buoyed by expectations of a Fed rate cut. Meanwhile, the unknown surrounding Brexit remains of heightened concern.
- U.S. stocks gained 4.1% with growth stocks continuing their divergence over value stocks during Q2. Within sectors, volatile oil prices and geopolitical issues among the U.S. and Iran took the energy sector lower. On the other hand, the higher likelihood of interest rate cuts by G4 central banks lifted financials stocks the most, up 5.9%. Technology, consumer discretionary and materials sectors also performed well.
- In spite of global growth declines and ongoing political disruption within the Eurozone, developed international markets edged up 3.8% as investor appetite for risky assets remained strong in the wake of more accommodative pivots by many of the globes major central banks.
- Emerging markets recovered from a mid-quarter slump to end Q2 up 0.6%. A strong start was eroded by ongoing trade tensions with both the U.S. and China implementing tit-for-tat tariff increases before later agreeing to continue negotiations. Mexico (+1.1%) avoided unexpected tariffs on its U.S. exports after agreeing to better enforce against illegal immigration. Elsewhere, Russia surged 16.9% in a period where the ruble extended its strong 2019 performance and ended Q2 as one of the strongest currencies.
- Commodities slipped -1.2% during Q2 with a significant divergence of returns among sectors. Agriculture was the standout performer as weather events led to significant crop planting delays and subsequent price increases. Precious metals also climbed with gold up 8.4%. Energy, livestock, and industrial metals, on the other hand, suffered noteworthy declines.
- Global REITs remained relatively muted throughout the last few months following the steaming start to the year. Prices have seemed to stabilize, particularly within the U.S. residential space.

Index Performance Snapshot – Second Quarter 2019



Index performance represents total return ($USD).

Index Performance Snapshot – One Year ending 6/30/19



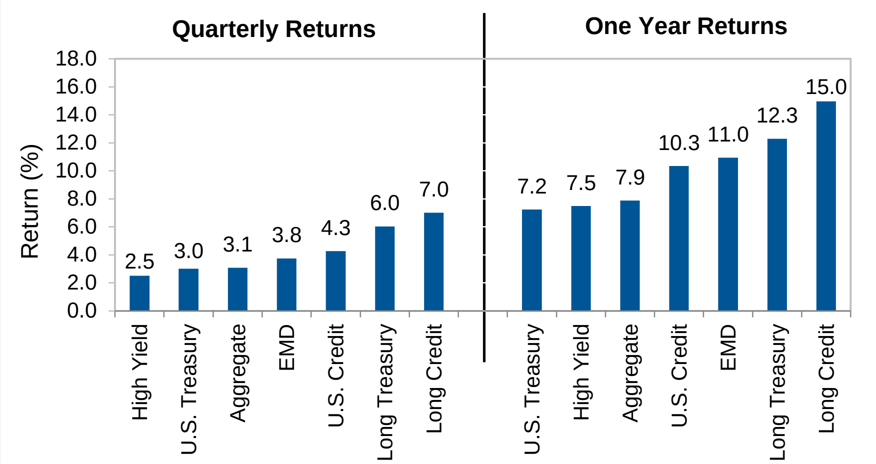
Index performance represents total return ($USD).

Fixed income review

As of June 30, 2019

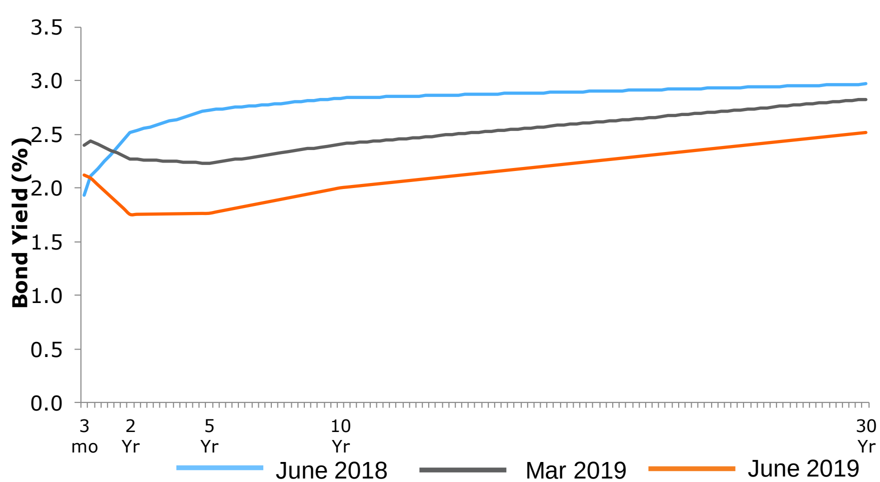
- Following a solid start to the year, fixed income markets enjoyed another strong quarter as the Fed hinted at potential rate cuts amidst trade worries and softening global economic data.
- The treasury yield curve continued to flatten and further inverted at several points along the curve:
  - The 10-year Treasury declined by 40bps during Q2 to 2.0%. Year-to-date, the rate fell by over 65bps.
  - The 3-month T-bill rate declined by over 30bps during Q2 on expectations of a Fed rate cut to 2.1%.
- Despite worries over economic growth, credit spreads were relatively unchanged during Q2. EMD and MBS bonds experienced modest spread widening, while high yield spreads continued to contract.
- Given the decline in rates, long-dated bonds were the best performers during the quarter.

Index Performance Snapshot – Second Quarter 2019



Source: Barclays Index performance represents total return ($USD)

U.S. Treasury Yield Curve



Source: U.S. Treasury, 6/30/2019

OAS Spread Levels

	As of Jun 30, 2019	Quarterly Trend	Ten Year Average	Yield to Worst
Agencies	61	↔	46	2.5%
IG Corporate	115	↔	182	3.2%
MBS	46	↑	52	2.7%
CMBS	69	↔	250	2.5%
ABS	41	↔	141	2.2%
High Yield (US Corp)	377	↓	586	5.9%
EMD (USD)	291	↑	349	4.9%

Source: Barclays, 6/30/2019. 10 Year average as of 6/30/19.

Russell Investments

Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.
OAS = Option Adjusted Spread is a measurement of the spread of a fixed-income security over an equal duration treasury security adjusted to take into account the value of any embedded option in the bond.

Global market leadership

The 21st century

2000-2001	2002-2003	2004-2005	2006-2007	2008-2009	2010-2011	2012-2013	2014-2015	2016-2017	2018-YTD
Russia 4.26%	Russia 42.2%	Brazil 45.6%	China 74.4%	Brazil -0.1%	U.S. 7.9%	Germany 31.1%	India 7.8%	Brazil 43.6%	Russia 19.5%
Canada -8.45%	India 38.7%	Russia 35.1%	India 61.7%	Canada -7.8%	U.K. 2.9%	France 23.8%	U.S. 6.5%	Russia 27.6%	Brazil 10.0%
U.S. -12.6%	China 27.0%	India 28.0%	Brazil 61.5%	China -10.7%	Canada 2.5%	U.S. 23.3%	Japan 2.6%	China 24.7%	U.S. 8.2%
U.K. -12.8%	Brazil 22.1%	Japan 20.6%	Russia 39.1%	U.S. -11.2%	Japan -0.6%	U.K. 17.9%	China -0.2%	Canada 20.2%	France 1.9%
France -13.8%	Canada 15.8%	Canada 15.9%	Germany 35.6%	Japan -13.2%	Russia -2.1%	Japan 17.3%	France -5.1%	India 17.0%	Canada 0.1%
Brazil -14.4%	Japan 10.4%	France 14.1%	Canada 23.6%	France -13.5%	Germany -5.8%	China 12.8%	Germany -6.2%	France 16.2%	India -0.1%
Germany -19.1%	U.K. 5.8%%	U.K. 13.3%	France 23.4%	U.K. -14.0%	China -7.6%	India 10.1%	U.K. -6.5%	U.S. 15.9%	U.K. -2.1%
Japan -28.8%	France 5.1%	Germany 13.0%	U.K. 19.0%	India -15.3%	Brazil -8.8%	Canada 7.3%	Canada -12.3%	Germany 14.6%	Japan -4.1%
	Germany 4.6%	China 10.5%	U.S. 10.0%	Germany -17.7%	France -10.7%	Russia 7.0%	Russia -25.2%	Japan 12.7%	China -5.7%
	U.S. -0.6%	U.S. 7.6%	Japan 0.9%	Russia -27.0%	India -12.8%	Brazil -8.4%	Brazil -29.0%	U.K. 10.5%	Germany -7.4%

U.S. EQUITY

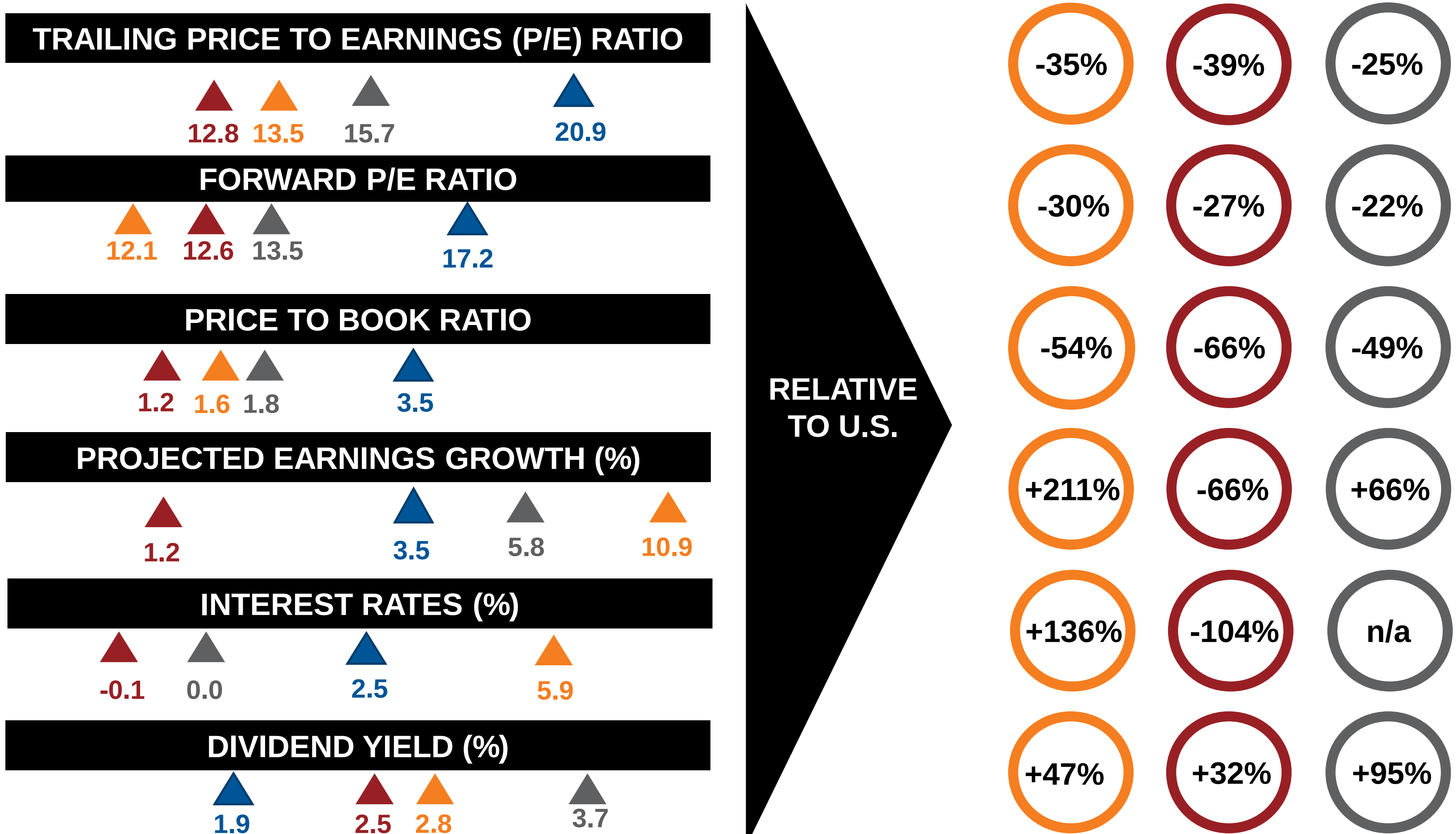
First decade led by emerging and developed markets equities

Second decade saw U.S. generally outperform developed markets

MSCI individual country index data. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Market fundamentals

U.S. market is relatively expensive

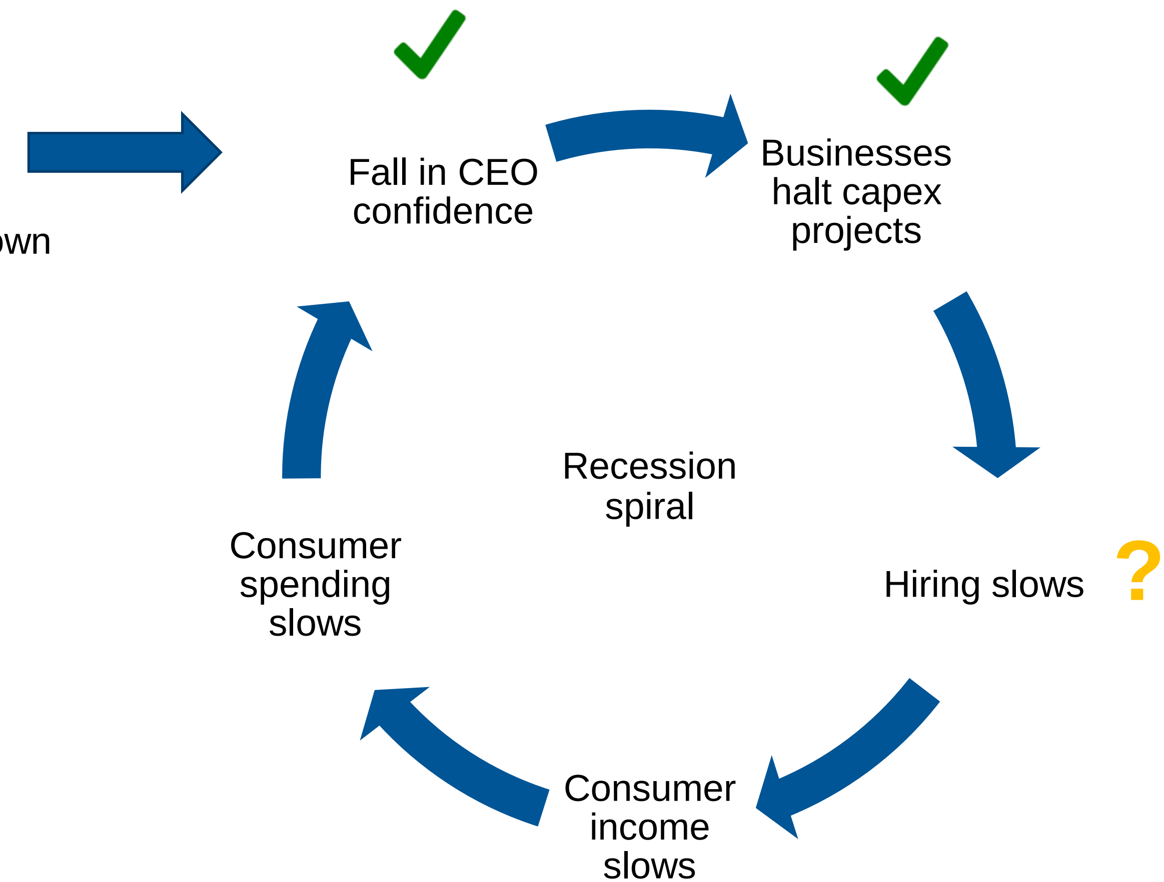


Data as of June 2019. Source: MSCI Country and regional Indexes, Bloomberg Barclays country and regional indexes. Russell Investments calculations. Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Path to recession

… via a negative spiral

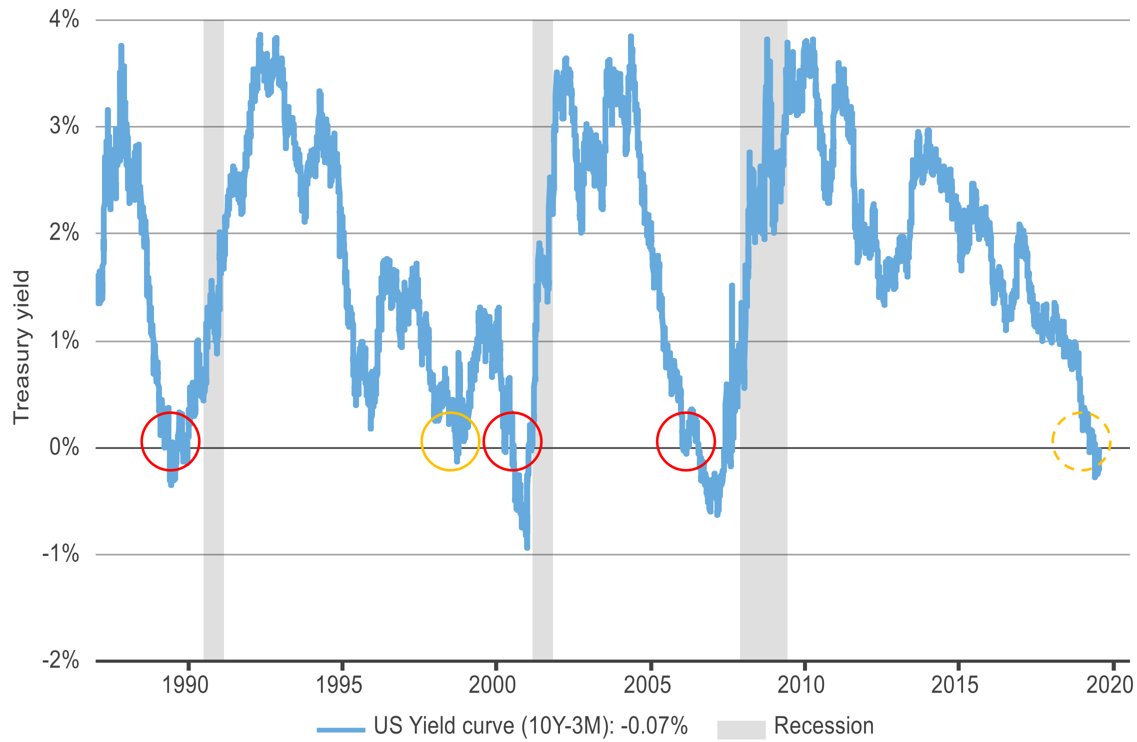
Catalyst:
- Trade uncertainty
- Global growth slowdown
- Earnings recession



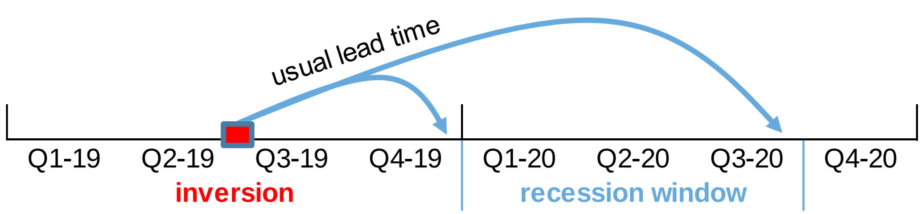
To fear or not to fear the yield curve?

Duration and magnitude of inversion matter

US yield curve (10Y-3M)



Source: Refinitiv Datastream, 7/15/2019

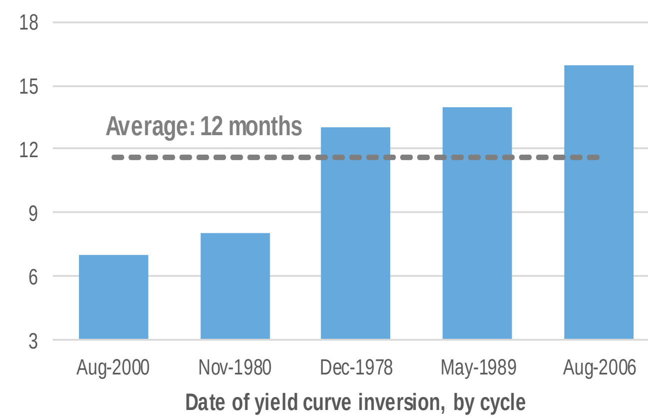


Historical 10Y-3M curve inversions

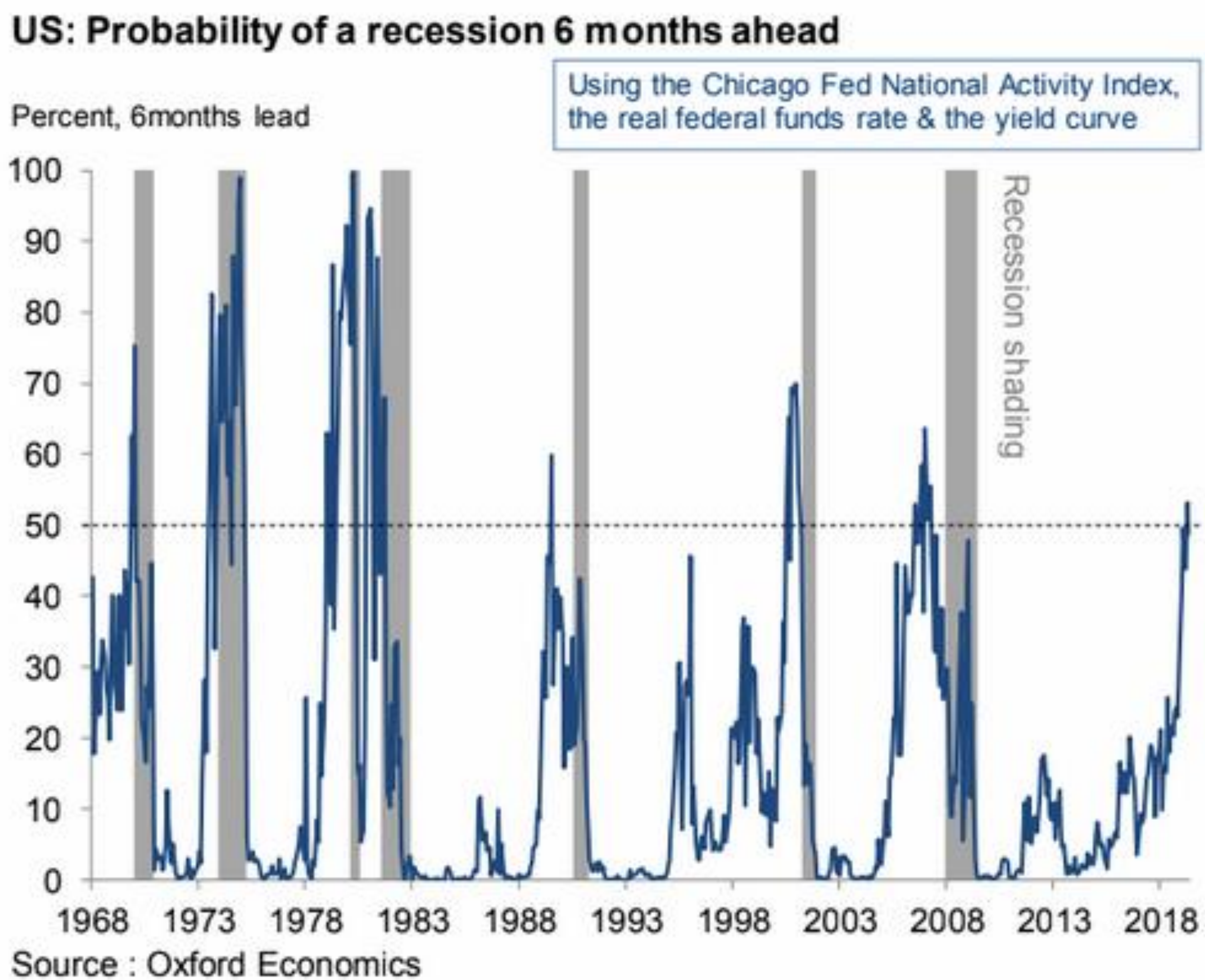
Date	Duration (days)	Magnitude (avg bp)	Outcome
1989	84	-14	recession
1998	5	-6	false alarm
2000	196	-46	recession
2007	314	-33	recession
Mar 2019	7	-4	?
May 2019	53	-14	?

If the May 2019 inversion persists for at least two months, then the likeliest timing of the next recession is mid 2020.

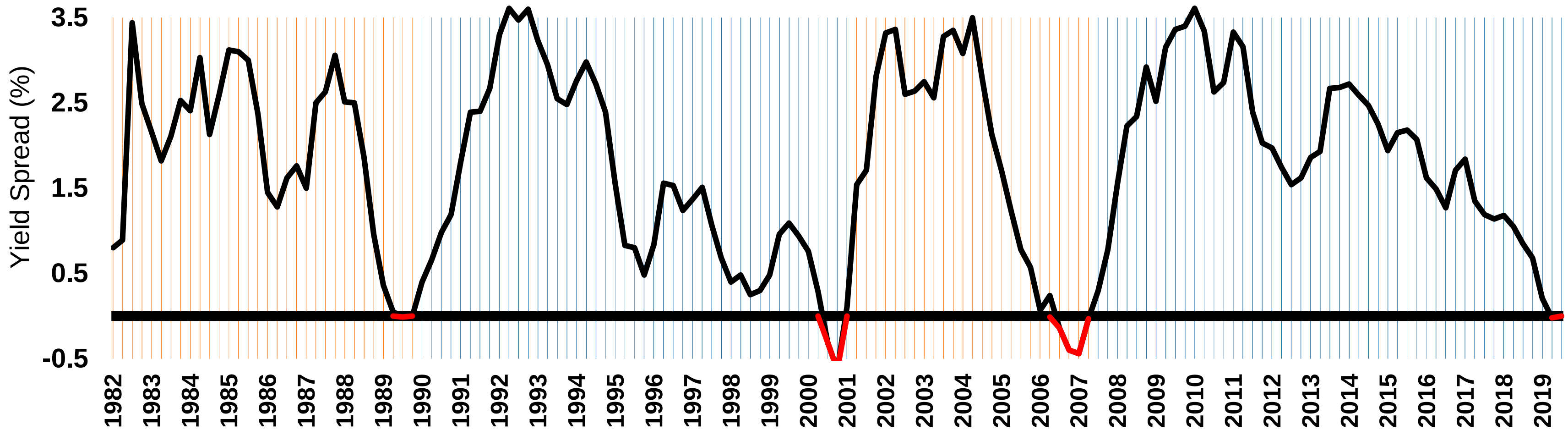
Time to recession from initial yield curve inversion
Months



Recession watch



Market leadership & yield curve inversion



Quarters led & total return

	1982-1989	1990-2001	2001-2007	2007-2019
S&P 500 quarters led	15	31	8	29
S&P 500 annualized return	*18.9%*	*13.8%*	*5.2%*	*8.4%*
MSCI World ex-U.S. quarters led	*17*	*13*	*17*	*19*
MSCI World ex-U.S. annualized return	*23.8%*	*3.5%*	*11.6%*	*2.1%*

> **Return leadership has rotated after an inverted yield curve.**

Morningstar Direct. FRED (Federal Reserve Economic Data). Index returns represent past performance, are not a guarantee of future performance, and are not indicative of any specific investment.

