

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 SH-I; GBP

Dealing frequency; Cut off

Daily; 2.00pm GMT

Domicile; Category

Ireland; UCITS

Fund size

EUR 120.60m

ISIN; Bloomberg

IE00B1808D73; FRCEE

Fund launch date

29 March 1996

Share class launch date

29 August 2006

Management fee

0.85%

Share class NAV

GBP 252.51

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 GBP	1 month	3 months	Year to date	12 months	3 years	5 years	Since inception*
Return gross of management fee Class SH-I	2.8	8.0	4.3	12.2	11.2	10.1	6.3
Return net of management fee Class SH-I	2.7	7.8	4.2	11.3	10.3	9.2	5.4
MSCI Europe ex UK (GBP Hedged) Net	3.0	8.8	5.2	13.8	10.2	9.6	5.7

*Inception: 29 August 2006

All returns greater than 1 year are annualised

Discrete rolling 12 month performance (%)

Returns shown in GBP	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 gross of management fee Class SH-I	17.7	-9.6	28.6	0.3	25.9
Return net of management fee Class SH-I	16.7	-10.4	27.5	-0.6	24.8
MSCI Europe ex UK (GBP Hedged) Net	18.5	-12.2	24.1	1.3	27.3

Returns shown in GBP	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 gross of management fee Class SH-I	-11.4	13.9	8.0	10.2	8.3
Return net of management fee Class SH-I	-12.2	12.9	7.1	9.2	7.4
MSCI Europe ex UK (GBP Hedged) Net	-10.3	14.7	4.4	6.9	7.7

Past performance does not predict future returns.

The current benchmark is the MSCI Europe ex UK (GBP Hedged) Net. Prior to 1st January 2018 the benchmark was the Russell Dev Europe

Large cap Net Index. Prior to 1st April 2011 the benchmark was MSCI Europe Net and prior to 1st January 2009 was gross of withholding tax, total return.

Russell Investments

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	13.8	14.4
Tracking error	1.6%	-
Sharpe ratio	0.7	0.7
Information ratio	0.0	-
3 year return (net)	10.3%	10.2%
3 year excess return (net)	0.1%	-

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).

Russell Investments

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.

Important Information

This material does not constitute an offer or invitation to anyone in any jurisdiction in which such distribution is not authorised.

Unless otherwise specified, Russell Investments is the source of all data. All information contained in this material is current at the time of issue and, to the best of our knowledge, accurate. Any opinion expressed is that of Russell Investments, is not a statement of fact, is subject to change and does not constitute investment advice.

The value of investments and the income from them can fall as well as rise and is not guaranteed. You may not get back the amount originally invested.

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.

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID/KID before making any final investment decisions.

In the UK this marketing document has been issued by Russell Investments Limited. Company No. 02086230. Registered in England and Wales with registered office at: Rex House, 10 Regent Street, London SW1Y 4PE. Telephone +44 (0)20 7024 6000. Authorised and regulated by the Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN. In the EU this marketing document has been issued by Russell Investments Ireland Limited. Company No. 213659. Registered in Ireland with registered office at: 78 Sir John Rogerson's Quay, Dublin 2, Ireland. Authorised and regulated by the Central Bank of Ireland. In the Middle East this marketing document has been issued by Russell Investments Limited a Dubai International Financial Centre company which is regulated by the Dubai Financial Services Authority at: Office 4, Level 1, Gate Village Building 3, DIFC, PO Box 506591, Dubai UAE. Telephone +971 4 578 7097. This material should only be marketed towards Professional Clients as defined by the DFSA.

KvK number 67296386

© 1995-2024 Russell Investments Group, LLC. All rights reserved.