

Russell Investments

Continental European Equity Fund

Article 8



Portfolio Manager
Patrick Egan

Russell Investments' Global Equity Team comprises over 23 experienced professionals, including portfolio managers, researchers, portfolio analysts, and strategists in Russell Investments offices around the globe.

The team manages a wide range of U.S., non-U.S developed, emerging market, frontier market, and global equity mandates.

Fund facts

Share class; Dealing ccy

Class B Acc; EUR

Dealing frequency; Cut off

Daily; 2.00pm GMT

Domicile; Category

Ireland; UCITS

Fund size

EUR 120.60m

ISIN; Bloomberg

IE0007356367; FRUCEBI ID

Fund launch date

29 March 1996

Share class launch date

31 March 1999

Management fee

1.75%

Share class NAV

EUR 55.79

Fund objective

The Fund aims to achieve long term growth by investing in the shares of European companies (excluding UK), or companies that carry out a majority of their business in Europe. The Fund is actively managed with reference to the MSCI Europe ex UK Index (Eur) Net Returns (the "index") which it seeks to outperform by 1.75% over the medium to long term. Russell Investments/ Money Managers have full discretion to select investments for the Fund. This product is an Article 8 product, as defined under EU regulation - it promotes environmental or social characteristics and invests in companies that follow good governance practices. This product does not have sustainable investment as its objective.

Fund update

Russell Investments, as the Investment Manager, adopts and executes the ideas of the selected third-party specialist investment managers through our in-house implementation team. The Fund is dynamically managed in alignment with our cycle, valuation, sentiment (CVS) framework to take advantage of tactical opportunities within each manager's excess return cycle. The Fund is tilted towards value and small and mid-cap factors. It is also exposed to quality and growth. In sectors, the Fund is tilted towards industrials, technology, energy, communication services and financials

Performance review (%)

Performance to period end Returns shown in EUR	1 month	3 months	Year to date	12 months	2 years	3 years	4 years	5 years	Since inception*
Return net of management fee Class B Acc	2.1	7.1	3.2	9.0	6.6	8.8	10.2	8.2	4.5
MSCI Europe ex UK Index (Eur) - Net Returns	2.4	8.4	4.4	12.5	8.4	9.7	10.3	9.4	5.3

*Inception: 31 March 1999

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in EUR	31/12/23 31/12/22	31/12/22 31/12/21	31/12/21 31/12/20	31/12/20 31/12/19	31/12/19 31/12/18
Return net of management fee Class B Acc	14.9	-11.6	26.9	0.0	23.4
MSCI Europe ex UK Index (Eur) - Net Returns	17.6	-12.6	24.4	1.8	27.1

Returns shown in EUR	31/12/18 31/12/17	31/12/17 31/12/16	31/12/16 31/12/15	31/12/15 31/12/14	31/12/14 31/12/13
Return net of management fee Class B Acc	-13.3	8.7	6.1	11.6	6.6
MSCI Europe ex UK Index (Eur) - Net Returns	-10.9	11.7	3.6	9.7	7.5

Past performance does not predict future returns.

The current benchmark is the MSCI Europe ex UK Index (Eur) - Net Returns. Prior to 1st January 2018 the benchmark was the Russell Dev Europe Large cap NR Index. Prior to 1st April 2011 the benchmark was MSCI Europe NR.

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Continental European Equity Fund (continued)

Portfolio statistics

	Fund	Benchmark
Number of equity holdings	296	342
Price/earnings	18.0	23.2
Dividend yield	3.0	2.6
Price to book	2.4	3.2
EPS growth (1 year)	8.2	9.0

Data as at 31 January 2024
Source: Factset

3 years	Fund	Benchmark
Volatility	14.0	14.6
Tracking error	1.6%	-
Sharpe ratio	0.7	0.7
Information ratio	-0.5	-
3 year return (net)	8.8%	9.7%
3 year excess return (net)	-0.9%	-

Ten largest holdings by weight

Security	Fund	Benchmark
Novo Nordisk A/S-B	3.3%	4.5%
ASML Holding NV	2.9%	4.3%
Sap Se	2.2%	2.2%
Roche Holding AG	2.0%	2.5%
Novartis AG	1.9%	2.6%
TotalEnergies SE	1.8%	1.8%
Sanofi SA	1.7%	1.4%
Nestle SA	1.3%	3.7%
Industria de Diseno Textil, S.A.	1.3%	0.6%
Caixabank Sa	1.2%	0.2%

Data as at 31 January 2024

Sector weights

	Fund	Benchmark
Industrials	19.0%	16.9%
Financials	18.0%	17.8%
Health Care	16.1%	16.5%
Consumer Discretionary	11.3%	11.6%
Information Technology	10.9%	9.9%
Consumer Staples	8.4%	9.8%
Communication Services	4.1%	3.3%
Energy	4.1%	3.4%
Materials	4.0%	5.9%
Utilities	3.4%	4.1%
Real Estate	0.4%	0.9%
Other	0.3%	-

Data as at 31 January 2024

Country weight

	Fund	Benchmark
France	22.8%	23.7%
Germany	17.8%	16.8%
Switzerland	14.1%	19.7%
Netherlands	8.9%	10.6%
Sweden	7.0%	6.6%
Denmark	6.0%	6.8%
Italy	5.9%	4.7%
Spain	5.4%	5.2%
Finland	3.0%	1.6%
Others	9.3%	4.4%

Data as at 31 January 2024

ESG data

	Fund	Benchmark
ESG Score	18.9	19.0
Carbon footprint	64.9	83.6

Data as at 31 January 2024

Source: The portfolio-level ESG Risk Rating is the weighted average of the Sustainalytics' Risk Rating for securities in the portfolio. The Sustainalytics Risk Rating details are available at <https://www.sustainalytics.com/esg-data>. Carbon footprint is the weighted average carbon intensity of the Scope 1 and 2 carbon emission intensity of companies in the portfolio. It is measured in tonnes of CO2e divided by revenue (USD \$M).

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Continental European Equity Fund (continued)

Fund structure

Manager/Strategy	Role in fund	Target	Actual
Invesco	Market-oriented, employing a mix of quality, growth and valuation criteria	14.0%	12.3%
Liontrust	Cashflow-based approach, focusing on quality of earnings and earnings surprise	14.0%	12.4%
Pzena	Fundamental research focusing on unrecognised value and earnings recovery	14.0%	9.8%
Berenberg	Aims to identify high quality companies with long-term sustainable growth	14.0%	16.3%
Numeric	Low volatility portfolio utilising value, quality and information flow signals	24.0%	26.7%
Russell Investments	Positioning Strategy designed to provide defensive, income generating exposure	20.0%	19.2%
Russell Investments (cash & other)		-	3.3%

Russell Investments may trade a portion of the Fund's assets based on a model portfolio provided by the investment advisor. By employing this emulated portfolio approach, the Fund leverages off the implementation capabilities of Russell Investments in order to manage the funds in an efficient manner.

Any reference to specific money managers should not be taken as a recommendation. Money managers are subject to change.

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Past performance does not predict future returns.

The net assets of the fund are likely to have high volatility.

Any reference to returns linked to currencies may increase or decrease as a result of currency fluctuations. Tax treatments depend on the circumstances of the individual client and may be subject to change in the future.

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