Late cycle rate cuts are unusual

The Fed balances the risks and rewards

Benefits to cutting at the late stages of this cycle

- Cushion against global slowing business cycle
- Ease corporate uncertainty related to Trade Wars
- Potentially “Un-invert” the yield curve
- Early action may prevent the need for more dramatic action later

Typical risks to late cycle rate cuts

- Inflation heating up
- Asset class bubbles

Countering these:

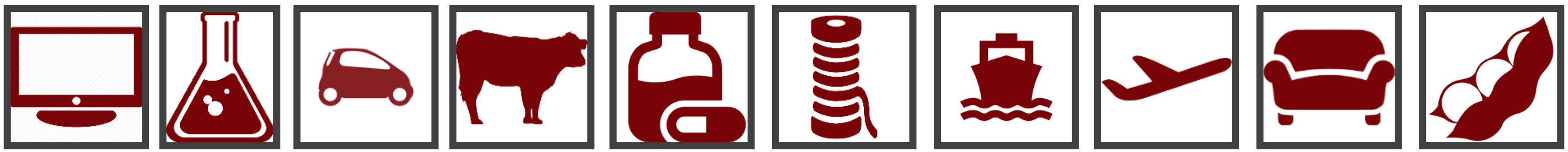
- *Inflation expectations eroding below 2%*
- *No clear market or economic bubbles*

- **Two to three Fed Fund Rate cuts projected for second half of 2019.**

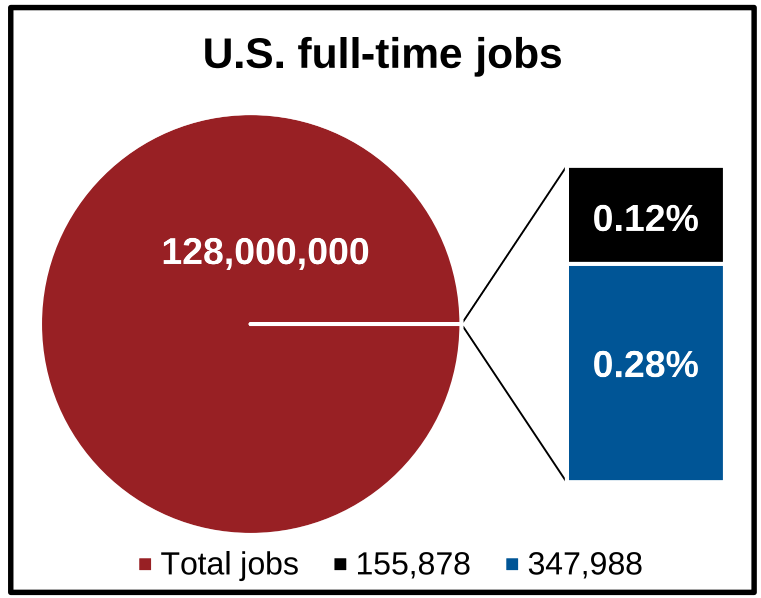
Source: Russell Investments.

Tariffs in the news: impacts

Numbers behind the headlines



Impact	Imposed tariffs*	Potential future tariffs*
Tariff revenue (2018 $Billions)	$69.33	$154.33
Long-run GDP	-0.20%	-0.45%
GDP (2018 $Billions)	-$50.31	-$112.23
Wages	-0.13%	-0.30%
Full time jobs	**-155,878**	**-347,988**



> **Tariffs act as an additional tax on consumers and investors.**
> **Potential for future drag on economic and market growth.**

*Current Tariffs on imported solar panels, washing machines, steel, aluminum and other imported product from China. Potential Future Tariffs on automobiles and part, and additional tariffs on products from China. Source: Tax Foundation and Statista.

At a pivot point

Two divergent scenarios (creating low conviction)

The Bear Case
- Global macroeconomic data weakening
- Global EPS estimates falling
- Negative confidence spiral ends expansion

The Bull Case
- Global central bank easing
- China stimulus
- Eventual trade deal

Wildcard – trade policy:
- Deal – Positive mini cycle takes hold. Better to be reactive to a deal than wrong
- Status quo – Uncertainty is a problem. Path of least resistance is more slowing
- Escalation – Elevated **recession risk**

The bull case seems more likely but the asymmetry of potential outcomes leaves us with low conviction and bias to risk-off.

Source: Russell Investments. July 2019.

Quarterly outlook and asset class positioning

Economy

- Global economic data has weakened, particularly within manufacturing. Expected US GDP growth downgraded to 2.0% in 2019 as trade uncertainty takes a toll
- Yield curve inversion becoming problematic, Fed expected to cut rates in July and September
- China stimulus appears to be significant enough to stabilize growth as domestic consumer spending is strong
- Recession risk now above our warning threshold, BCI 12-month recession probability over 30%

Markets

- Equity markets moved higher in spite of trade tensions
- Modest upside opportunities may exist but downside risks are increasing
- 10-year U.S. Treasury yield now expected to be only 2.5% in 12 months as Fed cuts rates
- EM and non-US developed markets have an opportunity to surprise on the upside given low level of expectations, particularly if China stabilizes and US-China trade tensions are resolved

Equity Strategies[1]

- Overweight to value in US equities, while underweight momentum and growth
- Overweight to US consumer cyclicals due to strong job market; underweight technology on valuations, overweight energy, underweight industrials due to trade
- Targeted US beta modestly lower than 1
- Global equity underweight US market on rich valuation. Overweight Europe x UK, EM and Japan
- Incremental adds to value and away from growth with an eye towards volatility

Fixed Income Strategies[3]

- Modest long duration and credit overweight. Underweight investment grade credit versus benchmark; favoring securitized debt
- Key rates positions are long US, Canada, UK and short Germany, Japan
- Key FX positions are long JPY, CAD, SEK and short USD, CHF, EUR

Multi-Asset Strategies[4]

- **Risk Control:** we are maintaining risk levels below long-term strategic levels
- **Underweight US, overweight non-US:** (EMEA ex-UK, Emerging Markets and UK): our largest benchmark deviation is underweight to US equities due to valuations
- **Slightly short duration**: after our 5-year treasury position rallied in Q1, we moved to 2-year for the higher potential for yield and kept duration exposure through combination of 2-year and 10-year treasuries
- **Modestly underweight credit**: although we increased high yield exposure during May sell-off

Indexes are unmanaged and cannot be invested in directly. There is no guarantee that any stated expectations will occur. Source: Russell Investments Strategist Team, June 2019.
[1] As measured by the RITC Equity I, Large Cap U.S. Equity Fund and World Equity Fund. [2] Russell Global Index and Russell 1000® Index.
[3] All comments relative to Bloomberg Barclays U.S. Agg Bond Index and the RITC Multi-Manager Bond Fund. [4] As measured by the RITC Multi-Asset Core Fund.

Russell Investments Update

Second Quarter 2019

Non-Profit and Healthcare Systems Update

Product Updates

- Russell Investments Private Markets Fund 2019 LP, launched 6/28/19
  - This is a multi-asset commingled fund that provides diversified private markets exposure and seeks to generate 11-13% net IRR.
  - Subscriptions are accepted for 12 months from launch; term is 10 years from the end of the Commitment Period.[1]
  - Strategies include:
    - Buyouts, venture/growth, distressed/special situations, real estate, and infrastructure; and other real assets such as energy, metals and minerals, agriculture, and timber—these are accessed via primary and secondary investments
      - The inclusion of secondaries helps mitigate the j-curve, accelerate exposure to private markets, enhance liquidity, and reduce portfolio fees
  - Emphasis is on:
    - Opportunities in North America and Europe
    - Buyouts at the smaller end of the market; complex secondaries, special situations, extracted resources, and value-added real estate

1. The General Partner may extend the term of the Fund, in its sole discretion, by up to two additional one-year periods; *provided*, *however*, that after two years, the term of the Fund may only be further extended with the prior written consent of the Advisory Committee. Please refer to Fund documents from your client service team for additional details.

Non-Profit and Healthcare Systems Update

Product Updates

- RIIFL Russell Investments Sustainable Multi-Asset Growth Fund ("Fund") targeted to launch 3Q19
  - The Fund is a multi-asset fund, similar to the Multi-Asset Core Plus Fund, used in part or in whole of the growth component of a client's portfolio.
  - The Fund pursues a sustainable investment strategy that takes into account environmental, social, and governance (ESG) factors and excludes tobacco equities.
  - The Fund strategy seeks to tilt the portfolio towards companies that are expected to contribute to, and benefit from, the transition to a low-carbon economy—while veering away from those companies with the greatest exposure to the potentially negative impacts of such a transition.

More details are available through your client service team.

Non-Profit and Healthcare Systems Update

Thought Leadership Updates

- Upcoming Content
  - Mid-year check-in
    - This is a market communication piece that can be shared with donors who enquire about our current market views and portfolio positioning.

Upcoming Industry Events

- September 8-11 – JFNA FTPI Annual Conference 2019 (Montreal, Canada)

More information will be available online or through your client service team.

Account Performance Summary

Second Quarter 2019

Endowment OCIO Update

Executive Summary (as of June 30, 2019)

A. Performance:

- For the fiscal year through June 30, 2019 the Russell Investments portfolio returned 3.16%, trailing its Policy Benchmark* by 2.67%.
- Russell managed assets returned 3.16% net of all fees (OCIO, sub advisory, etc.), with underlying asset class returns ranging from 6.73% for the Fixed Income allocation to -3.43% for the Diversifiers allocation. The Russell Fixed Income allocation generated the strongest relative performance in the Russell portfolio (10 basis points ahead of the asset class benchmark). Largest detractors from relative returns in the Russell portfolio were the Growth and Diversifiers allocations.
- The Russell Growth portfolio has lagged its benchmark due to poor stock selection by underlying US Value and emerging markets specialist sub-advisors. Regional bets (overweight to Europe and underweight US) were unrewarded. We remain confident in these sub-advisors and risk exposures despite recent performance.
- The Russell Diversifiers portfolio is arrayed across 10 distinct hedge fund managers and 4 styles. The portfolio is geared toward skilled based investments with only modest directional risk (both credit and equity). Recent performance shortfall is due to specific idiosyncratic exposures that have not been rewarded (value, distressed credit).

B. Asset Allocation and Guideline Compliance:

- Russell managed assets are in compliance with all investment guidelines and restrictions. Please note that the private equity allocation has not yet been initiated due to legacy allocation to this asset class already existing within total Endowment.

C. Risk/Return Characteristics – Russell Portfolio:

- The Russell Policy Benchmark has a 5.6% expected real (inflation-adjusted) compound return over the long term (i.e. 10+ years), however potential outcomes over shorter time frames will be more volatile and have the possibility of being negative. This is particularly true given current market valuations (which are expensive) and coupled with weaker fundamental characteristics (falling earnings, slowing economic growth).
- Although the Russell Policy Benchmark may experience meaningful short-term declines during market stress events, it is well diversified and has long term risk characteristics that should allow the Endowment to maintain the existing corpus in real terms while supporting future spending at the currently targeted level.

* Dynamic benchmark: sum contribution of monthly benchmark returns, dynamically weighted by the component benchmarks' associated funds' monthly average balance over the aggregate monthly average balance. Custom Benchmark currently consists of: Multi-Asset Core Plus Composite Bmk, Zero Return, LIBOR + 4% (1 mo lag), NFI-ODCE-EQ Net, Bloomberg Barclays Aggregate, Bloomberg Barclays 3 Month LIBOR, Bloomberg Barclays 1-3 Month T-Bill.

Endowment OCIO Update

Executive Summary, continued (as of June 30, 2019)

At the Committee’s request, an accounting of manager/OCIO fees paid in **CY2018** from the Endowment is as follows:

	Russell Managed Assets	
	($,000)	**(%)***
Investment management fees:		
Annual manangement fees:	925.9	0.86%
Incentive fees:	44.8	0.04%
**based on average market value over 2018*		

* Dynamic benchmark: sum contribution of monthly benchmark returns, dynamically weighted by the component benchmarks' associated funds' monthly average balance over the aggregate monthly average balance. Custom Benchmark currently consists of: Multi-Asset Core Plus Composite Bmk, Zero Return, LIBOR + 4% (1 mo lag), NFI-ODCE-EQ Net, Bloomberg Barclays Aggregate, Bloomberg Barclays 3 Month LIBOR, Bloomberg Barclays 1-3 Month T-Bill.

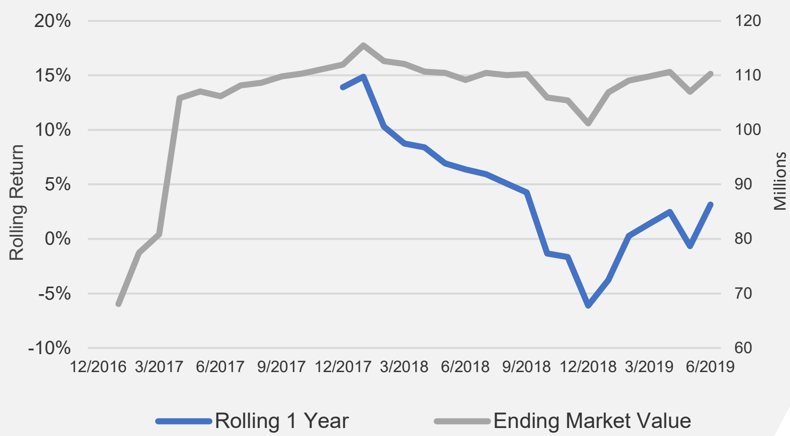
Nevada System of Higher Education

Second Quarter 2019

RETURN HISTORY

			Annualized			
	2Q19	FYTD (6/30)	1 Year	3 Years	5 Years	Since Inception*
Total Account – Net (%)	2.0	3.8	3.8	--	--	7.4
Daily Dynamic Benchmark	2.7	5.8	5.8	--	--	8.2
Strategic Allocation Benchmark	2.7	6.0	6.0	--	--	8.3
U.S. Consumer Price Index	0.5	1.8	1.8	--	--	2.4
MSCI All Country World Index – Net	3.6	5.7	5.7	--	--	12.6
Barclays U.S. Aggregate Bond Index	3.1	7.9	7.9	--	--	4.3

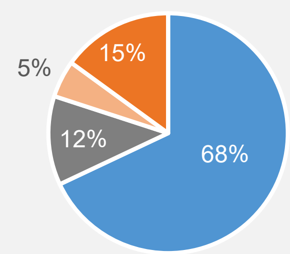
ROLLING TOTAL RETURN - Net



MARKET VALUE RECONCILIATION

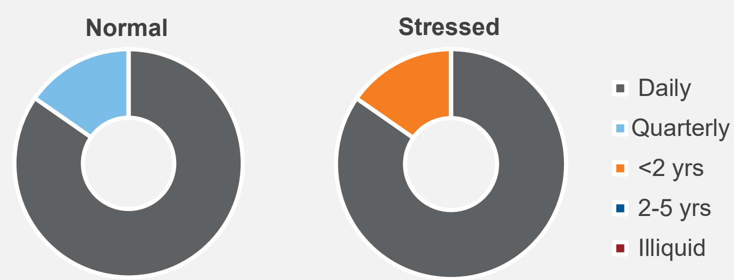
	2Q 2019	FYTD
Beginning Market Value	109,794,316	109,165,296
Inflows	794,480	2,572,485
Outflows	-2,702,4.6	-5,445,844
Net Market Gain/Loss	2,378,929	3,973,382
Ending Market Value	**110,265,319**	**110,265,319**

STRATEGIC ASSET ALLOCATION



	SAA	Actual
Growth	68%	69%
Diversifiers	12%	11%
Real Assets	5%	5%
Fixed Income & Cash	15%	15%

LIQUIDITY PROFILE – Market Environment



*Based on an inception date of 1/1/2017.
Normal Market Environment liquidity profile - based on Russell Capital Markets Forecasts. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.
Stressed market environment liquidity profile represents asset allocation shown applied to historical observations of asset class behavior in 2008/2009 market environment when some investments became less liquid than expected.
Source: Mellon Analytical Solutions LLC and Russell Investment Research. Indexes are unmanaged and cannot be invested in directly.
Past performance is not indicative of future results.

Nevada System of Higher Education Performance

As of June 30, 2019

Investment	Market Value	1Q 2019	FYTD	Annualized				
				1 Years	3 Years	5 Years	Since Inception	Inception Date
Total Assets – Net	110,265,319	2.04	3.16	3.16	--	--	6.76	1/1/2017
Daily Dynamic Benchmark[1]		2.66	5.83	5.83	--	--	8.20	
Strategic Allocation Benchmark[2]		2.71	6.03	6.03	--	--	8.25	

Investment	Market Value	1Q 2019	FYTD	Annualized				
				1 Years	3 Years	5 Years	Since Inception	Inception Date
Growth – Net	75,941,450	2.25	3.27	3.27	--	--	7.88	1/1/2017
Custom Benchmark[3]		3.03	5.59	5.59	--	--	9.47	
Diversifiers – Net[4]	12,469,456	0.25	-3.43	-3.43	--	--	0.97	3/1/2017
LIBOR+4%[4]		1.63	6.43	6.43	--	--	5.80	
Real Assets – Net[5]	5,649,659	1.01	5.63	5.63	--	--	6.27	4/1/2017
NFI-ODCE-EQ-E&F		1.31	6.88	6.88	--	--	7.81	
Fixed Income & Cash	16,204,753	2.55	6.73	6.73	--	--	3.19	1/1/2017
Custom Benchmark[6]		2.27	6.15	6.15	--	--	3.26	

Performance is net of fee. Past performance is not indicative of future results.

[1]Sum contribution of daily benchmark returns, dynamically weighted by the component primary benchmarks' associated funds' daily beginning market value over the aggregate beginning market value.

[2]Currently consists of: 68.0% Multi-Asset Core Plus Composite Bmk, 12.0% LIBOR + 4%, 5.0% NCREIF Open-End E&F, 10.0% Bloomberg Barclays Aggregate, 5.0% Bloomberg Barclays 3 Month LIBOR.

[3]Currently consists of: 100.0% Multi-Asset Core Plus Composite Bmk. It currently consists of: 75.0% MSCI ACWI IMI 50% USD Hedged Net, 5.0% Bloomberg Commodity Index, 5.0% FTSE EPRA/NAREIT Dev Real Estate Net, 5.0% S&P Global Infrastructure Index Net, 5.0% ICE BofAML Developed Markets High Yield Constrained Index USD Hdg, 5.0% JP Morgan EMBI Global Diversified Index.

[4]True inception date is 02/01/17. Market values and returns are reported one month in arrears.

[5]Real Estate Equity Fund is valued quarterly.

[6]Sum contribution of daily benchmark returns, dynamically weighted by the component primary benchmarks' associated funds' daily beginning market value over the aggregate beginning market value.

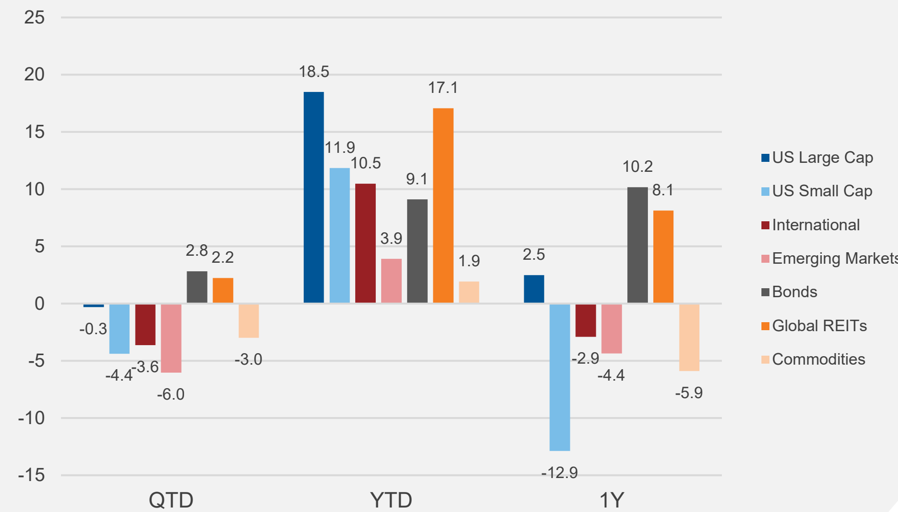
Nevada System of Higher Education

August 31, 2019

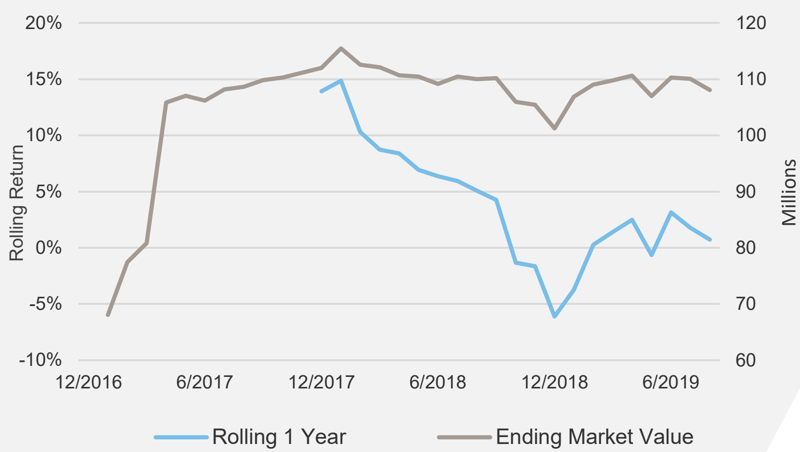
RETURN HISTORY

			Annualized			
	QTD	CYTD	1 Year	3 Years	5 Years	Since Inception*
Total Account – Net (%)	-1.5	8.4	0.7	--	--	5.7
Daily Dynamic Benchmark	-0.5	10.9	3.0	--	--	7.5
Strategic Allocation Benchmark	-0.5	11.0	3.3	--	--	7.5
U.S. Consumer Price Index	0.4	1.5	1.9	--	--	2.2
MSCI All Country World Index – Net	-2.1	13.8	-0.3	--	--	9.6
Barclays U.S. Aggregate Bond Index	2.8	9.1	10.2	--	--	4.7

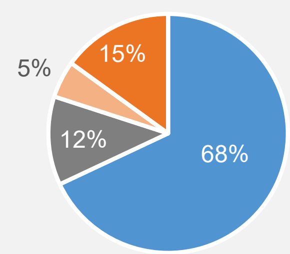
CAPITAL MARKETS



ROLLING TOTAL RETURN - Net



STRATEGIC ASSET ALLOCATION



	SAA	Actual
Growth	68.0%	68.4%
Diversifiers	12.0%	11.2%
Real Assets	5.0%	5.2%
Fixed Income & Cash	15.0%	15.0%

Performance is preliminary. *Based on an inception date of 1/1/2017.
Normal Market Environment liquidity profile - based on Russell Capital Markets Forecasts. Forecasting represents predictions of market prices and/or volume patterns utilizing varying analytical data. It is not representative of a projection of the stock market, or of any specific investment.
Stressed market environment liquidity profile represents asset allocation shown applied to historical observations of asset class behavior in 2008/2009 market environment when some investments became less liquid than expected.
Source: Mellon Analytical Solutions LLC and Russell Investment Research. Indexes are unmanaged and cannot be invested in directly.
Past performance is not indicative of future results.

Nevada System of Higher Education Performance

As of August 31, 2019

Investment	Market Value	QTD	CYTD	Annualized				
				1 Years	3 Years	5 Years	Since Inception	Inception Date
Total Assets – Net	108,050,589	-1.52	8.41	0.74	--	--	5.70	1/1/2017
Daily Dynamic Benchmark[1]		-0.47	10.92	3.04	--	--	7.46	
Strategic Allocation Benchmark[2]		-0.47	10.98	3.27	--	--	7.51	

Investment	Market Value	QTD	CYTD	Annualized				
				1 Years	3 Years	5 Years	Since Inception	Inception Date
Growth – Net	73,875,284	-2.86	9.91	-1.00	--	--	6.20	1/1/2017
Custom Benchmark[3]		-1.22	13.75	1.33	--	--	8.34	
Diversifiers – Net[4]	12,089,975	0.90	2.60	-1.37	--	--	1.26	3/1/2017
LIBOR+4%[4]		0.53	3.80	5.93	--	--	5.63	
Real Assets – Net[5]	5,649,659	0.00	2.15	5.63	--	--	5.82	4/1/2017
NFI-ODCE-EQ-E&F		0.00	3.09	6.88	--	--	7.25	
Fixed Income & Cash	16,435,671	2.27	8.16	8.65	--	--	3.86	1/1/2017
Custom Benchmark[6]		2.15	8.02	8.52	--	--	3.81	

Performance preliminary and is net of fee. Past performance is not indicative of future results.
[1]Sum contribution of daily benchmark returns, dynamically weighted by the component primary benchmarks' associated funds' daily beginning market value over the aggregate beginning market value.
[2]Currently consists of: 68.0% Multi-Asset Core Plus Composite Bmk, 12.0% LIBOR + 4%, 5.0% NCREIF Open-End E&F, 10.0% Bloomberg Barclays Aggregate, 5.0% Bloomberg Barclays 3 Month LIBOR.
[3]Currently consists of: 100.0% Multi-Asset Core Plus Composite Bmk. It currently consists of: 75.0% MSCI ACWI IMI 50% USD Hedged Net, 5.0% Bloomberg Commodity Index, 5.0% FTSE EPRA/NAREIT Dev Real Estate Net, 5.0% S&P Global Infrastructure Index Net, 5.0% ICE BofAML Developed Markets High Yield Constrained Index USD Hdg, 5.0% JP Morgan EMBI Global Diversified Index.
[4]True inception date is 02/01/17. Market values and returns are reported one month in arrears.
[5]Real Estate Equity Fund is valued quarterly.
[6]Sum contribution of daily benchmark returns, dynamically weighted by the component primary benchmarks' associated funds' daily beginning market value over the aggregate beginning market value.

Nevada System of Higher Education

Manager Line-up as of June 30, 2019

ASSET CLASS				
Multi-Asset	Alternative	Fixed Income		Private Real Estate
RUSSELL (RIIFL) FUNDS				
RIIFL Multi-Asset Core Plus Fund	Russell Investments Managed Hedge Funds	RIIFL Core Bond Fund	RIIFL Absolute Return Fixed Income Fund	Real Estate Equity Fund
MANAGERS/STRATEGIES				ADVISORS/STRATEGIES
75% Global Equity	Aristeia International Ltd.	Colchester Global Investors Limited Alpha Overlay	Hermes Investment Management Limited	INVESCO Core Real Estate USA Core
15% Marketable Real Assets	CapeView Azri Fund	Logan Circle Partners, L.P. Fully Discretionary	H2O AM LLP	Morgan Stanley Prime Property Fund Core
10% Global Fixed Income	CapeView Azri 2X Fund	Scout Investments, Inc. Fully Discretionary	Putnam Advisory Company, LLC	MetLife Commercial Mortgage Income Fund, LP Core
	CVI Emerging Markets Credit Value Fd Ltd	Western Asset Management Company Fully Discretionary	THL Credit Advisors LLC	RREEF America REIT II
	Eminence Fund Leveraged	Schroder Investment Management North America Inc. Sector Specialist	Russell Investments positioning strategies*	
	GS Global Eq. Market Neutral Insights	Western Asset Management Company - Bank Loan Sector Specialist		
	PIMCO Tactical Opportunities Offshore	Russell Investments positioning strategies*		
	The Winton Fund			
	Trend Macro Offshore Ltd.			
	York Asian Opportunities Unit Trust			

Managers listed are current as of June 30, 2019. Russell Investments has the right to engage or terminate a manager at any time and without notice.
*Russell Investments positioning strategies are customized exposures directly managed by Russell Investments for use within the total portfolio and may include overlays, index replication, smart beta strategies, and custom quantitative strategies.

Sustainable Multi-Asset Growth Fund

Sustainable Multi-Asset Growth Fund

Philosophy and approach

Given growing client demand, Russell Investments is launching a new investment strategy (anticipated 1Q2020) that allows our clientele to achieve greater alignment with a preference for reducing carbon exposure[1] and investing in more sustainable companies[2]. It will have a primary focus on companies expected to contribute to, and benefit from, a transition toward a low carbon economy and de-emphasize those that will not.

This Fund will incorporate the following ESG-related sustainability goals into its portfolio construction process while identifying the combination of securities that best achieves those sustainability goals. Please note, the broad goal of this fund is not to simply achieve low carbon or improved sustainability, but to do so while preserving the potential for better economic or financial outcomes.

Environmental considerations: seek a reduction in the Fund's exposure to companies with a relatively higher carbon footprint, higher fossil fuel reserves and/or significant revenue from coal-related activities with a concurrent increase in the Fund's exposure to companies that generate renewable ("green") energy.

Material sustainability issues: seek an increase in the Fund's exposure to companies with high performance on sustainability issues that are material to their specific business or industry and tilting the portfolio away from companies with low performance on material sustainability issues.

[1]Using Russell's Decarbonization methodology, [2]Using Russell's ESG materiality scoring methodology.

Sustainable Multi-Asset Growth Fund

Portfolio design

Strategic asset allocation: The Fund is a daily liquid commingled portfolio comprised of 75% Global Equities, 15% Real Assets (7.5% real estate investment trusts, 7.5% listed infrastructure), and 10% Fixed Income, with +/- 10% tactical ranges to these strategic allocations.

Expectations: The Fund has an excess return goal of 200bps and tracking error target of 400bps vs its composite benchmark.

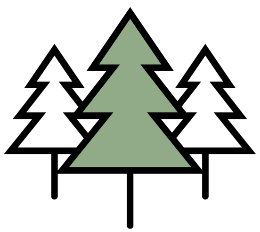
Characteristics: The Fund's investment strategy will seek to tilt the global equity component toward companies that are expected to contribute to, and benefit from, a transition to a low carbon emission producing economy and away from companies with the greatest exposure to potential negative impacts of such a transition. Additional ESG scores incorporated to refine portfolio exposure on broader sustainability metrics.

Composite Benchmark: Sustainable Multi-Asset Growth Composite Index, currently comprised of the following indices: 75% MSCI ACWI IMI 50% Hedged Index Net, 7.5% FTSE EPRA/NAREIT Developed Real Estate Index (Net), 7.5% S&P Global Infrastructure Index Net, 5% ICE BofAML Developed Markets High Yield Constrained Bond Index USD Hedged, and 5% JP Morgan EMBI Global Diversified Index.

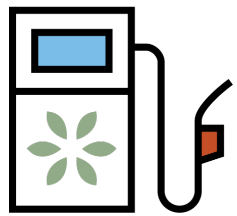
Enhanced decarbonization solution

Moving beyond divestment and identifying opportunities

DECARBONIZATION



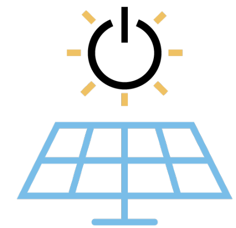
50% LOWER CARBON FOOTPRINT RELATIVE TO THE BENCHMARK



50% LOWER FOSSIL FUEL RESERVES RELATIVE TO THE BENCHMARK

TARGETED EXCLUSIONS OF COAL REVENUES GENERATING COMPANIES

BEYOND CARBON REDUCTION



INCREASED EXPOSURE TO COMPANIES PARTICIPATING IN THE ENERGY TRANSITION

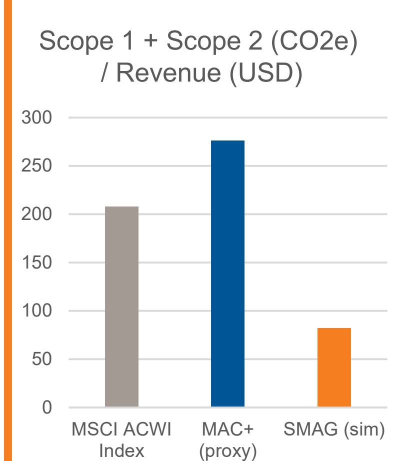
INCREASED EXPOSURE TO COMPANIES WITH A HIGH ESG SCORE

Source: Russell Investments, for illustrative purposes only

ESG characteristics improved

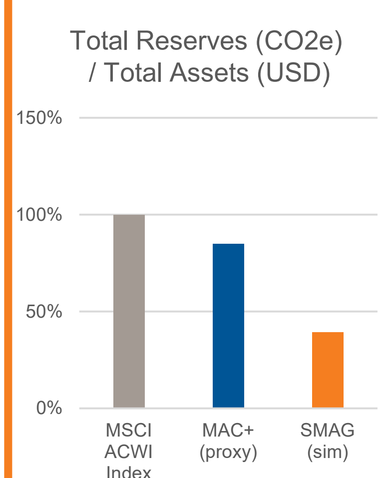
Carbon footprint

59%



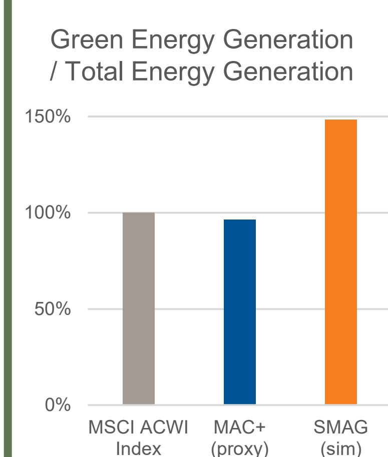
Carbon reserves

61%



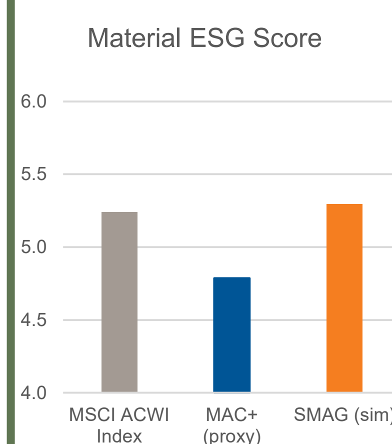
Green energy ratio

48%



ESG score

1%



Source: Russell Investments, for illustrative purposes only

Trade offs in portfolio construction

Differentiating between companies has become more comprehensive

TRADITIONAL ANALYSIS → NEXT GENERATION

CARBON FOOTPRINT

ØRSTED	VS	NATIONAL GRID
467		462

CARBON RESERVES

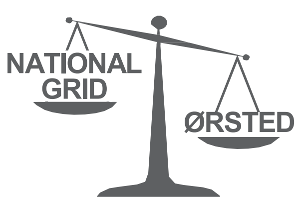
ØRSTED	VS	NATIONAL GRID
142 MMBOE		0

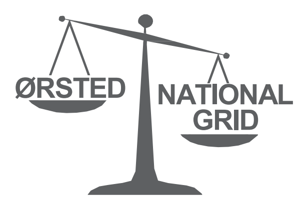
GREEN ENERGY RATIO

ØRSTED	VS	NATIONAL GRID
53%		7%

ESG

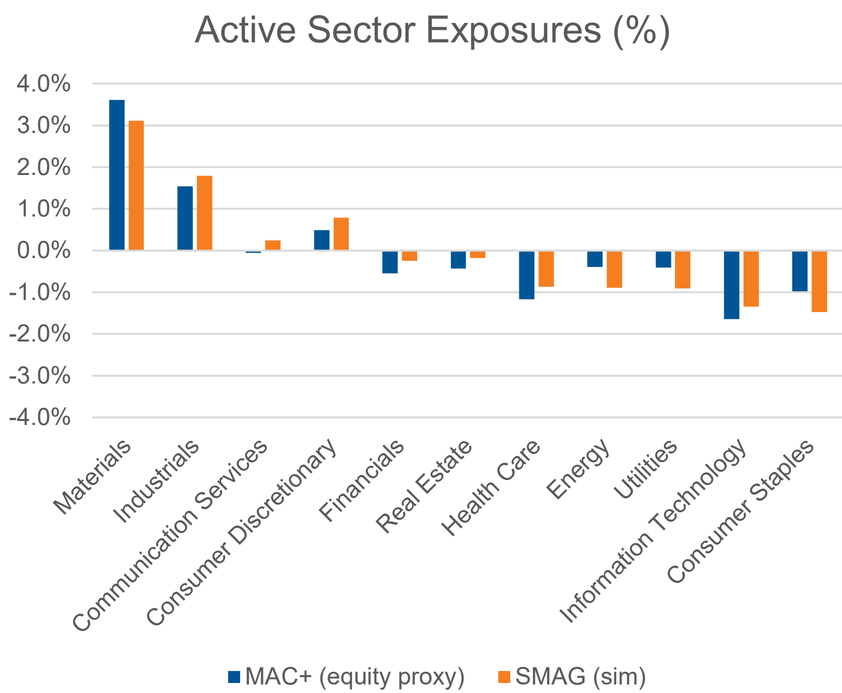
ØRSTED	VS	NATIONAL GRID
78		70

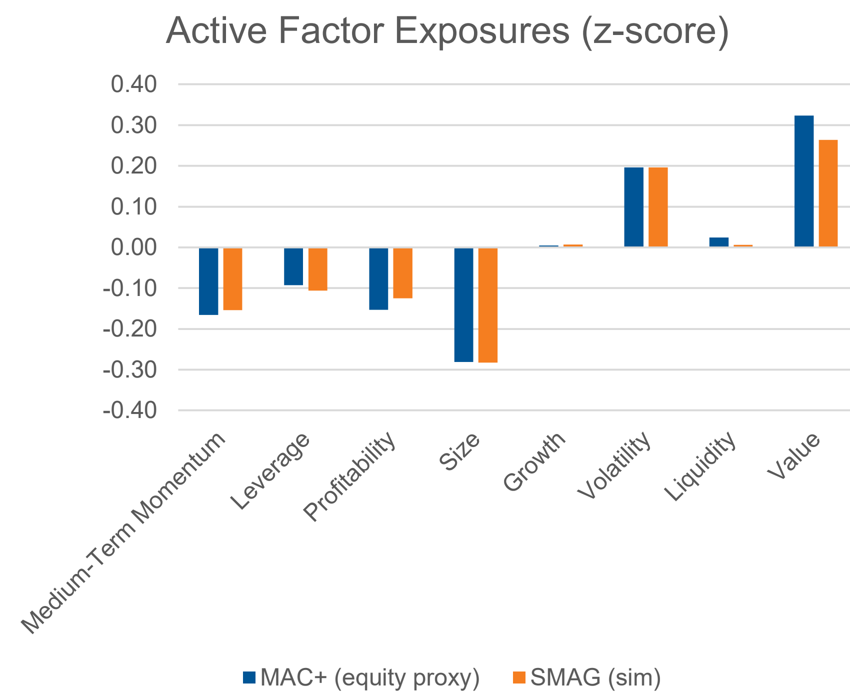




Source: Russell Investments, for illustrative purposes only. Figures as at June 30, 2017

Keeping exposures consistent

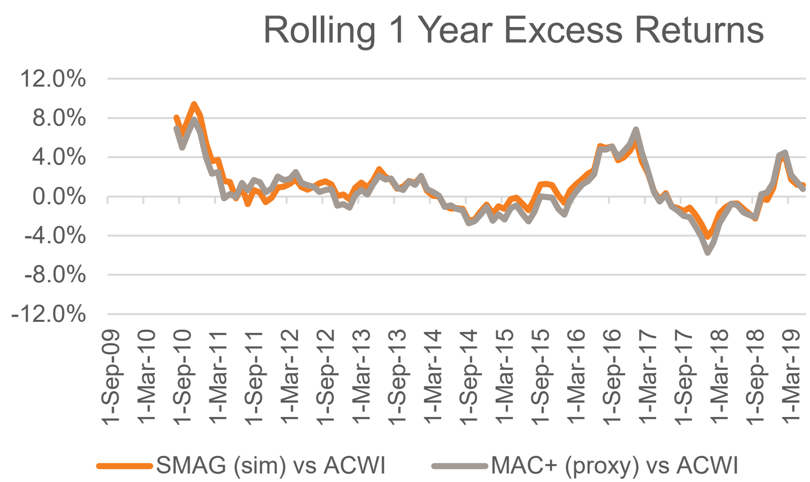


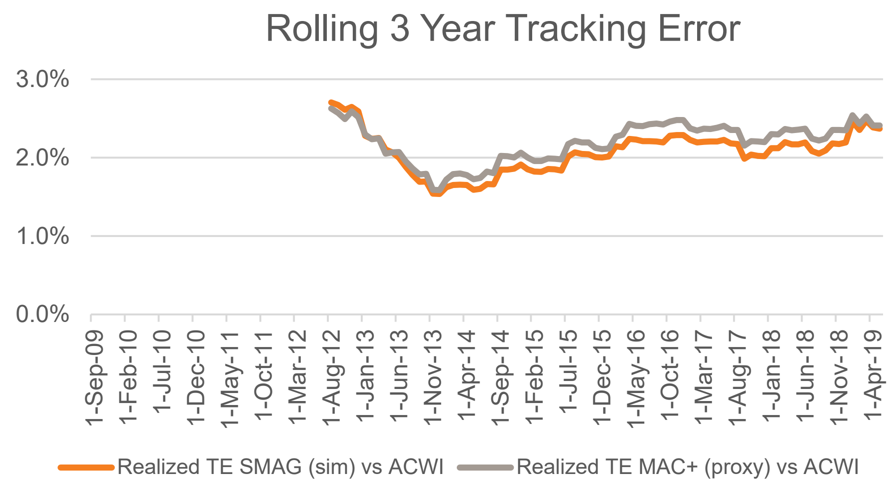


Incorporation of a low carbon objective is not predicted to result in a consistent, structural change in portfolio exposures and risk sensitivities.

Source: Russell Investments, for illustrative purposes only. Exposures relative to MSCI ACWI Index

Preserving expected returns and risk patterns





Sept 30, 2009 - May 31, 2019	SMAG (sim)	MAC+ (proxy)	MSCI ACWI Index
Annualized Return (geometric)	10.35%	9.91%	8.95%
Annualized Volatility	12.84%	12.94%	13.25%
Tracking Error vs MSCI ACWI	2.41%	2.44%	
Sharpe Ratio	0.83	0.79	0.71
Maximum Drawdown	-19.6%	-19.0%	-20.3%
Historical Beta	0.95	0.96	1.00

Incorporation of an low carbon objective is not predicted to result in a consistent, structural change in return and risk.

Source: Russell Investments, for illustrative purposes only

Decarbonization

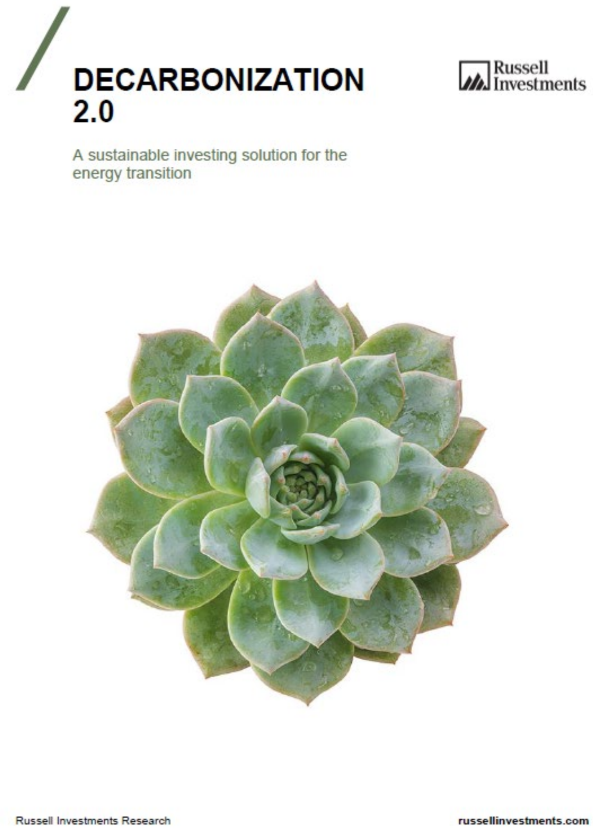
Investment solution for the energy transition

Standard low carbon:

Simple reduction or elimination of exposure to carbon emissions and/or divestment from fossil fuel reserves with equity portfolios

Russell's goal:

Pursue a reduction in carbon emissions and reserves (particularly coal) while reorienting portfolio to increase exposure to renewables and improved green energy ratios



https://russellinvestments.com/us/insights/articles/decarbonization-2

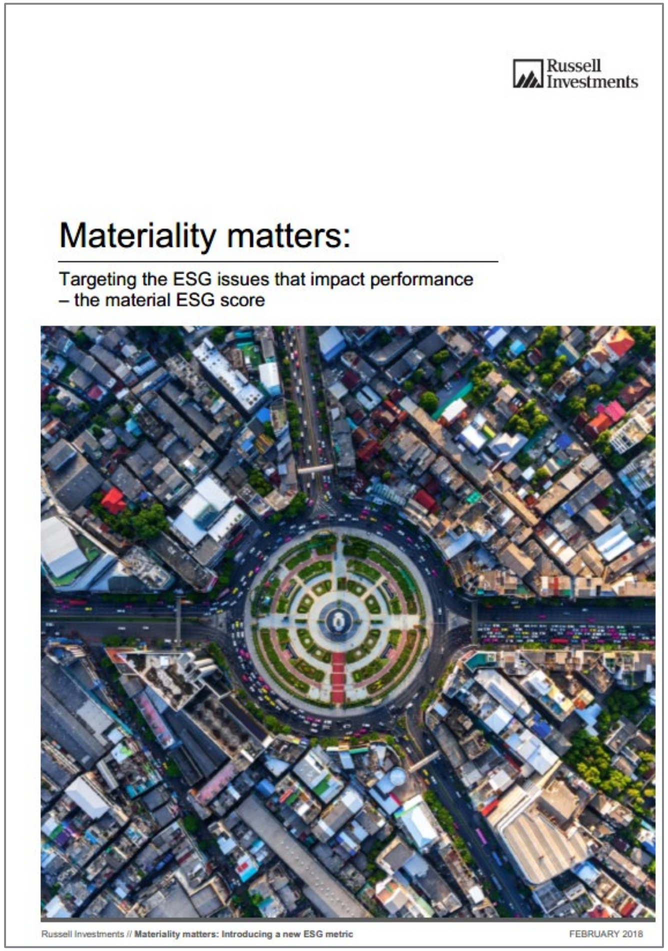
Materiality matters

Targeting ESG issues that can impact performance

Less than 25% of traditional ESG scores, often built for a broad set of use cases, are tied to financial outcomes.

Russell's goal:

*Develop a customized ESG score with an explicit focus on identifying ESG issues that are considered **financially material** to a firm's business*


Russell Investments

Materiality matters:

Targeting the ESG issues that impact performance
– the material ESG score

Russell Investments // Materiality matters: Introducing a new ESG metric
FEBRUARY 2018

https://russellinvestments.com/us/insights/articles/materiality-matters

Appendix

Russell Investments Fund Review

Second Quarter 2019

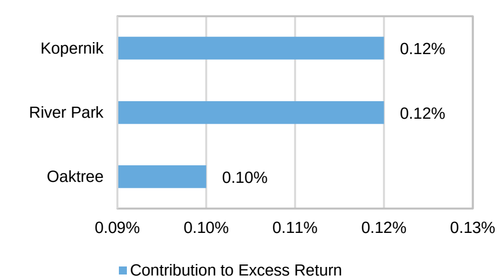
RIIFL Multi-Asset Core Plus Fund – period ending June 30, 2019

Strategy

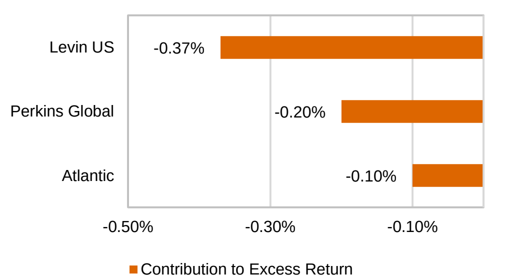
The Multi-Asset Core Plus Fund has a strategic allocation of 75% global equity, 15% real assets (global REITs, listed infrastructure, and commodities), and 10% diversifying fixed income. The Fund is dynamic in nature and so the portfolio manager is allowed to deviate up to +/- 10% from the strategic targets to take advantage of market opportunities to enhance return and/or to manage risk and is allowed to invest in out-of-benchmark asset classes. The Fund utilizes a combination of Russell Investments' asset class funds, separate manager accounts, and positioning strategies.[3]

Excess Return Attribution 2Q 2019[5]

Top three contributors to excess return



Top three detractors from excess return

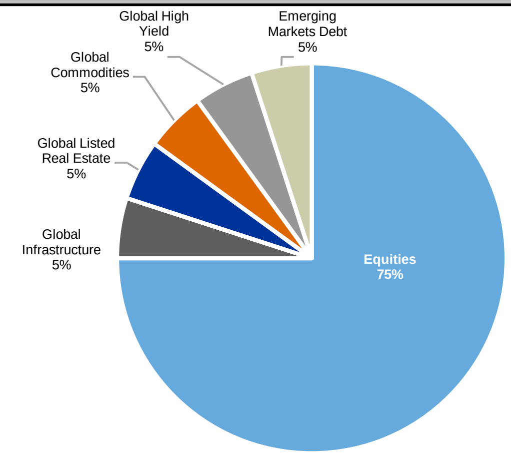


Performance	2Q2019	Year to Date	One Year	Annualized Three Years	Annualized Five Years	Annualized Inception to date[1]
RIIFL Multi-Asset Core Plus Fund	2.43%	13.54%	3.98%	9.80%	6.64%	8.16%
Multi-Asset Core Plus Composite Index[2]	3.03	15.16	5.59	10.05	5.86	7.75

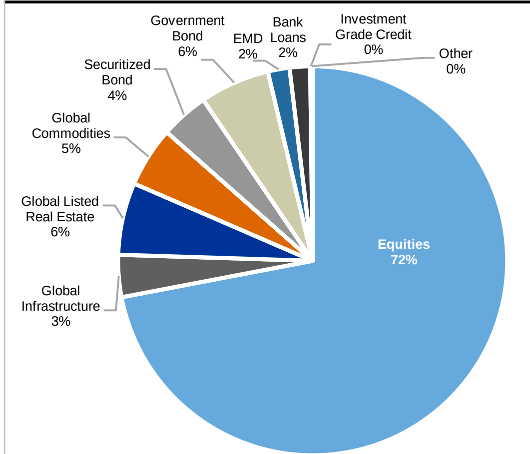
[1]Fund inception date is 02/28/2013.
[2]The Multi-Asset Core Plus Composite Index is currently comprised of 75% MSCI ACWI IMI 50% Hedged Index Net (USD) / 5% Bloomberg Commodity Index / 5% FTSE EPRA/NAREIT Developed Real Estate Index Net / 5% S&P Global Infrastructure Index (Net) / 5% ICE BofAML Developed Markets High Yield Constrained Bond Index USD Hedged / 5% JP Morgan EMBI Global Diversified Index.

Characteristics	2Q2019		1Q2019	
Total Net Assets	$6.39B		$6.27B	
Global Equity[5]	**Fund**	**Benchmark[6]**	**Fund**	**Benchmark[6]**
Portfolio P/E	17.0	17.1	17.0	16.7
Portfolio P/E – I/B/E/S 1 yr. Forecast EPS	15.5	15.7	14.9	15.3
$ Weighted Average Market Capitalization	$111.44B	$140.32B	$109.6B	$133.21B
Return Seeking Fixed Income[5]	**Fund**	**Benchmark[7]**	**Fund**	**Benchmark[7]**
Current Yield (%)	4.6	5.7	5.1	6.2
Weighted Average Duration	3.3	4.3	3.6	4.4
Average Credit Quality	Ba1	Ba2	Ba1	Ba1

Strategic Asset Allocation[4]



Actual Asset Allocation as of 06/30/2019

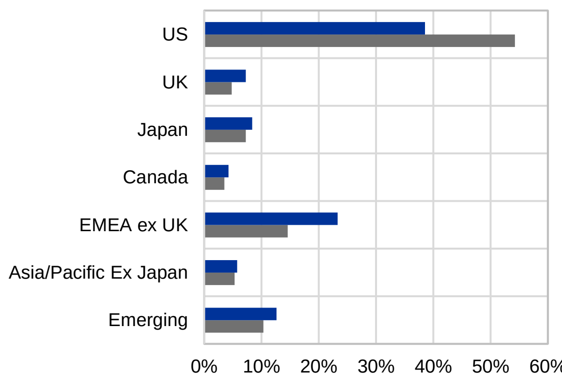


[3]Positioning strategies - customized exposures directly managed by Russell Investments for use within the total portfolio to effect the funds' investment strategies and/or to modify overall portfolio characteristics to seek to achieve the desired risk/return profile;
[4]Strategic allocations may vary based on tactical allocations made by the portfolio manager, which may allow the weightings of each asset class to take advantage of potential opportunities as market and economic conditions change;
[5]Source: FactSet; [6]Multi-Asset Core Plus Fund Equity Benchmark is 90% MSCI ACWI IMI Index Net / 5% FTSE EPRA/NAREIT Developed Real Estate Index Net / 5% S&P Global Infrastructure Index (Net). Effective 1/1/18, the MSCI ACWI IMI Index Net replaced the Russell Global Index; [7]50% ICE BofAML Global High Yield 2% Constrained Index TR USDH, 50% JP Morgan Emerging Market Bond Index Global (USD).

RIIFL Multi-Asset Core Plus Fund – period ending June 30, 2019

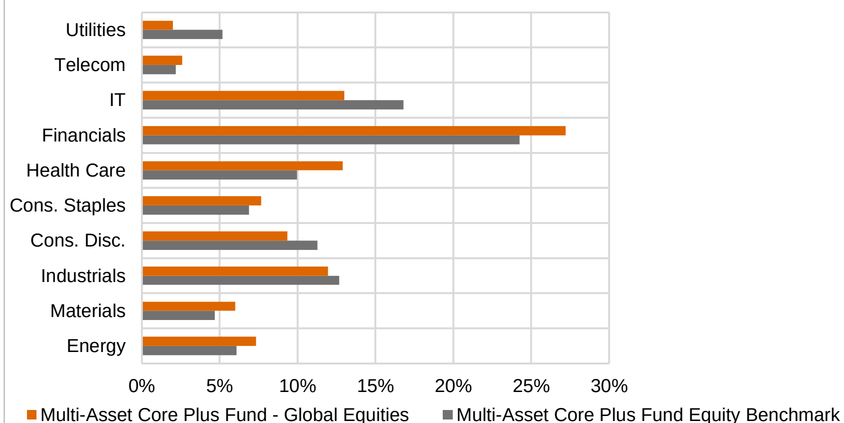
Global Equities[5]

Regional Exposure



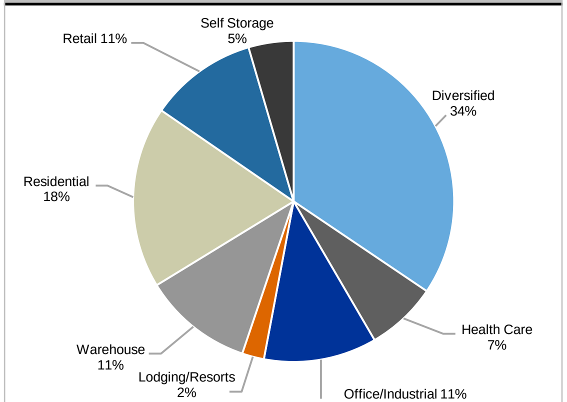
Local Index Return	USD Index Return
4.02%	4.02%
2.93	0.75
-2.20	0.47
-5.26	-3.14
4.62	6.12
5.22	4.64
0.31	0.79

Sector Exposure

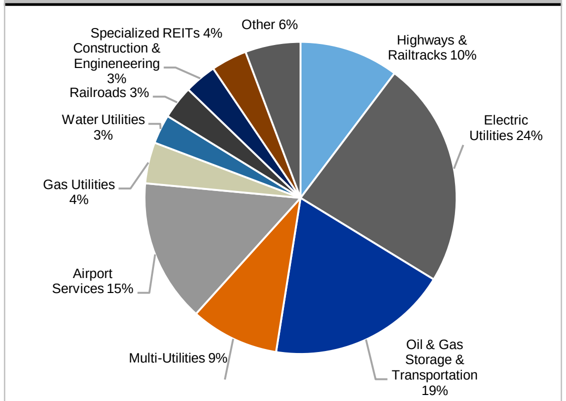


Real Assets[5]

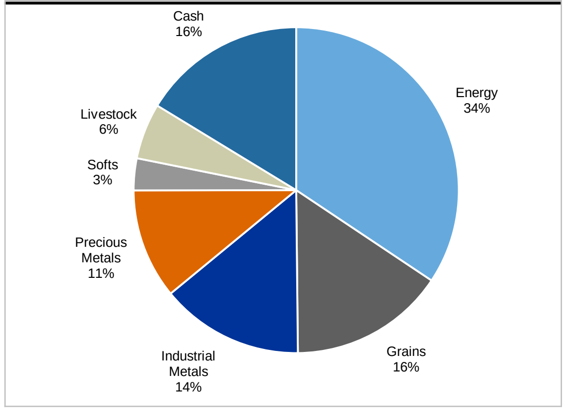
Global Real Estate Exposure



Global Infrastructure Exposure



Commodities Exposure



The Multi-Asset Core Plus Fund is a dynamic, diversified portfolio designed to capture market opportunities. The underlying allocations to various asset classes will shift over time, but the overall strategic allocation will remain 75% global equity/15% marketable real assets/10% U.S. fixed income. The Multi-Asset Core Plus Fund invests in underlying funds/strategies/separate accounts. Prior allocations available upon request. Multi-Asset Core Plus Fund is an investment fund of the Russell Investments Institutional Funds, LLC; it is a private placement. It is not a fund of Russell Investment Company, nor a mutual fund registered under the Investment Company Act of 1940. Nothing contained in this material is intended to constitute legal, tax, securities or investment advice, nor an opinion regarding the appropriateness of any investment. The general information contained in this publication should not be acted upon without obtaining specific legal, tax and investment advice from a licensed professional.

[5]Source: FactSet and Russell Investments. Equity regional and sector exposures include REITs and infrastructure. Multi-Asset Core Plus Fund Equity Benchmark is 90% MSCI ACWI IMI Index Net / 5% FTSE EPRA/NAREIT Developed Real Estate Index Net / 5% S&P Global Infrastructure Index (Net).

RIIFL Multi-Asset Core Plus Fund

Fund positioning – Second Quarter 2019

Performance impact	Description
++	Significantly positive
+	Positive
-	Negative
--	Significantly negative

Design	Justification	Quarterly Impact	Portfolio Manager Action
Loans and local EMD	Diversify following period of strong equity/credit returns and low volatility	+	Maintained position
Currency Factor Strategies	Diversify excess return sources and add return sources not driven by pure beta	flat	Maintained position
Global Adjusted Real Yield ("GARY")	Take long positions in high quality government bonds whose yields relatively high with short interest rate risk where real yield is expected to be relatively low	+	Maintained position
Construct	**Justification**	**Quarterly Impact**	**Portfolio Manager Action**
Active manager stock selection as main driver of excess returns	Idiosyncratic in nature; Russell Investments has differentiated research and managers with skill	-	Maintained position
Manage	**Justification**	**Quarterly Impact**	**Portfolio Manager Action**
Underweight US equity	Valuations are extended and earnings have peaked	-	Maintained underweight to US equities
Underweight beta risk	Anticipate more market volatility to come	-	Maintained slight underweight to equities; added protection through EM options considering large overweight to Non-U.S.
Overweight JPY	Cheap defensive asset	+	Increased overweight
Overweight Securitized, underweight high yield credit	Favor consumer risk over corporate credit risk	flat	Maintained position
Overweight Europe (hedged)	Low valuations, a supportive ECB and earnings improving could lead to outperformance	flat	Maintained position
Underweight EM currencies	Valuations expensive	flat	Increased underweight to KRW
Overweight UK and GBP	Attractive valuation relative to their historical levels	-	Increased overweight
Overweight REITs	Attractive valuation relative to their historical levels	-	Maintained position
Value, defensive managers over growth	Attractive valuation and style given stretched momentum displayed in growth style	-	Trimmed growth manager OFI to add to value managers Boston and Sompo

Past performance is not indicative of future results. Any stock level commentary is specific to the impact on fund performance only and is not a recommendation to purchase or sell any specific security.

Managers listed are current as of 6/30/2019. Russell Investments has the right to engage or terminate an advisor at any time and without notice. The investment strategies are the goals of the individual managers; there is no assurance the exact objective will always be met.

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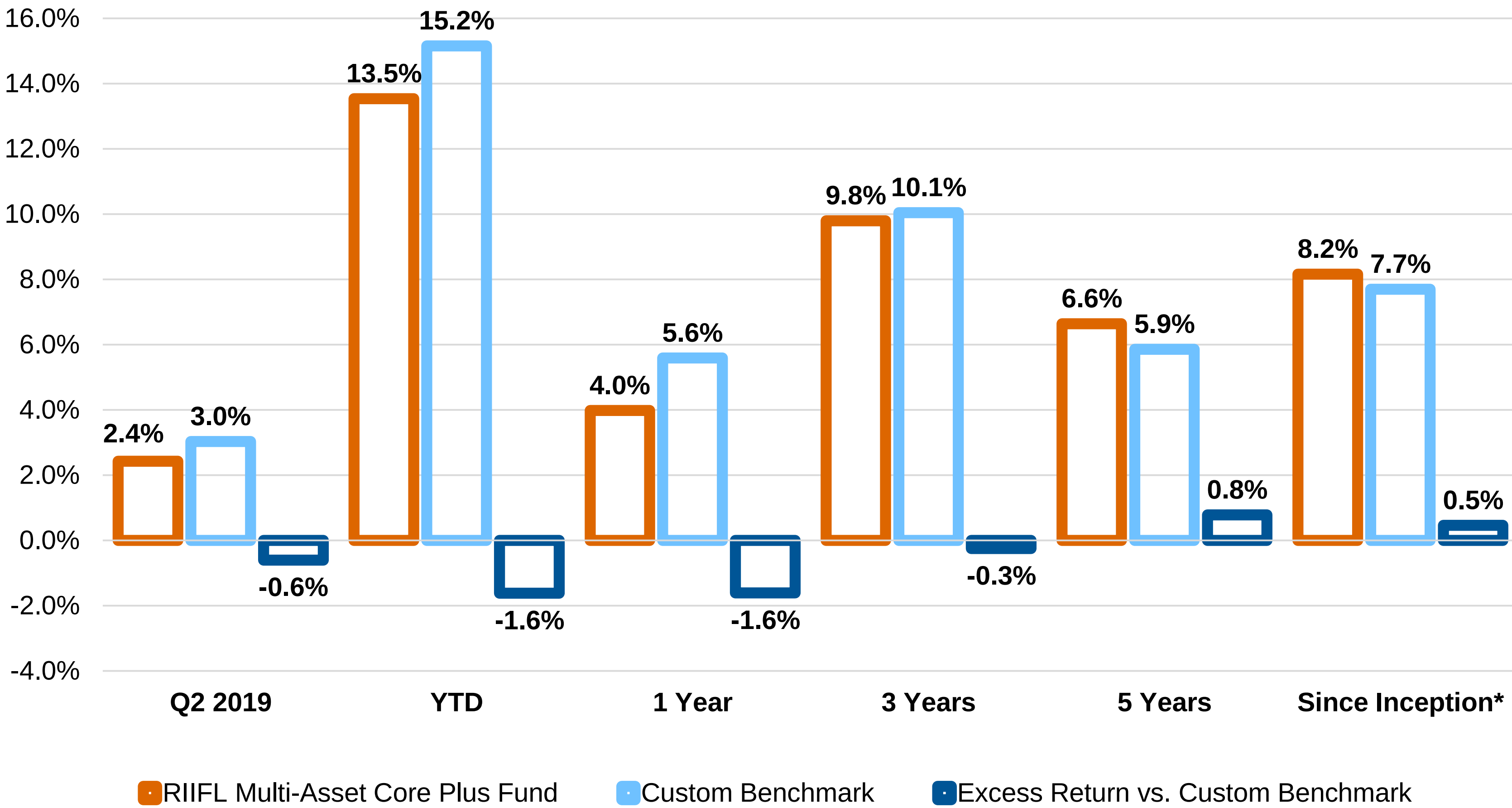
RIIFL Multi-Asset Core Plus Fund

Performance as of June 30, 2019



*Inception date: February 28, 2013.
From 1/1/18, Multi-Asset Core Plus Fund Custom Benchmark consists of: 75% MSCI ACWI IMI 50% Hedged Net Index, 5% Bloomberg Commodity Index Total Return (USD), 5% FTSE EPRA/NAREIT Developed Real Estate Index (Net), 5% S&P Global Infrastructure Index Net (USD), 5% BofAML Developed Markets High Yield Constrained Index (USD hedged), 5% JP Morgan EMBI Global Diversified Index. Prior to 1/1/18, the Multi-Asset Core Plus Fund Composite Benchmark consists of: 75% Russell Global Index 50% Hedged, 5% Bloomberg Commodity Index Total Return (USD), 5% FTSE EPRA/NAREIT Developed Real Estate Index (Net), 5% S&P Global Infrastructure Index Net (USD), 5% BofAML Global High Yield 2% Constrained Index TR USDH, 5% JP Morgan Emerging Market Bond Index Global (USD).
Performance is gross-of-fees. Fees will reduce the overall performance of the fund. Indexes/benchmarks are unmanaged and cannot be invested in directly. Data is historical and is not indicative of future results.
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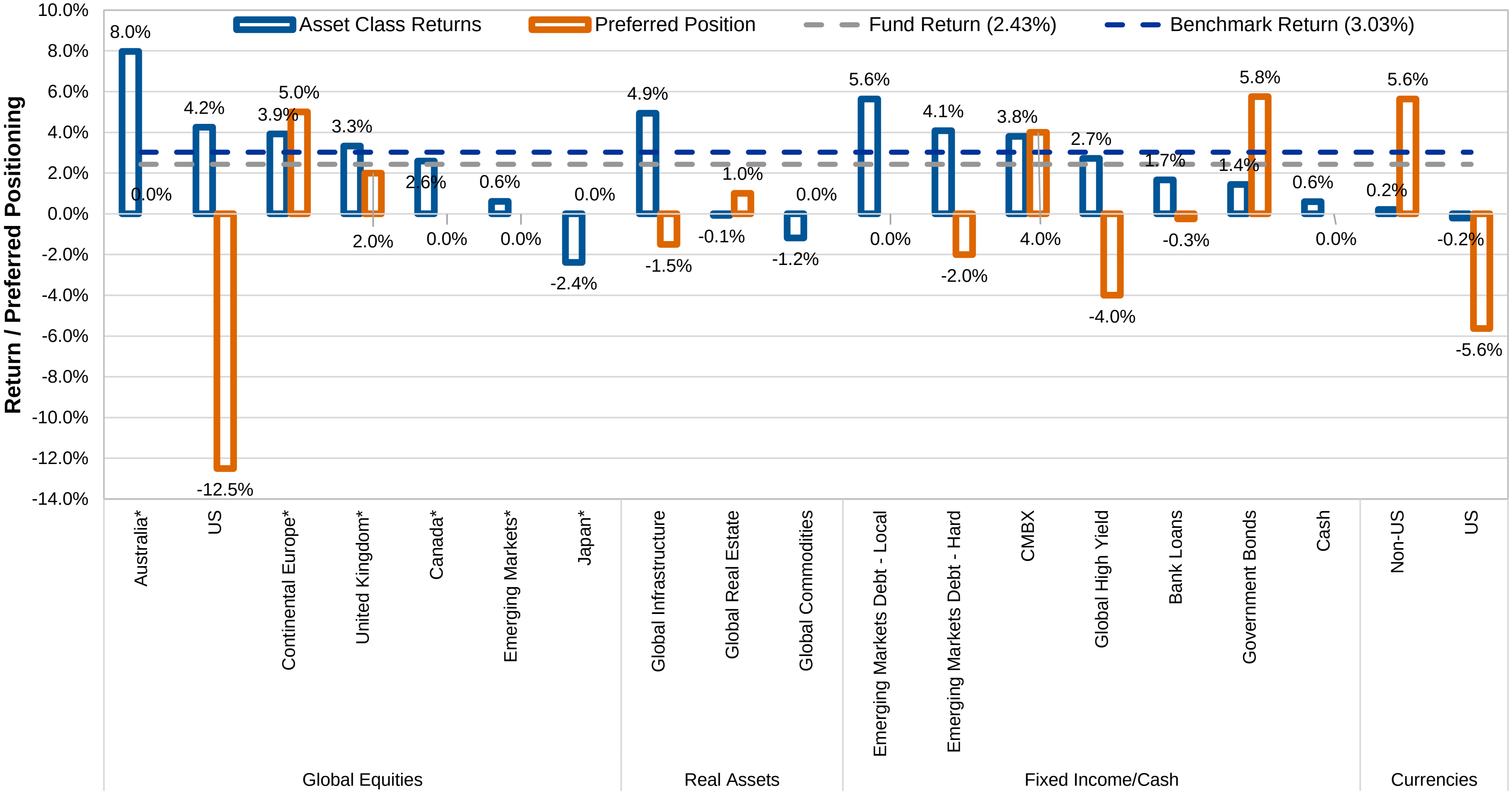
RIIFL Multi-Asset Core Plus Fund

Preferred positioning and asset class returns for 2Q 2019



Based on MSCI indexes returns in local currency. All currency returns are spot returns vs. USD.
From 1/1/18, Multi-Asset Core Plus Fund Custom Benchmark consists of: 75% MSCI ACWI IMI 50% Hedged Net Index, 5% Bloomberg Commodity Index Total Return (USD), 5% FTSE EPRA/NAREIT Developed Real Estate Index (Net), 5% S&P Global Infrastructure Index Net (USD), 5% BofAML Developed Markets High Yield Constrained Index (USD hedged), 5% JP Morgan EMBI Global Diversified Index. Prior to 1/1/18, the Multi-Asset Core Plus Fund Composite Benchmark consists of: 75% Russell Global Index 50% Hedged, 5% Bloomberg Commodity Index Total Return (USD), 5% FTSE EPRA/NAREIT Developed Real Estate Index (Net), 5% S&P Global Infrastructure Index Net (USD), 5% BofAML Global High Yield 2% Constrained Index TR USDH, 5% JP Morgan Emerging Market Bond Index Global (USD).
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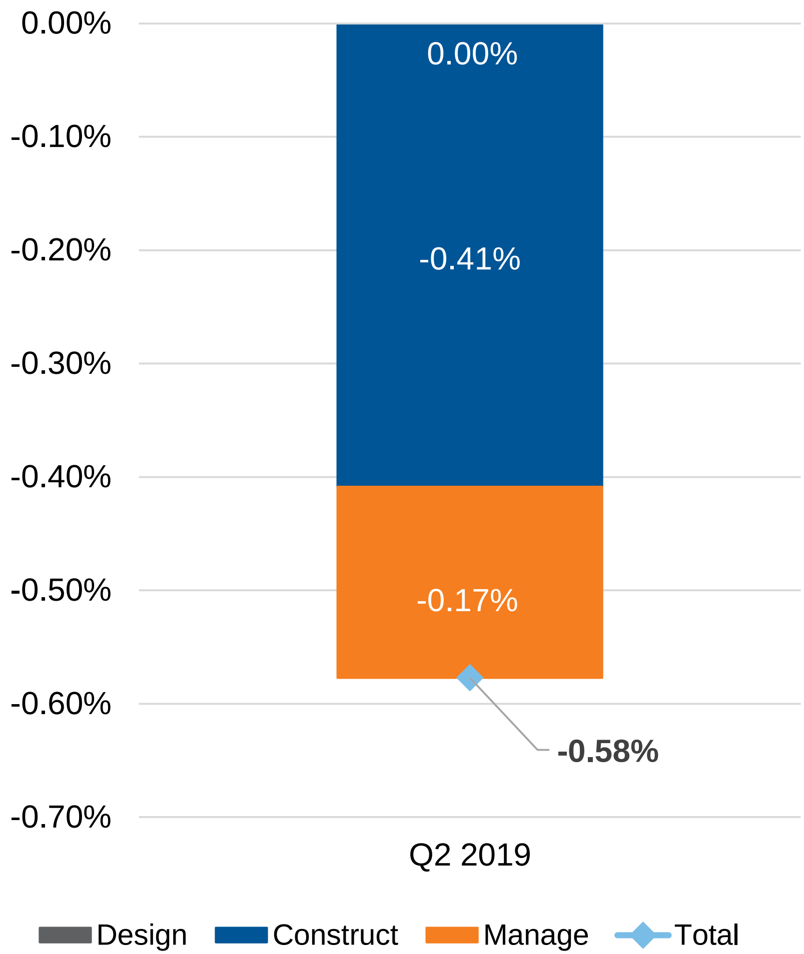
RIIFL Multi-Asset Core Plus Fund

Quarter excess return attribution as of June 30, 2019



Design: flat for the quarter

- Exposure to GARY real yield strategy helped, adding 15bps. However, excess return was offset by currency value, trend, and carry factors.

Construct: active managers detracted 41bps.

- Kopernik benefited from overweight and stock selection within Materials, adding 12bps. Oaktree EM contributed 10bps as a result of stock selection. U.S. large cap growth manager RiverPark added 12bps.
- Defensive value manager Perkins' stock selection in Financials and underweight to Technology and Consumer Discretionary weighed on returns, detracting 20bps. Levin's selection within Technology detracted 37bps.
- Active Positioning Strategy's was flat this quarter, adding 3bps

Manage: tactical asset allocation detracted 17bps.

- Within asset allocation, underweight to Real Estate detracted 11 bps and overweight to securitized was flat.
- Overweight to Emerging Markets and underweight to US equity were a drag in regional bets.
- Overweight to JPY contributed to returns, adding 18bps

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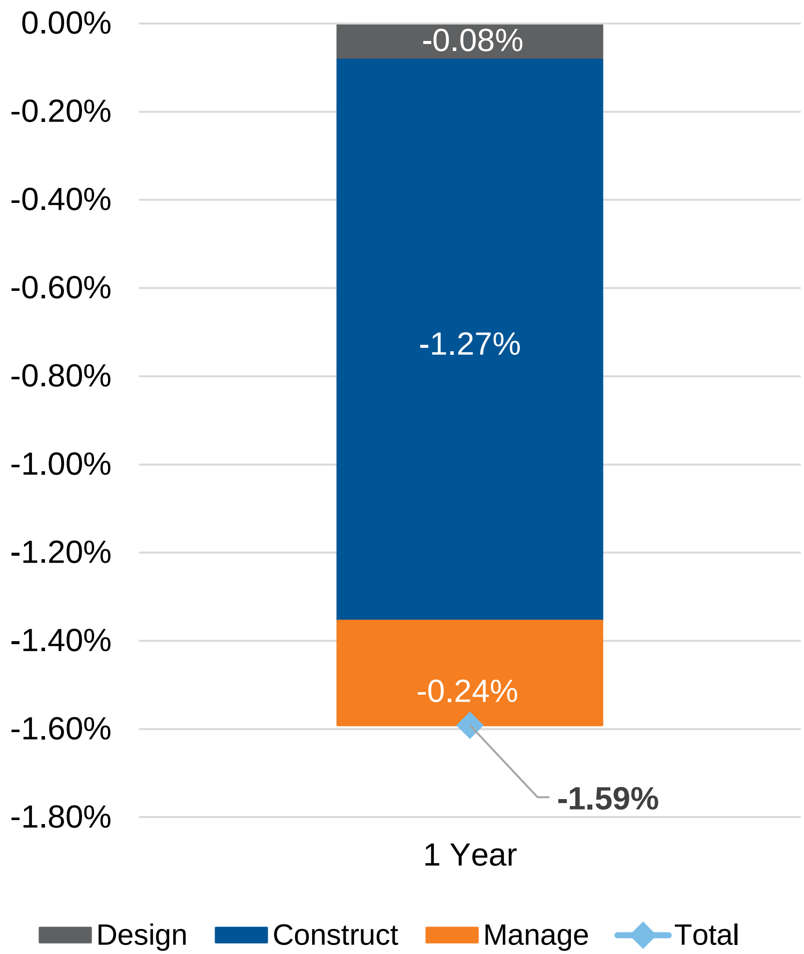
RIIFL Multi-Asset Core Plus Fund

1 year excess return attribution as of June 30, 2019



Design: slightly negative, detracting 8bps.

> Exposure to GARY real yield strategy helped, adding 39bps. However, excess return was more than offset by currency value, trend, and carry factors.

Construct: active managers detracted 127bps.

> Oaktree EM contributed 26bps as a result of stock selection within Consumer Discretionary. OFI benefited from stock selection within Technology, adding 20bps. U.S. large cap growth manager RiverPark added 6bps.

> Levin’s stock selection within Technology and Materials detracted 69bps. Small cap value manager Boston Partners’ overweight to Energy and selection within Industrials weighed on returns, detracting 59bps.

> Active Positioning Strategy added 27bps.

Manage: tactical asset allocation detracted 24bps.

> Top detractors were regional bets and asset allocation. Overweight to EMEA ex-UK and underweight to US equity were a drag in regional bets, detracting 12bps and 49bps respectively.

> Currency bets were additive, with JPY contributing 16bps and CNY 10bps.

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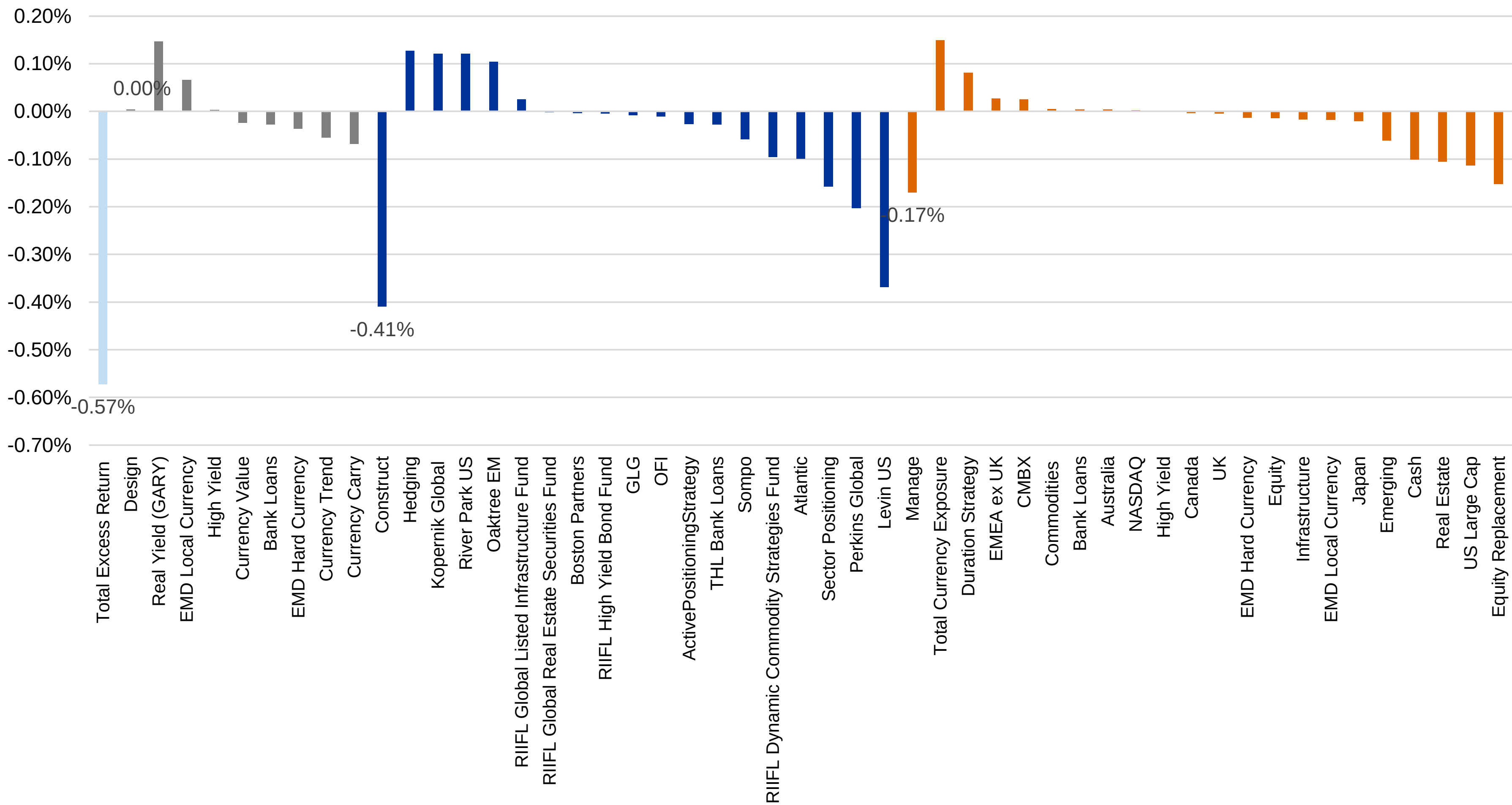
RIIFL Multi-Asset Core Plus Fund

Excess return* attribution for 2Q 2019



*Excess return is relative to the Fund’s composite benchmark.
Past performance is not indicative of future results. Performance is gross-of-fees. Fees will reduce the overall performance of the Fund.
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RIIFL Multi-Asset Core Plus Fund

Strategic asset allocation and manager lineup as of June 30, 2019

ASSET CATEGORY													
Global Equity 75.0%					Real Assets 15.0%			Return Seeking Fixed Income 10.0%				Risk Premia Strategies 0.0%	
ASSET CLASS													
Global Equities 40.0%	Regional Large Cap 13.0%	Regional Small Cap 7.0%	Emerging Markets 7.0%	Japanese Equity 8.0%	Global Real Estate 5.0%	Global Infrastructure 5.0%	Global Commodities 5.0%	Global High Yield 2.0%	Bank Loans 2.0%	Securitized 4.0%	Emerging Markets Debt 2.0%	Currency 0.0%	Global Adjusted Real Yield 0.0%
MANAGERS/STRATEGIES													
Janus (Perkins) 7.0%	Levin (US Equities) 6.0%	Boston Partners 7.0%	Oaktree 7.0%	Sompo 8.0%	RIIFL Global Real Estate Securities 5.0%	RIIFL Global Listed Infrastructure Fund 5.0%	RIIFL Dynamic Commodity 5.0%	RIIFL High Yield Bond Fund 2.0%	THL 2.0%	Putnam 4.0%	GLG 2.0%	RIM Currency Factor Strategy 0.0%	RIM Real Yield Factor Strategy 0.0%
Kopernik 5.0%	RiverPark (US Equities) 7.0%				Deutsche Asset & Wealth Management	Cohen & Steers	PIMCO	Barings				Carry	
Atlantic 6.0%						Nuveen	Mount Lucas	DDJ				Value	
OFI 8.0%							RIM Positioning Strategy - Backwardation	Hermes Investment				Trend	
RIM Positioning Strategies 14.0%								RIM Positioning Strategies					

Allocations and Managers/Funds/Strategies are as of June 30, 2019. Current data may be different. Russell Investments has the right to engage or terminate a manager at any time and without notice.
Multi-Asset Core Plus Fund is a dynamic, diversified portfolio designed to capture market opportunities. The underlying allocations to various asset classes will shift over time, but the overall strategic allocation will remain 75% global equity/15% marketable real assets/10% diversifying fixed income.
Russell Investments positioning strategies are customized exposures directly managed by Russell Investments for use within the total portfolio and may include overlays, index replication, smart beta strategies, and custom quantitative strategies.
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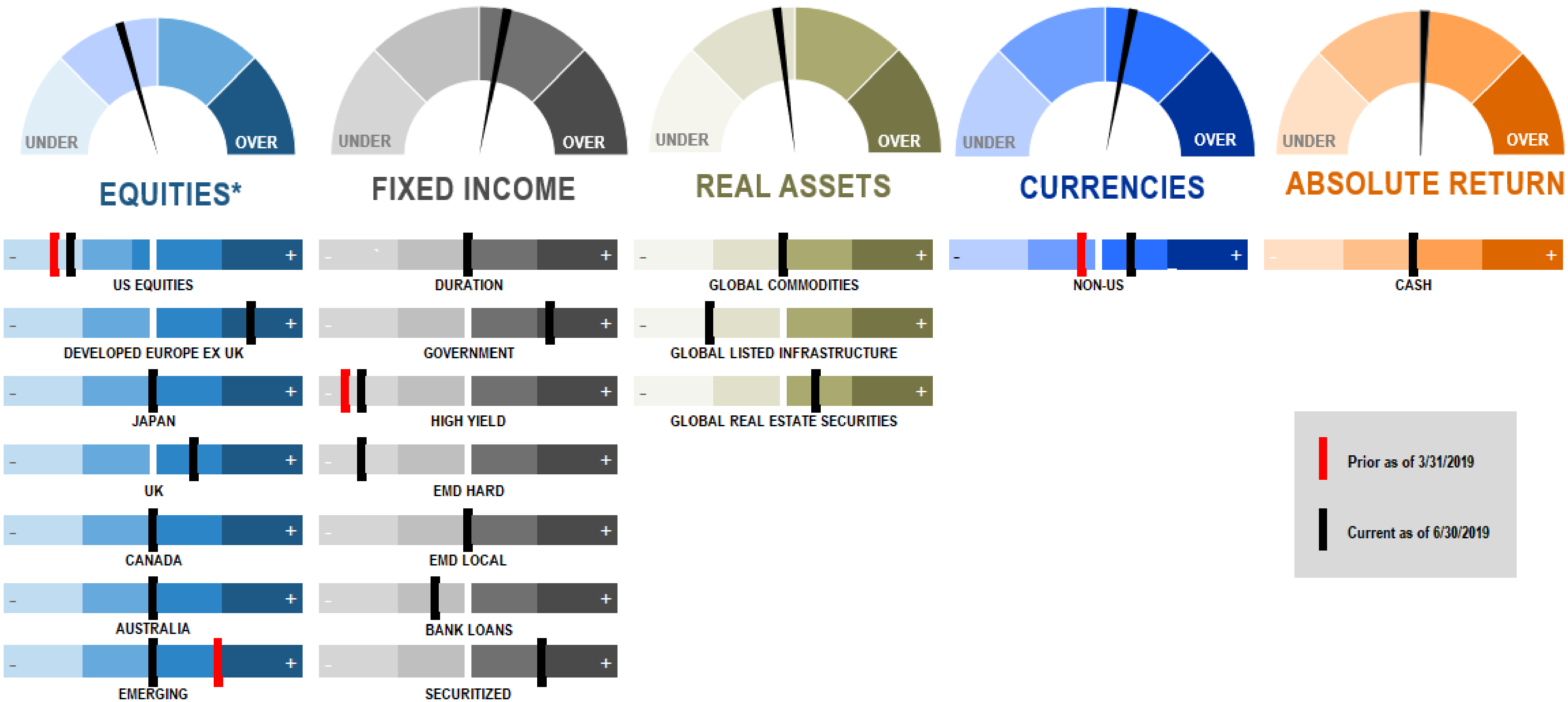
RIIFL Multi-Asset Core Plus Fund

Positioning entering 3Q 2019



*Represents equity underweight of -3.5%

> **Risk Control**: Maintaining risk levels below long-term strategic levels

> **Underweight U.S., overweight Non-U.S.:** Added to UK from Europe ex UK; increased exposure to defensive currencies; trimmed EM risk by replacing EM exposure with an equity replacement strategy

> **Slightly trimmed duration sensitivity:** Maintained duration position while trimming the duration sensitivity through an underweight to utilities sector

Multi-Asset Core Plus Fund is a dynamic, diversified portfolio designed to capture market opportunities. The underlying allocations to various asset classes will shift over time, but the overall strategic allocation will remain 75% global equity/15% marketable real assets/10% diversifying fixed income.
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RIIFL Multi-Asset Core Plus Fund

Developments and outlook

Fund Activity

- Added option protection through EM market to protect portfolio from market drawdowns and simultaneously participate in the upside
- Added overweight to JPY and GBP, while increasing underweight to KRW.
- Went further underweight to utilities sector and neutralized health care sector bet.
- Continued to trim growth managers and add to value managers: trimmed OFI; added overweight to small cap value manager Boston and Japanese value manager Sompo.

Fund Outlook & Positioning

- Beta remains around 0.98; to further protect portfolio in future market volatility, added on option protection through EM market.
- U.S. equity underweight remained largest underweight to fund overweight to UK and Europe ex-UK equities.
- Remained underweight credit and overweight securitized.
- Currently tilted to overweight value manager vs. growth managers given stretched momentum displayed in growth style.

Source: Russell Investments. There is no guarantee that any stated expectations will occur.
Managers listed are current as of 6/30/2019. Russell Investments has the right to engage or terminate a manager at any time and without notice.
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RIIFL Core Bond Fund – period ending June 30, 2019

Objective

Seeks moderate total return, consistent with the preservation of capital. The Fund's benchmark index is the Barclays U.S. Aggregate Bond Index.

Quality distribution[1,*]	Fund %	Index %
AAA	55.0	72.4
AA	8.8	3.2
A	12.1	10.7
BBB	16.2	13.7
BB	2.6	0.0
B	0.9	0.0
CCC & Below	0.4	0.0
Unrated	4.0	0.0

Maturity distribution[1]	Fund (%)	Index (%)
0 to 3 Years	9.9	22.3
3 to 5 Years	35.8	24.9
5 to 7 Years	32.0	23.4
7 to 10 Years	4.3	12.4
10 to 15 Years	2.6	1.3
15 to 20 Years	3.1	2.7
20 to 25 Years	3.1	4.9
25+ Years	9.3	8.1

[1] Source: FactSet
Credit quality exposures and/or maturity distributions may not equal 100 percent as a result of the fund's use of certain financial instruments such as futures, forwards, options, swaps and when issued transactions or forward commitments. In the event short positions are created, they may be reflected as negative weightings in sector allocations, credit quality exposures and/or maturity distributions.

Performance			Annualized			
	2Q2019	Year to date	One year	Three years	Five years	Inception to date[1]
RIIFL Core Bond Fund	3.42%	6.95%	8.40%	2.51%	3.29%	5.25%
Bloomberg Barclays US Aggregate Bond Index	3.08	6.11	7.87	2.31	2.95	4.10

[1] Inception 07/01/08. The date shown represents the date the index comparison began and may not be the actual index inception date.

Characteristics[1]	2Q2019		1Q2019	
	Fund	Bloomberg Barclays US Aggregate Bond Index	Fund	Bloomberg Barclays US Aggregate Bond Index
Total Net Assets	$2.32B	$22.43T	$2.37B	$21.36T
Current Yield	3.0%	2.5%	3.2%	2.9%
Weighted Average Yield to Maturity	3.0%	2.5%	3.2%	3.0%
Weighted Average Life	8.5yrs	7.9yrs	8.9yrs	8.1yrs
Weighted Average Duration	5.6yrs	5.7yrs	5.9yrs	5.8yrs
Average Quality*	Aa3	Aa2	Aa3	Aa2

[1] Source: FactSet except for Total Net Assets.

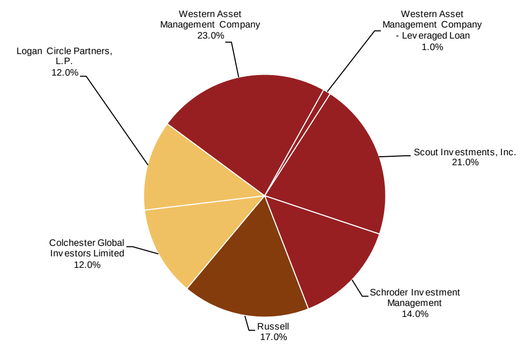
Sector weightings(%)[1,2,3]	Fund	Index
Developed Govt/Govt-Related	32.3	43.7
Investment Grade Credit	21.5	24.7
High Yield	2.8	0.0
Commercial Mortgage Backed	6.7	2.0
Residential Mortgage Backed	26.2	27.3
Asset Backed	3.1	0.5
Emerging Markets Debt	6.4	1.7
Net Cash & Equivalents	1.1	0.0
Uncategorized	0.0	0.1

[1] Sector Allocations may not equal 100 percent as a result of the fund's use of certain financial instruments such as futures, forwards, options, swaps and when issued transactions or forward commitments. In the event short positions are created, they may be reflected as negative weightings in sector allocations.
[2] The Other sector includes pooled investment vehicles, certain derivatives, stocks and other investments not falling within one of the other listed sectors.
[3] Source: FactSet

Fund manager styles

Target weightings %	2Q2019	1Q2019
Fully Discretionary	57.0	57.0
Alpha Overlay	12.0	12.0
Russell strategies	17.0	17.0
Security Specialist	14.0	14.0

Manager diversification



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Performance is shown gross of fees. Fees will reduce the overall performance of the Fund. Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.
*The sum of the debt instrument quality ratings is based upon the Barclays index methodology, which reflects the ratings of Moody's, Fitch and S&P in such a way that if three different ratings exist for the same instrument, the median rating is used: if two different ratings exist, the lower of the two is used and if only one rating exists, then that rating is used. If the debt instrument has not been rated by any of the three rating agencies, the security is classified as 'Unrated.'
Nothing contained in this material is intended to constitute legal, tax, securities or investment advice, nor an opinion regarding the appropriateness of any investment. The general information contained in this publication should not be acted upon without obtaining specific legal, tax and investment advice from a licensed professional.

RIIFL Core Bond Fund Performance summary: 2nd Quarter 2019

Strategic Beliefs

Security selection is a primary source of excess returns within the RIIFL Core Bond Fund, although we believe that emphasizing certain factors over the course of a market cycle can offer higher benchmark-relative returns. For our fixed income funds, this means we are more likely to include securities with more credit risk, longer duration, and higher real yield. In addition, we also invest in currency to provide additional return potential and added diversification.

Fund positioning entering the quarter

- Duration: The Fund had a slightly long duration position entering the quarter.
- Credit: The Fund had an overweight to securitized credit and underweights to treasuries and government related securities. Within the securitized sector, the Fund preferred non-agency mortgaged-backed securities (MBS), commercial mortgage-backed securities (CMBS) and asset-backed securities (ABS).
- Rates: The Fund had long positions in U.S. 10-year futures and short positions in German and Japanese 10-year futures.
- Currency: The Fund had long positions in the Swedish krone and Japanese yen (JPY), and short positions in the Euro and Swiss Franc (CHF).

Drivers of performance

				ANNUALIZED				
	1st Qtr.	YTD	1 YR	3 YR	5 YR	10 YR	Since Inception	Inception Date
RIIFL Core Bond Fund	3.42%	6.95%	8.40%	2.51%	3.29%	5.15%	5.25%	7/1/2008
Bloomberg Barclays U.S. Aggregate Bond Index	3.08%	6.11%	7.87%	2.31%	2.95%	3.90%	4.10%	

QUARTERLY REVIEW

Drivers	Impact	Commentary
Duration	+	The Fund's long duration position was rewarded, as rates rallied during the period.
Securitized Credit	+	The Fund's overweight to CMBS and non-agency MBS, and underweight to agency MBS contributed positively to performance.

12 MONTH REVIEW

Drivers	Impact	Commentary
Rate Factor	–	The Fund's global rates factor strategy detracted, as the relative spread between our long U.S. and short Germany positions widened during the first portion of the year.
Securitized Credit	+	An overweight to securitized credit contributed positively to performance, as it generated above market yield.
Currency	–	The trend component of the Fund's FX factor exposure was a significant drag on performance as currencies bounced back and forth over the period.

Performance Key: **+** positive impact; **Flat** fund and index within +/- 10 basis points**; –** negative impact relative to the fund's benchmark

Fund Benchmark= Bloomberg Barclays U.S. Aggregate Bond Index

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RIIFL Core Bond Fund Advisor scorecard: 2nd Quarter 2019

MANAGER	Colchester Global Investors Limited	Western Asset Management Company	Western Asset Management Company – Leveraged Loan	Logan Circle Partners, L.P.	Scout Investments, Inc.	Schroder Investment Management	Russell Investments
Target Weight (%)[1]	12.0%	23.0%	1.0%	12.0%	21.0%	14.0%	17.0%
STYLES	**ALPHA OVERLAY**	**FULLY DISCRETIONARY**				**SECURITY SPECIALIST**	**POSITIONING STRATEGIES**
Quarter Performance vs. Fund Benchmark	–	+	+	+	Flat	–	Flat
One Year Performance vs. Fund Benchmark	–	+	+	+	+	–	–

Performance Key: + Positive impact ; Flat fund and index return within +/- 10 basis points; ¸ − Negative impact relative to the fund's benchmark; n/a manager was terminated mid-quarter

QUARTERLY COMMENTARY

- **Logan Circle Partners, L.P.),** the Fund's corporate specialist manager was the top performing manager for the quarter. **Logan** outperformed as the longer duration corporate bond sector benefited from falling rates and corporate bond spreads.
- **Schroders Investment Management Limited (Schroders),** the Fund's securitized specialist was the worst performing manager during the quarter. Schroders underperformed, due to being shorter in duration.
- The Fund's **positioning strategies** provided the expected exposure to currency, rates, and credit value. During the quarter, the U.S. investment-grade intelligent credit strategy outperformed, while the FX factor strategies underperformed.

Fund Benchmark= Bloomberg Barclays U.S. Aggregate Bond Index
Past performance is not indicative of future results.
[1]The manager weight row represents the month-end quarterly weightings for the underlying manager.
Any stock commentary is specific to its impact on the fund performance and is not a recommendation to purchase or sell any security.
Managers listed are current as of June 30, 2019. Russell Investments has the right to engage or terminate a manager at any time and without notice.
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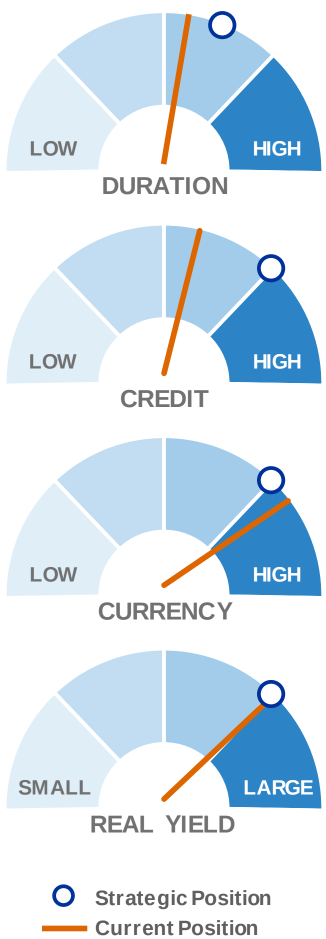
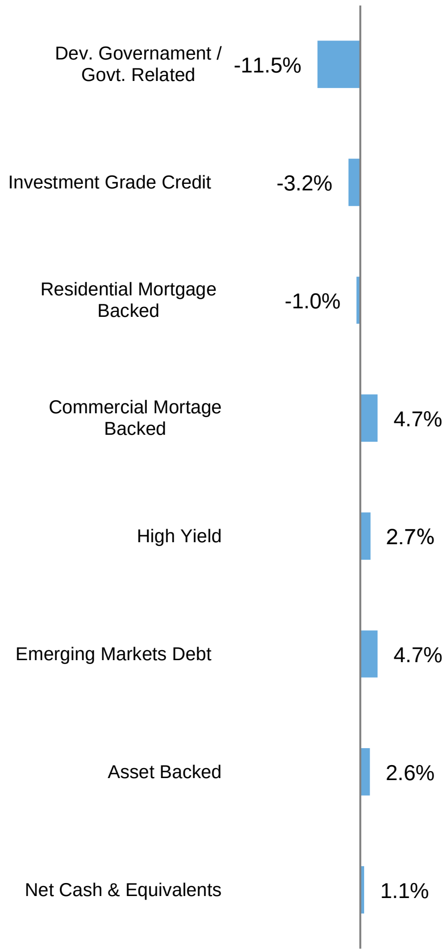
RIIFL Core Bond Fund Outlook and positioning: 2nd Quarter 2019

CURRENT/STRATEGIC POSITIONING[1]



SECTOR POSITIONING[1]



FUND UPDATES

- There were no material changes to the Fund during the quarter.

POSITIONING AND OUTLOOK

- Duration: The Fund's duration position was increased as the U.S. Federal Reserve has become more dovish and inflation worries have decreased.
- Credit: The Fund maintained its overweight to securitized products as personal balance sheets and leverage ratios are favorable. It is underweight to government securities.
- Rates: The Fund holds long positions in U.S. 10-year futures and short positions in German and Japanese 10-year futures.
- Currency: The Fund has long positions in the JPY and Canadian dollar. It has short positions in the Norwegian krone and CHF.

[1] Positioning is relative to the Fund's benchmark.
Fund Benchmark= Bloomberg Barclays U.S. Aggregate Bond Index
There is no guarantee that any stated expectations will occur.
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RIIFL Absolute Return Fixed Income Fund – period ending June 30, 2019

Objective

Seeks to provide capital appreciation with a positive rate of return that is competitive with the long-run returns achieved by typical investment grade core bond funds. The Fund will also seek to maintain a relatively low correlation to both bonds and equities.

Quality Distribution[1]	Fund %	Index %
AAA	46.8	100
AA	4.7	0.0
A	5.9	0.0
BBB	11.1	0.0
BB	17.7	0.0
B	9.7	0.0
CCC & Below	0.5	0.0
Unrated	3.6	0.0

[1]Source: FactSet

2Q Currency Exposure[1] (+)	% Portfolio
SEK	1.98
CNH	1.71
EUR	1.56
CAD	0.91
GBP	0.87

2Q Currency Exposure[1] (-)	% Portfolio
CHF	-2.76
NOK	-1.97
CNY	-1.72
---	---
---	---

[1] Source:FactSet

Performance			Annualized			
	2Q2019	Year to date	One year	Three years	Five years	Inception to date[1]
RIIFL Absolute Return Fixed Income Fund	1.22%	4.23%	4.90%	3.19%	3.04%	2.82%
Bloomberg Barclays 3 Month USD LIBOR Cash Index[2] ¥	0.64	1.30	2.60	1.80	1.23	1.18

[1] Inception 03/31/14. The date shown represents the date the index comparison began and may not be the actual index inception date.
[2] Source: Barclays 3 Month USD LIBOR Cash Index, used with permission. Barclays 3 Month USD LIBOR Cash Index is licensing the Barclays 3 Month USD LIBOR Cash Index Indices "as is", makes no warranties regarding same, does not guarantee the quality, accuracy, and/or completeness of the Barclays 3 Month USD LIBOR Cash Index Indices or any data included therein or derived therefrom, and assumes no liability in connection with their use.

Characteristics[1]	2Q2019		1Q2019	
	Fund	Barclays 3 Month USD LIBOR Cash Index	Fund	Barclays 3 Month USD LIBOR Cash Index
Total Net Assets	$618.46M	$158.73T	$592.80M	$157.73T
Weighted Average Yield to Maturity	3.82%	2.32%	4.22%	2.61%
Weighted Average Duration	0.9yrs	0.3yrs	0.9yrs	0.3yrs
Average Quality*	Baa3	Aa1	Ba1	Aa1

[1] Source: FactSet

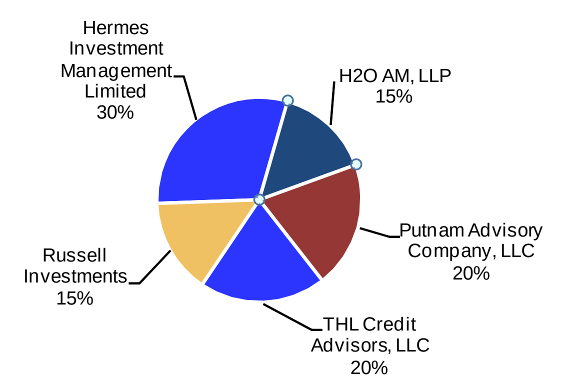
Sector Weightings (%)[1]	Fund
Cash	16.2
Corporate High Yield	28.2
Corporate Investment Grade	13.2
Fx/Rates	2.0
Government	14.3
Government Related	3.1
Securitized	22.2
Emerging Markets	2.1
Other	-1.2

[1] The Other sector includes pooled investment vehicles, certain derivatives, stocks and other investments not falling within one of the other listed sectors.

Fund advisor styles

Target weightings %	2Q2019	1Q2019
Positioning Strategies	15	15
Mortgage Strategies	20	20
Yield	50	50
Diversifier	15	15

Allocation of fund assets



Managers listed are current as of June 30, 2019. Russell Investments has the right to engage or terminate a manager at any time and without notice.
This is a fund of Russell Investments Institutional Funds, LLC; it is a private placement. It is not a mutual fund or a fund of the Russell Investments Trust Company Commingled Employee Benefit Funds Trust.
Performance is shown gross of fees. Fees will reduce the overall performance of the Fund. Indexes are unmanaged and cannot be invested in directly. Past performance is not indicative of future results.
*The sum of the debt instrument quality ratings is based upon the Barclays index methodology, which reflects the ratings of Moody's, Fitch and S&P in such a way that if three different ratings exist for the same instrument, the median rating is used: if two different ratings exist, the lower of the two is used and if only one rating exists, then that rating is used. If the debt instrument has not been rated by any of the three rating agencies, the security is classified as 'Unrated.'
Nothing contained in this material is intended to constitute legal, tax, securities or investment advice, nor an opinion regarding the appropriateness of any investment. The general information contained in this publication should not be acted upon without obtaining specific legal, tax and investment advice from a licensed professional.

RIIFL Absolute Return Fixed Income Fund Performance summary: 2nd Quarter 2019

Strategic Beliefs
Security selection is a primary source of excess returns within the RIIFL Absolute Return Fixed Income Fund, although we believe that emphasizing certain factors over the course of a market cycle can offer higher benchmark-relative returns. For our fixed income funds, this means we are more likely to include securities with more credit risk, longer duration, and higher real yield. In addition, we also invest in currency to provide additional return potential and added diversification

Fund positioning entering the quarter

- The Fund had approximately 43% exposure to the core yield engine, slightly underweight its strategic target.
- The Fund had a small overweight to diversifiers, with most of the overweight coming from an allocation to cash.
- The Fund had a small overweight to opportunistic strategies.

Drivers of performance

	2nd Qtr	YTD	1 YR	3 YR (Annualized)	5 YR (Annualized)	10 YR (Annualized)	Since Inception (Annualized)	Inception Date
RIIFL Absolute Return Fixed Income Fund	1.22%	4.23%	4.90%	3.19%	3.04%	---%	2.82%	3/31/2014
Bloomberg Barclays 3 Month USD LIBOR Cash Index	0.64%	1.30%	2.60%	1.80%	1.23%	---%	1.18%	

QUARTERLY REVIEW

Drivers	Impact	Commentary
Core Yield Engine	+	While the month of May was turbulent for credit markets, spreads were ultimately tighter over the quarter as central banks turned dovish. As a result, short duration high yield and U.S. leveraged loans performed strongly.
Opportunistic strategies	+	Securitized credit and mortgage credit specifically, benefitted from tighter spreads over the quarter. Mezzanine commercial mortgage-backed securities (CMBS) drove outperformance. Residential mortgage-backed securities (RMBS) and prepayment strategies also proved beneficial.
Diversifiers	–	The long volatility mandate detracted. Despite some volatility in May, volatility in most asset classes remained low during the quarter, as the Federal Reserve confirmed its dovish stance. The currency factors detracted as all three factors saw drawdowns. However, the rates value positioning strategy added to performance.

12 MONTH REVIEW

Drivers	Impact	Commentary
Core-Yield Engine	+	The Fund's exposure to credit via both short duration high yield and loans added value over the one-year period, as risk appetite returned to both high yield and the leveraged loan markets. Overall, the higher beta of the high yield bonds and its higher duration enabled it to perform better than loans
Opportunistic strategies	–	Exposure to mortgage credit was rewarded over the year, notably via CMBS. However, prepayment strategies detracted, due to the declining rate environment – offsetting much of the gains generated by CMBs.
Diversifying strategies	+	The long volatility strategy performed well, largely due to heightened volatility in the fourth quarter of 2018. Meanwhile, the rates strategy has performed strongly in the last three quarters, as global growth concerns have produced convergence in nominal yields across developed markets. The currency strategy was negative.

Performance Key: **+** positive impact; **Flat** fund and index within +/- 10 basis points**; –** negative impact relative to the fund's benchmark
Fund Benchmark= Bloomberg Barclays 3 Month USD LIBOR Cash Index
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RIIFL Absolute Return Fixed Income Fund Advisor scorecard: 2nd Quarter 2019

MANAGER	Putnam Advisory Company, LLC	H20 AM LLP	Hermes Investment Management Limited	THL Credit Advisory Company, LLC	Russell Investments
Target Weight (%)[1]	20.0%	15.0%	30.0%	20.0%	15.0%
STYLE	**MORTGAGE STRATEGIES**	**DIVERSIFIER**	**YIELD**		**POSITIONING STRATEGIES**
Quarter Performance vs. Fund Benchmark	+	–	+	+	+
One Year Performance vs. Fund Benchmark	+	+	+	+	+

Performance Key: + Positive impact ; Flat fund and index return within +/- 10 basis points; , − Negative impact relative to the fund's benchmark; n/a As this is a new manager there is no Year Performance figures.

QUARTERLY COMMENTARY

- **Putnam Advisory Company, LLC (Putnam)** added to performance this quarter, adding to gains experienced during the first quarter as markets continued to rally off December lows. Putnam's performance was primarily driven by CMBS. Non-agency residential mortgage-backed securities (RMBS) and prepayment strategies also contributed positively to benchmark-relative performance.
- **H2O Asset Management LLP (H2O)** underperformed over the quarter. Most of the underperformance was driven from beta volatility management as volatility across risk markets fell given the re-establishment of a dovish stance by central banks across the globe. The equity bucket of the portfolio detracted, mostly in June as volatility fell while markets rallied. Fixed income volatility was also negative this quarter, due to theta costs and delta losses.
- **Russell positioning strategies** combined, added to performance. In rates, the long positions to Australia and the U.S. were positive. In FX, a long position in the British pound was a large detractor. A long position in the Australian dollar and short in the Japanese yen also weighed on performance.

Fund Benchmark= Bloomberg Barclays 3 Month USD LIBOR Cash Index
Past performance is not indicative of future results.
[1]The manager weight row represents the month-end quarterly weightings for the underlying manager.
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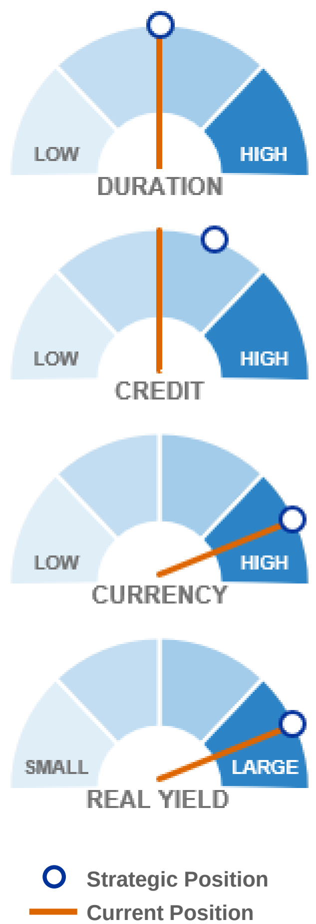
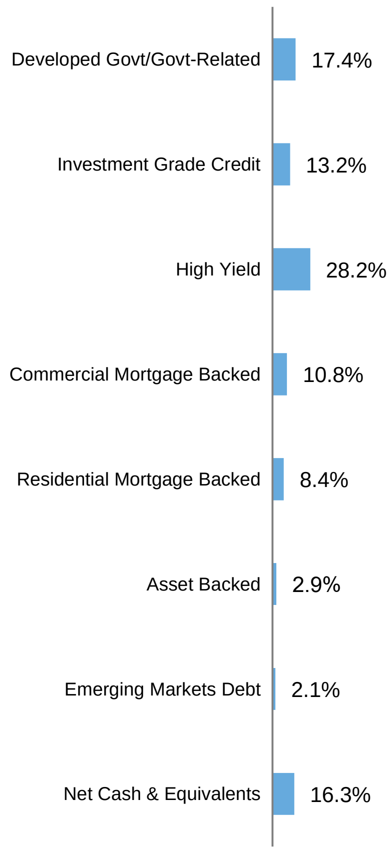
RIIFL Absolute Return Fixed Income Fund Outlook and positioning: 2nd Quarter 2019

CURRENT/STRATEGIC POSITIONING[1]



SECTOR POSITIONING[1]



FUND UPDATES

- There were no material changes to the Fund during the quarter:

POSITIONING AND OUTLOOK

- Opportunistic Strategies (Manager): The Fund maintained a slightly higher-than-strategic allocation to mortgage risk. The Putnam strategy exposes the Fund to a unique combination of risk factors that have good return potential and excellent diversification characteristics. If rates rise, agency interest only strips should perform well. CMBS offers decent value in a credit market that does not offer value in many places.
- Core Yield engine (credit): The Fund maintained a slightly higher-than-strategic allocation to mortgage risk. The Putnam strategy exposes the Fund to a unique combination of risk factors that have good return potential and excellent diversification characteristics. If rates rise, agency interest only strips should perform well. CMBS offers decent value in a credit market that does not offer value in many places.
- Diversifiers (currency, real yield, volatility): The Fund maintained its long volatility exposure as markets transitioned over to a lower volatility environment. The Russell Investments FX positioning strategies remain below their strategic weights. The Global Real rates strategy is also below its strategic weight. Overall, both sets of Russell Investments positioning strategies continue to play a key role in diversifying the Fund's return profile.

[1] Positioning is relative to the Fund's benchmark.
Fund Benchmark= Bloomberg Barclays 3 Month USD LIBOR Cash Index
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Nevada System of Higher Education Managed Hedge Fund Solution

Performance summary: 2nd Quarter 2019 (Gross estimated returns as of June 30, 2019)

OBJECTIVE

The strategy of this Managed Hedge Fund Solution is to achieve long-term capital appreciation with low to moderate volatility and low correlation to global equity markets. The fund targets the HFRI Fund of Funds Diversified Index

POSITIONING ENTERING THE QUARTER

- Entering the quarter, the Portfolio was closely aligned with strategic targets at the strategy level, but not at the underlying fund level. We made some changes in the second quarter to align underlying hedge fund product weights with strategic targets. We updated the investment plan towards the end of the third quarter primarily to replace a chronically underperforming macro hedge with a higher-conviction fund with a broader toolkit with which to make money.

Drivers of performance

				ANNUALIZED			
	2nd Qtr	YTD	1 YR	2 YR	3 YR	Since Inception	Inception Date
Managed Hedge Fund Solution	1.25%	2.97%	-0.61%	2.04%	--	1.96%	02/01/17
HFRI Fund of Funds Diversified Index	1.70%	4.48%	1.81%	3.54%	--	4.07%	

QUARTERLY PERFORMANCE DRIVERS

Drivers	Impact	Commentary
Equity Hedge	+	The Equity Hedge strategy performed best, gaining +2.60% and contributing +0.69% to the Portfolio's returns. Eminence, which was up +4.74%, contributed 67 of the 69 basis points earned at the strategy level.
Event Driven	+	The Event Driven strategy was up +2.30% and contributed +0.95% to the Portfolio's return. York Asia performed best, gaining +3.57% and contributing +0.42% to the Portfolio's return. York Asia's alpha generation has been strong in 2019 while maintaining a moderate beta portfolio. The other underlying funds were up as well.
Tactical Trading	+	The Tactical Trading strategy was up +0.52% and added +0.07% to the Portfolio's return. Discretionary macro fund Trend Macro gained a modest +0.78%.
Relative Value	–	The worst performing strategy was Relative Value, which was down -1.94% and detracted –0.37% from the Portfolio's return. Multi-strategy credit fund Aristeia performed well, up +2.31%. By contrast, the Goldman Sachs quantitative equity market neutral product lost -5.15%.

Performance Key: + positive impact; - negative impact relative to the fund's benchmark; mixed had both positive and negative impact.

Market Indicator = HFRI Fund of Funds Diversified Index
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Nevada System of Higher Education Managed Hedge Fund Solution

Scorecard: 2nd Quarter 2019 (Gross estimated returns as of June 30, 2019)

Fund	Aristeia	CapeView Azri	CapeView Azri 2X	CVI Emerging	Eminence	GSAM
Weight (%)[1]	8.42%	7.54%	3.52%	17.77%	12.90%	8.19%
Quarter Performance	2.31%	0.29%	0.01%	1.83%	4.74%	-5.15%
One Year Performance	6.38%	-4.28%	-10.25	-3.94%	--	--

STRATEGY	Event Driven	Tactical Trading	Relative Value	Equity Hedge
Quarter Performance	2.30%	0.52%	-1.94%	2.60%
One Year Performance	-0.56%	-4.67%	-0.06%	1.28%

QUARTERLY COMMENTARY

- **Aristeia International Limited** (“Aristeia”) gained +2.31%, which contributed +0.22% to the Portfolio’s return. The best performing positions were Altaba, which is essentially a liquidation play on remaining Yahoo assets, and investments in U.S. Government Sponsored Entities (“GSEs”). Preferred equity in the GSEs rallied on expectations that the GSEs will eventually leave conservatorship.
- **CapeView Azri a**nd its enhanced-leverage version **CapeView Azri 2X (**collectively “CapeView”**)** were up a combined 0.20%, which added 2 basis point to the Portfolio’s return. European-focused CapeView has been managing its portfolio with relatively low gross and net exposures, and this has been a headwind to 2019 performance. CapeView produced negative alpha in the first half of the year in large part due to a run-up in lower-quality short positions. We still have conviction in the manager, and we see it as a good one to have in an environment in which equity valuations are not cheap.
- **CVI Emerging Markets Credit Value Fund, Ltd.** (“CVI”) was up +1.83%, which added +0.37% to the Portfolio’s return. A volatile quarter started in April as the CVI portfolio was marked down about 4%, due mainly to a misunderstood debt refinancing of a Brazilian corporate. May’s strong performance of +5.6% was due to a mark-up of the Brazilian position along with certain other idiosyncratic investments. The CVI portfolio is highly idiosyncratic and we continue to watch the political situation in Argentina: an unexpected development in upcoming national elections could lead to significant volatility later in the year.
- **Eminence Fund Leveraged, Ltd.** (“Eminence”) was up +4.74%, which added +0.67% to the Portfolio’s return. Eminence continued to perform well in the second quarter while managing a portfolio with a beta of less than one. We note that Eminence has increased gross and net exposures from subdued levels at the start of 2019.
- **GSAM Global Equity Market Neutral Insights Sub-Trust** (“GSAM”) was down -5.15%, which detracted -0.50% from the Portfolio’s return. GSAM’s performance has been volatile, and the fund went through an extended peak-to-trough drawdown from mid-February until early May. GSAM’s signals turned positive in May, and good performance late in the quarter has continued into July. We have discussed GSAM extensively both within Russell Investments and with GSAM. We will hold the position for now, and we note that it’s currently below its highwater mark. We will continue to reevaluate the GSAM position in coming months.

Market Indicator = HFRI Fund of Funds Diversified Index

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[1]The fund weight row represents the month-end quarterly weightings for the underlying funds.

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Nevada System of Higher Education Managed Hedge Fund Solution

Scorecard: 2nd Quarter 2019 (Gross estimated returns as of June 30, 2019)

Fund	Highbridge	PIMCO Tactical	Trend Macro	Winton	York Asian
Weight (%)[1]	10.60%	8.76%	7.90%	3.50%	10.90%
Quarter Performance	--	1.69%	0.78%	-0.07%	3.57%
One Year Performance	--	4.07%	-4.54%	--	0.69%

STRATEGY	Event Driven	Tactical Trading	Relative Value	Equity Hedge
Quarter Performance	2.30%	0.52%	-1.94%	2.60%
One Year Performance	-0.56%	-4.67%	-0.06%	1.28%

QUARTERLY COMMENTARY

- **1992 Tactical Credit Fund, Ltd** ("Highbridge") gained +0.39% and contributed +0.04% to the Portfolio's return in a shortened quarter. The Highbridge investment was initiated in May, and we believe that the Highbridge will generate complementary return sources from its portfolio of middle-market corporates. Performance in May was positive driven by several themes including a short against small cap stocks as well as several names in the Oil & Gas drilling, servicing and equipment space. Highbridge closed the quarter losing money in June. Losses were driven by a portfolio macro theme hedge in high yield credit hedge and a short equity position in a healthcare company whose stock rallied nearly 20%.
- **PIMCO Tactical Opportunities Offshore Fund LP** ("PIMCO") gained +1.69%, which contributed +0.16% to the Portfolio's return. Investments in public residential mortgage backed assets and select public and private corporate positions drove gains.
- **Trend Macro Offshore Ltd** ("Trend") gained +0.78%, which added +0.07% to the Portfolio's return. Performance was weak in April as credit traded poorly, especially in Argentina. Performance turned positive in May and June due to profitable trades in credit and interest rates.
- **Winton Diversified Futures Fund Ltd** ("WDFF") lost -0.07% during the quarter. Positions in agricultural commodities and energies lost money, whereas positions in fixed income gained as rates rallied. Small gains and losses were made in equities and metals, respectively.
- **York Asian Opportunities Unit Trust** ("York Asia") gained +3.57%, which added +0.42% to the Portfolio's return. York Asia focuses on equity special situations trades and has made most of its money in Japan in 2019.

Market Indicator = HFRI Fund of Funds Diversified Index

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[1]The fund weight row represents the month-end quarterly weightings for the underlying funds.

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Funds listed are current as of June 30, 2019 Russell Investments has the right to engage or terminate an fund at any time and without notice.

Nevada System of Higher Education Managed Hedge Fund Solution

Outlook and Positioning: 2nd Quarter 2019 (Gross estimated returns as of June 30, 2019)

ALLOCATION TO STRATEGIES

	2Q2019	1Q2019
Tactical Trading	11.4%	11.7%
Relative Value	27.2%	26.4%
Event Driven	37.4%	37.8%
Equity Hedge	24.0%	24.1%

ALLOCATIONS TO HEDGE FUND MANAGERS

	2Q2019	1Q2019
Aristeia	8.4%	17.5%
CapeView	7.5%	7.8%
Cape View 2X	3.5%	3.7%
CVI Emerging	17.8%	18.0%
Eminence Fund	12.9%	12.7%
GSAM	8.2%	8.9%
Highbridge	10.6%	--
PIMCO	8.8%	8.9%
Trend Macro	7.9%	8.1%
Winton	3.5%	3.6%
York Asian	10.9%	10.9%

POSITIONING AND OUTLOOK

- At the end of the first quarter, we redeemed a significant part of the Aristeia investment to establish the Highbridge position. We like both hedge fund products, and we expect that they can both generate attractive returns in coming quarters. With the Tactical Trading strategy, we decided to terminate Trend Macro, a process that will be completed on September 30. We have started to build up a new position in Autonomy Global Macro, which actively trades both developed and emerging markets. Later this year, we will trim the exposure to CVI.
- We are well aware of the dovish posture taken by a number of central banks and we expect that the global economy will continue to slow. We are also in the middle of earnings season, and while US earnings have held up well, earnings in other markets have been less robust. Economic indicators are mixed.
- As we've written in prior letters, we remain cautious on market directionality. We do have positive equity beta on the portfolio, but it's running at the lower end of the typical range for the Portfolio. We've prioritized finding ways to generating returns that are complementary to risks typically contained within traditional portfolios: equity beta, long-only credit, and core fixed income. While beta is currently relatively low in the Fund, it's operating with a typical level of expected volatility. We continue to focus on equity long/short spread extraction, idiosyncratic credit bets, and other less-correlated return sources.

Market Indicator = HFRI Fund of Funds Diversified Index
There is no guarantee that any stated expectations will occur.

Russell Investments Institutional Funds LLC
Real Estate Equity Fund (RIIFL REEF)

Performance Report – Second Quarter 2019

Strategy

Multi-advisor, multi-fund investment approach targeting private core and enhanced core real estate funds. Focus on high-quality current income. Risk managed through property type / regional diversification and limits on portfolio leverage of 30%.

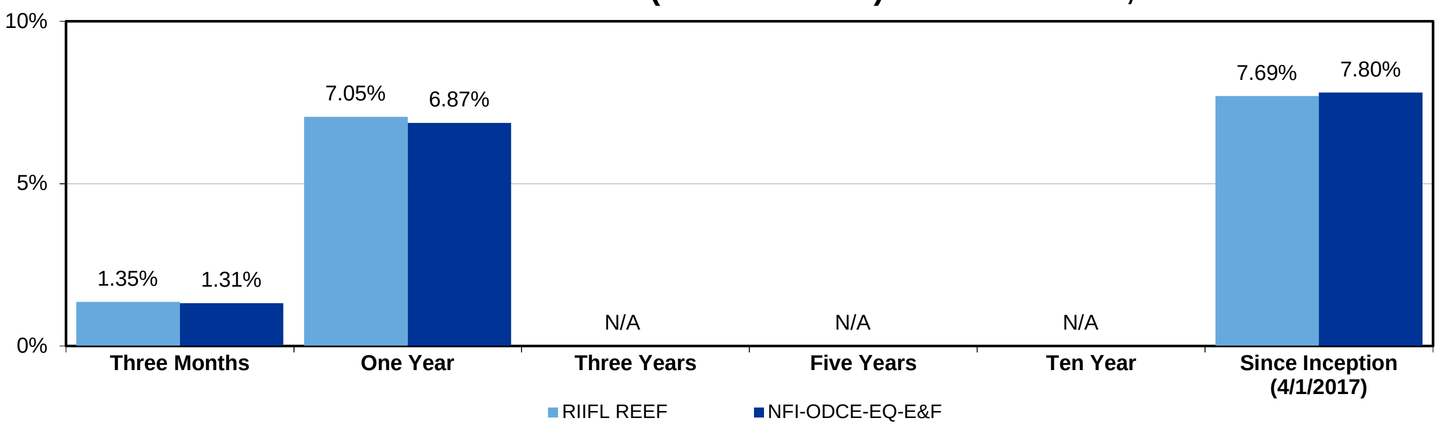
Benchmark

NCREIF Fund Index Open-End Diversified Core Equity - Equal Weight - Endowment & Foundation Eligible (NFI ODCE-EQ-E&F): 19 private diversified open-end real estate funds owning 2,095 properties valued at approximately $120.9 billion in net investor equity.

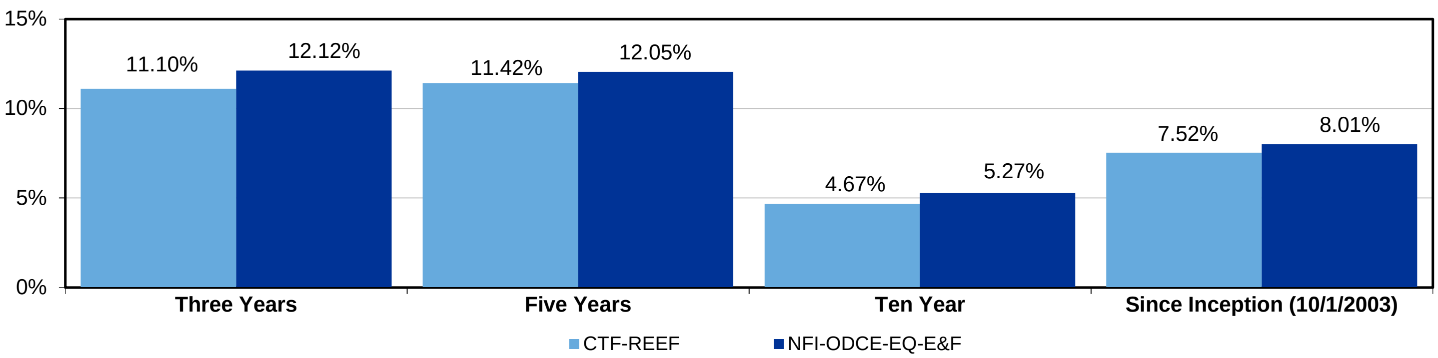
Objectives[1]

Outperform the Benchmark over a full market cycle, broad portfolio diversification, consistent current income component, and low volatility.

RIIFL REEF Performance (Gross of Fees)[2,3] as of June 30, 2019



CTF REEF Performance (Gross of Fees)[2,3] through March 31, 2017



Please note that CTF REEF is closed and not eligible for investment.

Quarterly Highlights

RIIFL REEF produced a total gross return of 1.35% for 2Q 2019, comprised of 1.01% income and 0.34% appreciation, outperforming the Benchmark by 4bps. Prime Property Fund outperformed by 80bps, RREEF America REIT II outperformed by 48bps and MetLife Commercial Mortgage Income Fund outperformed by 39bps, while Invesco Core Property Fund-USA underperformed by 27bps and Trumbull Property Fund underperformed by 501bps. Over the trailing twelve months ending June 30th, RIIFL REEF produced a total gross return of 7.05%, comprised of 4.03% income and 2.93% appreciation, outperforming the Benchmark by 18bps.

RIIFL REEF's leverage of 20.9% at quarter-end was within the general guideline limit of 30% and below the Benchmark leverage of 23.4%.

Fund Selection and Weights

Compared to the Benchmark, RIIFL REEF was moderately overweight in the retail sector and moderately underweight in the apartment, office and industrial sectors. RIIFL REEF had a non-core weighting of 7.1% at quarter-end.

Market Commentary

The outlook for U.S. real estate remains upbeat. While economic growth is trending lower, around 2.7% for 2019 and even lower in 2020, the U.S Federal Reserve's decision in July to lower interest rates 25 basis points to 2% should help dampen near-term risks. From a macro-economic perspective, decelerating employment and GDP growth, global economic concerns and the further easing of foreign monetary policy all contributed to the Fed's decision to cut rates. Additional cuts may also be forthcoming. This accommodative capital market environment is a net positive for real estate, as it reduces some of the upward pressure on capitalization rates which are generally used by market participants as indicators for real estate pricing trends.

While the U.S. real estate market is generally in good condition, a widening divergence in underlying operating fundamentals is occurring among the property sectors. On the positive side, operating fundamentals have remained stellar for industrial properties, with a strong 8.9% growth in net operating income (NOI) for the one-year ending June 30, 2019, while apartments are also experiencing a strong rebound from a year earlier with a 7.7% NOI growth rate. The office sector trails with a 4.4% NOI growth but it is an improvement over the prior year. In retail, the impact from e-commerce is negatively impacting rents, especially in malls, as consumers increase their purchases on-line. The overall NOI growth rate for retail was -0.4%, the lowest outcome since 2010.

The weakness in retail is evidenced by the lack of mall transactions, which Real Capital Analytics noted was down 54% year-over-year through June 30, 2019. Many market participants view the lack of transactions as an indication of a large bid-ask spread between buyers and sellers, with the buyers wanting discounts due to higher reserves needed for capital expenditures to renovate space and lower expectations for rent growth. Green Street are estimating that the share price of the publicly-traded mall REITs are trading at a 21% discount to net asset value, which we think is evidence that the public markets are pricing in the lower values for mall properties. In the private market among the participant funds in the NCREIF Fund Index (NFI-ODCE), we have seen several funds writing down valuations across high-street retail, regional malls and strip retail.

Transaction volume across all U.S. commercial real estate rose slightly at 2% year-over-year in the second quarter, reversing the trend from first quarter. The office sector was the leader for growth in activity, with sales up 30% year-over-year and with major deals closed in technology markets. The apartment sector remained the largest investment market by volume with sales of $43.2 billion. The accommodative rate environment should help support the transactional market, especially for entity deals, which have been largely absent during 2019.

For the second quarter, the NFI-ODCE generated a 1%, total return. With appreciation at -0.01%, the total return was all from income. For the trailing year, the total return was 6.41% and income was 4.14%. With the decline in the ten-year yield throughout the trailing year, NFI-ODCE's 2.19% appreciation return was negatively impacted by 47 basis points from mark-to-market debt valuations. The trend toward lower appreciation returns is expected to continue.

In the NCREIF Property Index, which is unleveraged, regional malls posted a -5.6% appreciation return for the one-year period, while warehouses posted an 8.9% appreciation return. In office, the Pacific Division posted a 4.7% appreciation return, which was about double the overall office appreciation return of 2.3%. We believe real estate managers who can deftly navigate the growing differences in return outcomes among sectors and by geography within sectors will be able to deliver outperformance going forward. We also continue to see the real estate debt market as offering haven strategies in this environment. Thus far in 2019, our small sample of debt funds indicates total returns that are modestly above the equity funds that are the mainstay of the NFI-ODCE Index.

RIIFL REEF Investments[3]

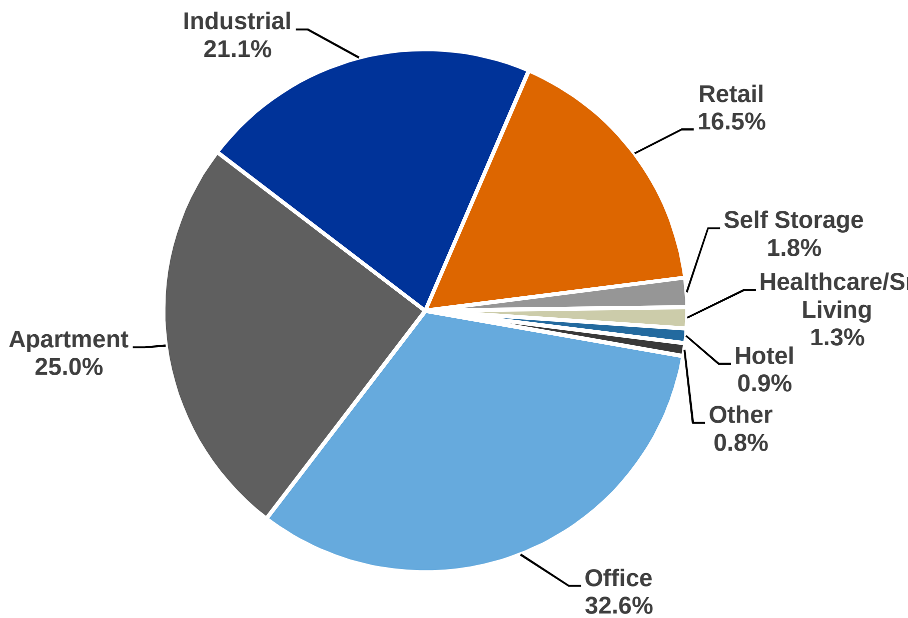
	Market Value		Total Gross Returns[5]	
Real Estate Fund Investments	**6/30/2019 ($ Mil)**	**% of Total Investments**	**Three Months**	**One Year**
Morgan Stanley Prime Property Fund	$ 89.4	31.3%	2.11%	8.39%
RREEF America REIT II	$ 88.0	30.9%	1.79%	7.48%
Invesco Core Real Estate-USA	$ 74.4	26.1%	1.04%	7.05%
Trumbull Property Fund	$ 16.1	5.6%	-3.70%	0.04%
MetLife Commercial Mortgage Income	$ 15.7	5.5%	1.70%	6.77%
Total Real Estate Fund Investments	**$283.6**	**99.4%**		
Cash & Short Term Investments[4]	$ 1.6	0.6%		
Total RIIFL REEF Investments	**$285.2**	**100.0%**	**1.35%**	**7.05%**
Benchmark: NFI-ODCE-EQ-E&F	**---**	**---**	**1.31%**	**6.87%**

Investor Capital Flows During the Quarter ($ Mil)	
Capital Contributions	$23.8
Redemption Payments	0.0
Number of Investors End of Quarter	21
Exit Pool End of Quarter	$ 0.0

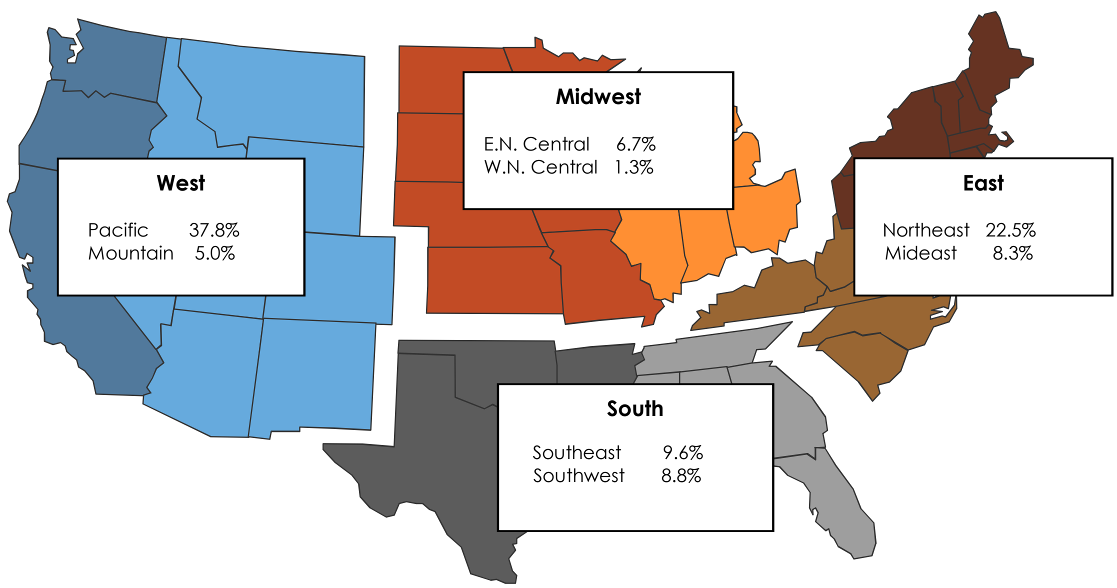
Portfolio Statistics	
RIIFL REEF Investments	5
Properties Held by Investments	891
Net Value of Investments	$65.8 billion
Portfolio Leverage	20.9%

Balance Sheet ($ Mil)	
Assets:	
Real Estate Fund Investments	$283.6
Cash and Short-Term Investments	1.6
Receivables	25.4
Total Assets	**$310.6**
Liabilities:	
Redemption Accrual	$ 0.0
Investments Purchased	0.0
Other Payables	0.4
Total Liabilities	**$0.4**
Total Net Assets	**$310.2**

Property Type Composition



Regional Composition



For further information please contact Brett Deits, Senior Portfolio Manager
Voice: (206) 505-1697 ◆ Fax: (206) 505-1650 ◆ Email: bdeits@russellinvestments.com

Notes

[1] Fund targets are excess return and risk goals developed by Russell Investments Strategy and Research management to help measure our skill in managing managers and the general success of our funds against their stated objectives. Targets for multi-manager funds are based on targets received from underlying managers, historical data and the Russell Investments' qualitative assessments of the prospects for managers in a multi-manager portfolio and various other factors. We believe our methodology is reasonable for its purpose, but targets are not intended to predict the performance of Russell funds and we expect that actual performance will vary considerably. Additional information regarding Russell Investments' basis for fund targets is available on request.

[2] Periods over one year are annualized.

[3] CTF-REEF was an investment fund of the Common Trust Funds; it is not a mutual fund. This Trust was closed 3/31/2017 and is not eligible for investment. Performance provided for illustrative purposes only.

Advisors/Investments listed are current as of 6/30/2019. Russell Investments has the right to engage or terminate an advisor/investment at any time and without notice.

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

Performance is shown gross of fees. Fees will reduce the overall performance of the fund.

[4] Cash reserves are used for investor redemption requests, potential new investments, and fund expenses.

[5] Fees will reduce the overall performance of the Fund. Past performance should not be viewed as a representation of future results. Indexes are unmanaged and cannot be invested in directly.

RIIFL Real Estate Equity Fund

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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.

Diversification does not assure a profit or guarantee against loss in declining markets.

The advisors are current as of 6/30/2019. Russell Investments has the right to engage or terminate an advisor at any time and without notice.

Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments. Fund investments in non-U.S. markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation.

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NFI-ODCE-EQ-E&F is a peer group index that includes private open-end real estate funds offered primarily to endowments and foundations. NFI-ODCE-EQ-E&F is produced and governed by the National Council of Real Estate Investment Fiduciaries (NCREIF). A subjective appraisal process is used to value unrealized gains (losses) of capital.

Russell Investments' ownership is composed of a majority stake held by funds managed by TA Associates with minority stakes held by funds managed by Reverence Capital Partners and Russell Investments' management.

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First used: August 2019

AI-27759-2019-08-15

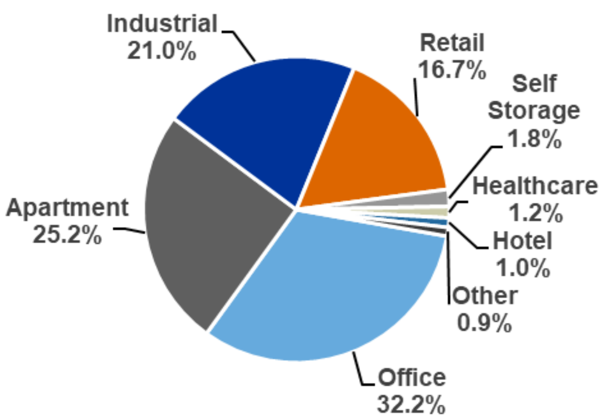
RIIFL Real Estate Equity Fund – period ending March 31, 2019

Strategy

Multi-advisor, multi-fund investment approach targeting private core and enhanced core real estate funds. Focus on high-quality current income. Risk managed through property type / regional diversification and limits on portfolio leverage of 30%.

[1] RIIFL REEF's leverage of 20.9% at quarter-end was within the general guideline limit of 30% and below the Benchmark leverage of 23.7%.

Property type composition



Performance

Performance	1Q2019	Annualized One year	Three years	Five years	Ten years	Inception to date[1]
RIIFL Real Estate Equity Fund	1.46%	7.67%	--	--	--	7.97%
NFI-ODCE-EQ-E&F[2]	1.76%	7.80%	--	--	--	8.11%

[1] Inception 04/01/2017. The date shown represents the date the index comparison began and may not be the actual index inception date.
[2] NCREIF Fund Index Open-End Diversified Core Equity-Equal Weight-Endowment & Foundation Eligible (NFI-ODCE-EQ-E&F).

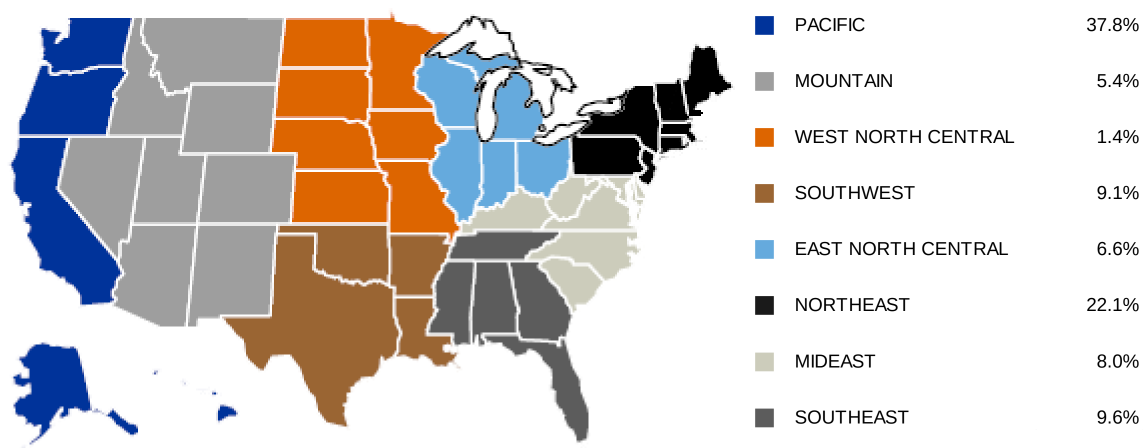
Characteristics

Core funds	‡ Target weighting %	Market value $ Millions	Market value % of total	Total gross returns Three months %	One year %
Morgan Stanley Prime Property Fund	30	87.8	31.1	1.57	8.31
RREEF America REIT II	30	86.7	30.7	1.85	7.86
Invesco Core Real Estate-USA	25	73.8	26.1	1.11	7.91
Trumbull Property Fund	0	16.8	5.9	0.69	5.73
MetLife Commercial Mortgage Income	15	15.4	5.5	1.67	6.46
Total Real Estate Fund Investments		**280.5**	**99.3**	**--**	--
Cash & Short Term Investments	0	2.0	0.7	--	--
Total RIIFL-REEF Investments	**100**	**282.5**	**100.0**	**1.46**	**7.67**

Benchmark total return breakout %

Benchmark total return breakout %	1Q2019	Year to date	One year
Income	1.11%	1.11%	4.51%
Capital Appreciation	0.65%	0.65	3.18%

Regional composition



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RIIFL Real Estate Equity Fund Advisor scorecard[1]: 2nd Quarter 2019 (1st Quarter 2019 activity)

ADVISOR	Morgan Stanley Prime Property Fund	RREEF America REIT II	Invesco Core Real Estate-USA	(UBS) Trumbull Property Fund	MetLife Commercial Mortgage Income Fund	Cash
Target Weight (%)[2]	31.1%	30.7%	26.1%	5.9%	5.5%	0.7%
Quarter Performance vs. Fund Benchmark[3]	-	Flat	-	-	Flat	Flat
One Year Performance vs. Fund Benchmark[3]	+	Flat	+	-	-	Flat

Performance Key: **+** Positive impact relative to the Benchmark; - Negative impact relative to the Benchmark; Flat impact (within +/- 10 basis points of the Benchmark)

QUARTERLY COMMENTARY

- **Morgan Stanley Prime's** 1Q19 total return of 1.57% underperformed REEF's benchmark by 19bps, while the one-year return of 8.31% outperformed by 51bps. Industrial and healthcare were the top performing sectors in the first quarter. Marking debt to market had a negative 20bp impact on quarterly appreciation. Excluding operating companies, same-property net operating income for year-to-date 2019 increased 6.8% over same-period 2018. Portfolio occupancy increased to 93.9%, compared to 92.8% at December 31st. For an aggregate cost of $188mm, Prime acquired a healthcare facility in Roseville, CA, an industrial building in Stoughton, MA and additional ownership interests in two existing investments, an office building in Chicago, IL and an apartment building in Seattle, WA. Disposition activity consisted of partial ownership interests in an office building and apartment complex in Pasadena, CA for $4mm. Portfolio leverage was 17.5% at quarter-end, compared to 17.7% at December 31st. Prime called $728mm of investor capital during 1Q and paid out $261mm in redemptions. Prime had an incoming queue of $688mm at quarter-end.

1 Past performance is not indicative of future results.
2 Target Weight represents the most current target weightings for the underlying advisors/funds.
3 Source: Russell Investments. Out/underperformance is relative to the Benchmark.
Benchmark is the NCREIF Fund Index Open-end Diversified Core Equity-Equal Weight-E&F (NFI-ODCE-EQ-E&F).
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RIIFL Real Estate Equity Fund Advisor scorecard[1]: 2nd Quarter 2019 (1st Quarter 2019 activity)

QUARTERLY COMMENTARY (continued)

- **RREEF America REIT II's** 1Q19 total return of 1.85% outperformed REEF's benchmark by 9bps and the one-year return of 7.86% outperformed by 6bps. The industrial sector posted the largest gain for the quarter. Marking debt to market had a negative 38bp impact on quarterly appreciation. Same-property net operating income for year-to-date 2019 increased by 1.9% over same-period 2018, with the industrial and retail portfolios experiencing the largest improvements. Total portfolio occupancy was 91.0%, consistent with prior quarter. During 1Q, RREEF acquired a bulk distribution center near Philadelphia, PA for $18mm and a 49.99% interest in a land site for industrial development in the San Francisco Bay Area for total project cost of $91mm. Disposition activity consisted of a suburban office building in the San Francisco Bay Area and a partial sale of a suburban office building near Sacramento, CA for a combined contract price of $66mm. Portfolio leverage decreased to 18.3% at quarter-end, compared to 19.3% at December 31st. RREEF called $218mm of investor capital and paid out $178mm in redemptions in 1Q. RREEF America REIT II had an incoming queue of $396mm at quarter-end.

- **Invesco Core Real Estate-USA's** 1Q19 total return of 1.11% underperformed REEF's benchmark by 65bps, while the one-year return of 7.91% outperformed by 11bps. Industrial and office were the best performing sectors for the quarter. Marking debt to market had a negative 14bp effect on quarterly appreciation. Same-property net operating income for year-to-date 2019 increased by 13.5% over same-period 2018, with all property sectors contributing positively to growth. Portfolio occupancy increased to 92.0%, from 91.6% at December 31st. Invesco completed six acquisitions for a total gross purchase price of $381mm during the quarter, including three assets in the Boston MSA (apartment, office and self-storage), two land sites for self-storage development in Los Angeles and San Francisco, land for office development in Charlotte, NC and the minority partner's interest in an existing retail asset in New York City. There were no dispositions during the quarter. Portfolio leverage increased to 25.0%, from 23.9% at December 31st. Invesco called $246mm of investor capital and paid out redemptions totaling $12mm during 1Q. Invesco did not have an incoming queue at quarter-end.

- **(UBS) Trumbull Property's** 1Q19 total return of 0.69% underperformed REEF's benchmark by 107bps and the one-year return of 5.73% underperformed by 207bps. Value gains were recorded for apartment and industrial assets during the quarter. Debt mark-to-market had a 13bp negative effect on quarterly appreciation. Same-property net operating income for year-to-date 2019 increased by 2.2% over same-period 2018, with the increase attributable to industrial and apartment investments. Portfolio occupancy was 93.1% at quarter-end, from 93.3% at December 31st. TPF closed three acquisitions totaling $102mm during the quarter, including a $100mm commitment for the development of an apartment community in Seattle, WA and two land parcels for the Becknell Industrial joint venture. Disposition activity for 1Q totaled $88mm in gross sales proceeds and included a hotel in Oak Brook, IL, an office complex in Sunrise, FL, a retail center in Phoenix, AZ, a total of three industrial warehouses located in Sturtevant, WI and Shreveport, LA and two land parcels in Sturtevant, WI. Portfolio leverage was 18.1% at quarter-end, compared to 17.5% at December 31st. Investor contributions of $55mm were accepted in 1Q and $250mm in redemptions were paid out. TPF had an incoming queue of $101mm and a redemption queue of $2.1bn at quarter-end.

- **MetLife Commercial Mortgage Income's** 1Q19 total return of 1.67% underperformed REEF's benchmark by 9bps and the one-year return of 6.46% underperformed by 134bps. The total return for the quarter consisted of 1.49% income and 0.18% appreciation. Total portfolio occupancy increased to 86.8%, from 84.7% at December 31st. During 1Q, MetLife funded a total of $195mm for the acquisition of five new loans collateralized by an office building in Kennesaw, GA, an apartment complex in Charlotte, NC, two office buildings in Atlanta, GA, a mixed-use apartment/retail property in Dallas, TX and a big box retail/flex R&D property in San Leandro, CA. There were no loan payoffs during the quarter. At quarter-end, MetLife held 44 loans representing approximately $2.2bn of principal balance outstanding, with a loan to value of 64.7%, a debt service coverage ratio of 1.44 and a debt yield of 8.0%. Portfolio leverage was 38.7% at quarter-end, consistent with prior quarter. MetLife called $125mm of investor capital in 1Q and paid out $50mm in redemptions. MetLife had an incoming queue of $815mm at quarter-end.

1 Past performance is not indicative of future results.
2 Target Weight represents the most current target weightings for the underlying advisors/funds.
3 Source: Russell Investments. Out/underperformance is relative to the Benchmark.
Benchmark is the NCREIF Fund Index Open-end Diversified Core Equity-Equal Weight-E&F (NFI-ODCE-EQ-E&F).
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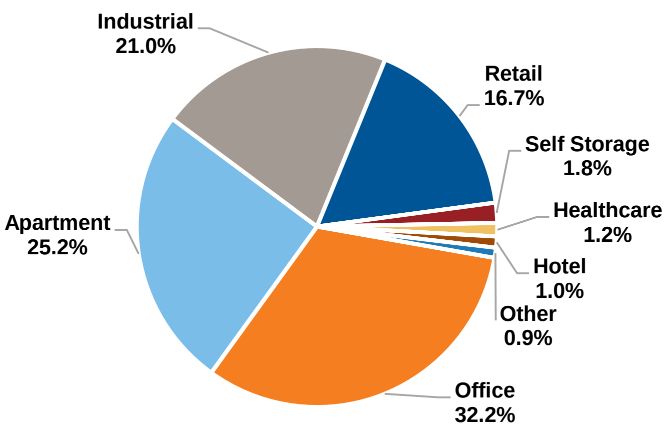
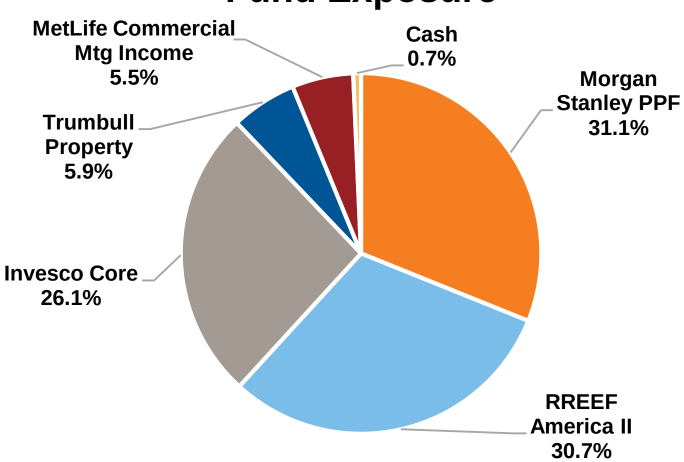
RIIFL Real Estate Equity Fund Outlook and positioning: 2nd Quarter 2019 (1st Quarter 2019 Activity)

Sector Positioning



Fund Exposure

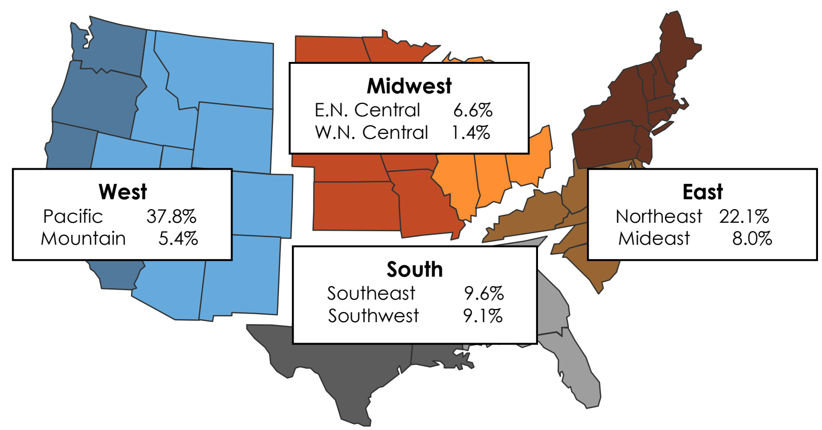


FUND UPDATES

- RIIFL-REEF produced a total gross return of 1.46% for 1Q 2019, comprised of 0.99% income and 0.47% appreciation, underperforming the Benchmark by 30bps for the quarter and by 13bps for the year.
- Strong absolute performance. Quarterly and 1-year performance of 1.46% and 7.67%, respectively.
- Stable current income return. Trailing twelve-month income return of 4.01% from portfolio of prime assets in highly liquid markets.
- Diversified exposure across property types, regions, and strategies, without added volatility associated with public markets. RIIFL-REEF had exposure to 890 properties with a net aggregate value of $64.5 billion at March 31, 2019.
- Prudent leverage and low non-core real estate exposure. Leverage of 20.9% well-below guideline limit of 30% and Benchmark leverage of 23.7%.

POSITIONING AND OUTLOOK

- Stay overweight Pacific region growth markets with favorable demographics and economic drivers
- Added MetLife Commercial Mortgage Income Fund (“CMIF”); initial capital call in April’18
- Fundamentals remain supportive of attractive but moderating private real estate performance over the foreseeable future



Benchmark; NCREIF Fund Index Open-End Diversified Core Equity - Equal Weight - E&F

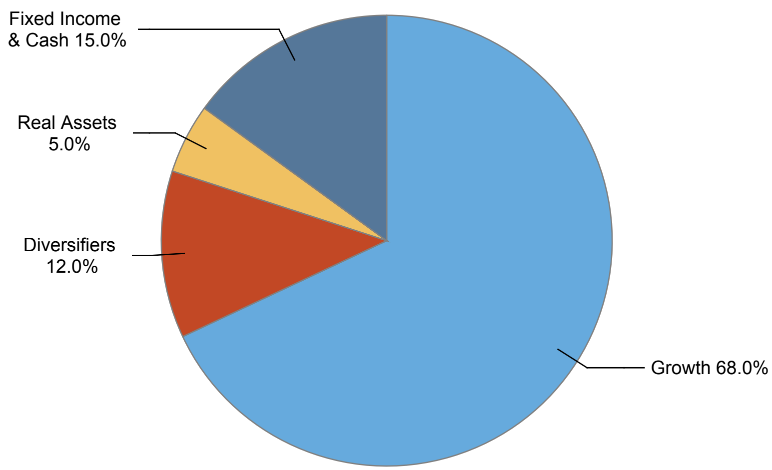
Account Performance Detail

Second Quarter 2019

Asset Summary
Nevada System of Higher Education
As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K

Asset Class Policy Allocation



Asset Allocation

	Ending Market Value	Actual Holding	Policy Holding	Holding Variance
Growth	$75,941,450	68.9%	68.0%	0.9%
Diversifiers [1]	12,469,456	11.3	12.0	-0.7
Real Assets [2]	5,649,659	5.1	5.0	0.1
Fixed Income & Cash	16,204,753	14.7	15.0	-0.3
Total Endowment Pool Composite	**110,265,319**	**100.0**	**100.0**	**0.0**

Market Value Reconciliation

	One Month	Three Months	Year to Date
Beginning Market Value ($)	106,973,014	109,794,316	101,218,960
Net Inflows/Outflows ($)	-591,671	-1,907,926	-1,451,822
Net Market Gain/Loss ($)	3,883,976	2,378,929	10,498,180
Ending Market Value ($)	110,265,319	110,265,319	110,265,319

Please read the endnotes included with the report.
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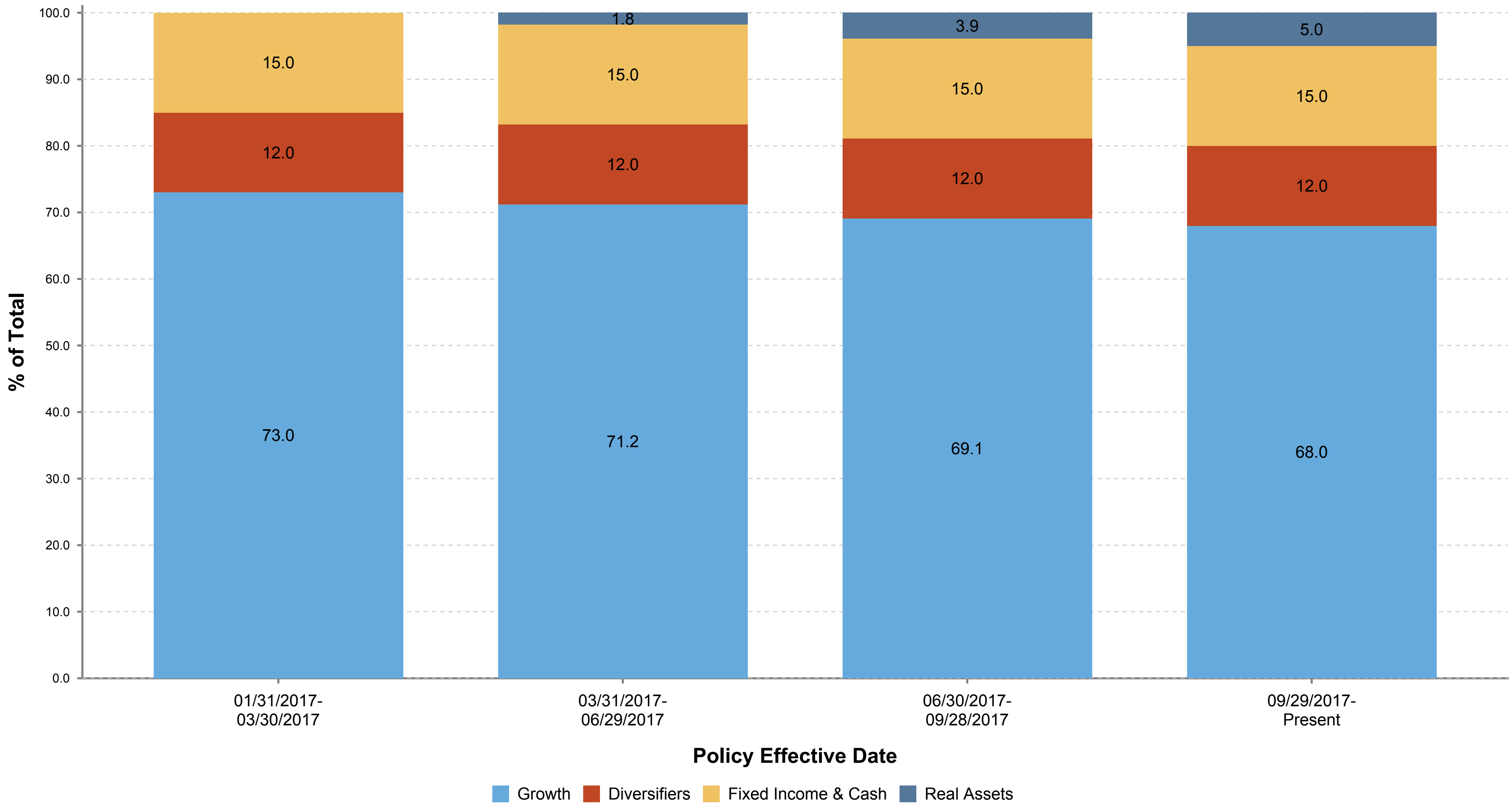
Russell Investments

Historical Asset Allocation
Nevada System of Higher Education
As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K



Please read the endnotes included with the report.
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Russell Investments

Market Value Reconciliation

Nevada System of Higher Education

As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K

	One Month	Three Months	Year to Date	FYTD 06/30	One Year	Two Years	Since Inception 01/01/17
Beginning Market Value ($)	106,973,014	109,794,316	101,218,960	109,165,296	109,165,296	106,200,041	0
Inflows ($)	749,679	794,480	2,528,231	2,572,485	2,572,485	4,739,386	107,968,703
Outflows ($)	-1,341,350	-2,702,406	-3,980,053	-5,445,844	-5,445,844	-12,040,275	-14,753,892
Net Inflows / Outflows ($)	-591,671	-1,907,926	-1,451,822	-2,873,359	-2,873,359	-7,300,888	93,214,812
Appreciation / Depreciation ($)	3,883,969	2,376,655	10,495,544	3,965,716	3,965,716	11,356,911	17,037,747
Income Earned ($)	7	2,274	2,637	7,666	7,666	9,255	12,760
Net Market Gain/Loss ($)	3,883,976	2,378,929	10,498,180	3,973,382	3,973,382	11,366,166	17,050,507
Ending Market Value ($)	110,265,319	110,265,319	110,265,319	110,265,319	110,265,319	110,265,319	110,265,319

Please read the endnotes included with the report.
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Russell Investments

Performance Report

Nevada System of Higher Education

As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K

	Market Value	One Month	Three Months	Year to Date	FYTD 06/30	Annualized One Year	Annualized Two Years	Annualized Since Inception	Inception Date
Total Endowment Pool Composite - Gross [3]	**$110,265,319**	**3.65%**	**2.20%**	**10.43%**	**3.81%**	**3.81%**	**5.41%**	**7.43%**	**01/01/2017**
Total Endowment Pool Composite - Net [3]	**110,265,319**	**3.58**	**2.04**	**10.08**	**3.16**	**3.16**	**4.76**	**6.76**	**01/01/2017**
Dynamic Benchmark [4]	--	3.90	2.66	11.44	5.83	5.83	6.64	8.20	--
Strategic Allocation Benchmark [5]	--	3.88	2.71	11.51	6.03	6.03	6.73	8.25	--
Normalized Benchmark [6]	--	3.86	2.79	11.36	6.11	6.11	6.79	8.09	--
Growth - Gross [3]	**75,941,450**	**4.91**	**2.43**	**13.54**	**3.98**	**3.98**	**6.15**	**8.63**	**01/01/2017**
Growth - Net [3]	**75,941,450**	**4.85**	**2.25**	**13.15**	**3.27**	**3.27**	**5.42**	**7.88**	**01/01/2017**
Custom Benchmark [7]	--	5.33	3.03	15.16	5.59	5.59	7.42	9.47	--
Multi-Asset Core Plus Fund - Gross [3]	**75,941,450**	**4.91**	**2.43**	**13.54**	**3.98**	**3.98**	**6.15**	**8.63**	**01/01/2017**
Multi-Asset Core Plus Fund - Net [3]	**75,941,450**	**4.85**	**2.25**	**13.15**	**3.27**	**3.27**	**5.42**	**7.88**	**01/01/2017**
Multi-Asset Core Plus Composite Bmk [8]	--	5.33	3.03	15.16	5.59	5.59	7.42	9.47	--
Diversifiers - Gross [3],[9]	**12,469,456**	**0.44**	**0.41**	**2.02**	**-2.81**	**-2.81**	**1.95**	**1.62**	**03/01/2017**
Diversifiers - Net [3],[9]	**12,469,456**	**0.39**	**0.25**	**1.69**	**-3.43**	**-3.43**	**1.29**	**0.97**	**03/01/2017**
LIBOR + 4% (1 mo lag)	--	0.54	1.63	3.25	6.43	6.43	5.95	5.80	--
Eminence Fund Leveraged - Net [10]	**1,614,006**	**-0.92**	**7.24**	**14.62**	**--**	**--**	**--**	**7.60**	**08/01/2018**
CapeView Azri Fund - Net [11]	**933,999**	**-0.93**	**-1.41**	**-0.86**	**-6.40**	**-6.40**	**--**	**-6.40**	**07/01/2018**
CapeView Azri 2X Fund - Net [11]	**430,214**	**-2.00**	**-3.35**	**-2.76**	**-14.03**	**-14.03**	**--**	**-14.03**	**07/01/2018**

Please read the endnotes included with the report.
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Russell Investments

Performance Report

Nevada System of Higher Education

As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K

	Market Value	One Month	Three Months	Year to Date	FYTD 06/30	Annualized One Year	Annualized Two Years	Annualized Since Inception	Inception Date
CVI Emerging Markets Credit Value Fd Ltd - Net [9]	**2,228,405**	**5.67**	**0.34**	**0.43**	**-7.62**	**-7.62**	**2.90**	**2.06**	**03/01/2017**
PIMCO Tactical Opportunities Offshore - Net [12]	**1,099,487**	**0.56**	**2.09**	**2.94**	**4.78**	**4.78**	**--**	**4.94**	**05/01/2018**
York Asian Opportunities Unit Trust - Net [12]	**1,333,329**	**-1.29**	**2.64**	**4.73**	**-2.19**	**-2.19**	**--**	**-2.33**	**05/01/2018**
Aristeia International Ltd. - Net [9]	**1,049,518**	**0.88**	**1.75**	**2.82**	**10.80**	**10.80**	**6.74**	**6.10**	**03/01/2017**
GS Global Eq. Market Neutral Insights - Net [13]	**1,010,163**	**-3.74**	**-11.05**	**-6.48**	**--**	**--**	**--**	**-11.14**	**11/01/2018**
Highbridge 1992 Tactical Credit Fund - Net [14]	**1,337,429**	**0.56**	**--**	**--**	**--**	**--**	**--**	**0.56**	**06/01/2019**
Trend Macro Offshore Ltd. - Net [15]	**990,619**	**1.19**	**-0.52**	**-1.37**	**-6.84**	**-6.84**	**-0.41**	**-0.53**	**06/01/2017**
The Winton Fund - Net [10]	**442,287**	**-2.13**	**1.98**	**-1.70**	**--**	**--**	**--**	**-1.71**	**08/01/2018**
Real Assets - Gross [16]	**5,649,659**	**1.35**	**1.35**	**2.83**	**7.05**	**7.05**	**7.81**	**7.69**	**04/01/2017**
Real Assets - Net [16]	**5,649,659**	**1.01**	**1.01**	**2.15**	**5.63**	**5.63**	**6.39**	**6.27**	**04/01/2017**
Real Estate Equity Fund - Gross [16]	**5,649,659**	**1.35**	**1.35**	**2.83**	**7.05**	**7.05**	**7.81**	**7.69**	**04/01/2017**
Real Estate Equity Fund - Net [16]	**5,649,659**	**1.01**	**1.01**	**2.15**	**5.63**	**5.63**	**6.39**	**6.27**	**04/01/2017**
NFI-ODCE-EQ Net [17]	--	1.12	1.12	2.62	5.99	5.99	6.83	6.76	--
NFI-ODCE-EQ-E&F [18]	--	1.31	1.31	3.09	6.88	6.88	7.88	7.81	--

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Performance Report

Nevada System of Higher Education

As of June 30, 2019

Nevada System of Higher Education - Endowment - NK1K

	Market Value	One Month	Three Months	Year to Date	FYTD 06/30	Annualized One Year	Annualized Two Years	Annualized Since Inception	Inception Date
Fixed Income & Cash - Gross [3]	**16,204,753**	**1.20**	**2.69**	**6.04**	**7.29**	**7.29**	**3.61**	**3.73**	**01/01/2017**
Fixed Income & Cash - Net [3]	**16,204,753**	**1.16**	**2.55**	**5.75**	**6.73**	**6.73**	**3.06**	**3.19**	**01/01/2017**
Custom Benchmark [19]	--	0.91	2.27	4.51	6.15	6.15	3.13	3.26	--
Bloomberg Barclays US Aggregate Bond Idx	--	1.26	3.08	6.11	7.87	7.87	3.65	3.85	--
Core Bond Fund - Gross [3]	**10,927,509**	**1.45**	**3.42**	**6.95**	**8.40**	**8.40**	**3.73**	**4.14**	**01/01/2017**
Core Bond Fund - Net [3]	**10,927,509**	**1.41**	**3.30**	**6.71**	**7.92**	**7.92**	**3.27**	**3.68**	**01/01/2017**
Bloomberg Barclays US Aggregate Bond Idx	--	1.26	3.08	6.11	7.87	7.87	3.65	3.85	--
Absolute Return Fixed Income Fund - Gross [3]	**5,273,393**	**0.70**	**1.22**	**4.23**	**4.90**	**4.90**	**3.50**	**2.90**	**01/09/2017**
Absolute Return Fixed Income Fund - Net [3]	**5,273,393**	**0.63**	**1.04**	**3.85**	**4.12**	**4.12**	**2.74**	**2.13**	**01/09/2017**
Bloomberg Barclays 3 Mo USD LIBOR Index	--	0.19	0.64	1.30	2.60	2.60	2.20	2.00	--

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Russell Investments

Market Value Reconciliation

Nevada System of Higher Education

As of June 30, 2019

NSHE - Primary Investment Account - SIPL

	One Month	Three Months	Year to Date	FYTD 06/30	One Year	Two Years	Since Inception 01/01/17
Beginning Market Value ($)	82,907,489	85,424,850	78,195,346	84,507,209	84,507,209	83,262,795	0
Inflows ($)	749,679	792,869	2,526,619	2,570,873	2,570,873	4,734,795	85,659,512
Outflows ($)	-1,341,350	-2,682,013	-3,939,827	-5,363,823	-5,363,823	-11,915,567	-14,565,342
Net Inflows / Outflows ($)	-591,671	-1,889,144	-1,413,207	-2,792,949	-2,792,949	-7,180,772	71,094,169
Appreciation / Depreciation ($)	3,256,745	2,036,857	8,790,424	3,858,303	3,858,303	9,490,478	14,477,069
Income Earned ($)	0	0	0	0	0	61	1,324
Net Market Gain/Loss ($)	3,256,745	2,036,857	8,790,424	3,858,303	3,858,303	9,490,539	14,478,393
Ending Market Value ($)	85,572,563	85,572,563	85,572,563	85,572,563	85,572,563	85,572,563	85,572,563

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Market Value Reconciliation

Nevada System of Higher Education

As of June 30, 2019

NSHE - Russell Investments Hedge Funds - SIPM

	One Month	Three Months	Year to Date	FYTD 06/30	One Year	Two Years	Since Inception 01/06/17
Beginning Market Value ($)	12,418,397	12,419,501	12,224,649	12,824,512	12,824,512	11,978,684	0
Inflows ($)	0	1,612	1,612	1,612	1,612	4,592	12,066,192
Outflows ($)	0	0	0	0	0	-1,292	-65,134
Net Inflows / Outflows ($)	0	1,612	1,612	1,612	1,612	3,300	12,001,058
Appreciation / Depreciation ($)	54,902	49,920	244,409	-360,483	-360,483	482,130	460,813
Income Earned ($)	7	2,274	2,637	7,666	7,666	9,194	11,435
Net Market Gain/Loss ($)	54,909	52,194	247,046	-352,817	-352,817	491,323	472,249
Ending Market Value ($)	12,473,307	12,473,307	12,473,307	12,473,307	12,473,307	12,473,307	12,473,307

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Russell Investments

Market Value Reconciliation

Nevada System of Higher Education

As of June 30, 2019

NSHE - Russell Investments Private Capital - SIPN

	One Month	Three Months	Year to Date	FYTD 06/30	One Year	Two Years	Since Inception 01/01/17
Beginning Market Value ($)	11,647,127	11,949,965	10,798,965	11,833,575	11,833,575	10,958,562	0
Inflows ($)	0	0	0	0	0	0	10,243,000
Outflows ($)	0	-20,393	-40,226	-82,022	-82,022	-123,416	-123,416
Net Inflows / Outflows ($)	0	-20,393	-40,226	-82,022	-82,022	-123,416	10,119,584
Appreciation / Depreciation ($)	572,322	289,877	1,460,710	467,896	467,896	1,384,303	2,099,865
Income Earned ($)	0	0	0	0	0	0	0
Net Market Gain/Loss ($)	572,322	289,877	1,460,710	467,896	467,896	1,384,303	2,099,865
Ending Market Value ($)	12,219,449	12,219,449	12,219,449	12,219,449	12,219,449	12,219,449	12,219,449

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Endnotes

Nevada System of Higher Education

As of June 30, 2019

[1] Market value is reported one month in arrears.

[2] Market value is as of the quarter ending 06/30/19.

[3] Where noted Net, net of fee adjusted returns are estimated using basis point adjustments. Returns are geometrically linked and could experience compounding effects.

[4] As of 02/01/17, the Custom Benchmark is the sum contribution of monthly benchmark returns, dynamically weighted by the component benchmarks' associated funds' monthly average balance over the aggregate monthly average balance. Custom Benchmark currently consists of: Multi-Asset Core Plus Composite Bmk, Zero Return, LIBOR + 4% (1 mo lag), NFI-ODCE-EQ Net, Bloomberg Barclays Aggregate, Bloomberg Barclays 3 Month LIBOR, Bloomberg Barclays 1-3 Month T-Bill.

[5] Strategic Allocation Benchmark currently consists of: 68.0% Multi-Asset Core Plus Composite Bmk, 12.0% LIBOR + 4% (1 mo lag), 5.0% NFI-ODCE-EQ Net, 10.0% Bloomberg Barclays Aggregate, 5.0% Bloomberg Barclays 3 Month LIBOR.

[6] Normalized Benchmark currently consists of: 52.3% MSCI ACWI IMI 50% USD Hedged Net, 3.5% ICE BofAML Dev Mkts HY Constr USD Hdg, 3.5% JP Morgan EMBI Global Diversified Index, 13.9% LIBOR + 4% (1 mo lag), 2.2% Bloomberg Commodity, 2.2% FTSE EPRA Nareit Net, 2.2% S&P Gbl Infrastructure Net, 3.1% NFI-ODCE-EQ, 11.4% Bloomberg Barclays Aggregate, 5.7% Bloomberg Barclays 3 Month LIBOR.

[7] Custom Benchmark currently consists of: 100.0% Multi-Asset Core Plus Composite Bmk.

[8] The Multi-Asset Core Plus Composite Index is appropriate for evaluating the Fund over a 3 to 5 year horizon. It currently consists of: 75.0% MSCI ACWI IMI 50% USD Hedged Net, 5.0% Bloomberg Commodity Index, 5.0% FTSE EPRA Nareit Dev Real Estate Net, 5.0% S&P Global Infrastructure Index Net, 5.0% ICE BofAML Developed Markets High Yield Constrained Index USD Hdg, 5.0% JP Morgan EMBI Global Diversified Index. Allocation changes and underlying fund additions and deletions over time will be captured in the composite index. Prior allocations available upon request.

[9] True inception date is 02/01/17. Market values and returns are reported one month in arrears. Where noted Gross, market value and returns are reported net of underlying fund fees and gross of Russell Investment fees. Where noted Net, market value and returns are reported net of underlying fund fees and net of Russell Investment fees.

[10] True inception date is 07/01/18. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

[11] True inception date is 06/01/18. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

[12] True inception date is 04/01/18. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

[13] True inception date is 10/01/18. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

[14] True inception date is 05/01/19. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

[15] True inception date is 05/01/17. Market values and returns are reported one month in arrears. Market value and returns are reported net of underlying fund fees and gross of Russell Investment fees.

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Russell Investments

Endnotes

Nevada System of Higher Education

As of June 30, 2019

[16] Real Estate Equity Fund is valued quarterly. The market value shown is as of the quarter ending 06/30/19 while the performance is reported as of the date of the performance report. The market value is reported net of fees while returns are reported gross of fees unless otherwise noted. Fee adjusted returns are estimated using basis point adjustments. Returns are geometrically linked and could experience compounding effects.

[17] NCREIF Fund Index Open-End Diversified Core Equity-Equal Weight (NFI-ODCE-EQ).

[18] NCREIF Fund Index Open-End Diversified Core Equity-Equal Weight-Endowment & Foundation Eligible (NFI-ODCE-EQ-E&F).

[19] As of 01/06/17, the Custom Benchmark is the sum contribution of daily benchmark returns, dynamically weighted by the component primary benchmarks' associated funds' daily beginning market value over the aggregate beginning market value.

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Russell Investments

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