

Russell Investments Continental European Equity Fund

Article 8

Patrick Egan
Portfolio Manager

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 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

The Fund finished ahead of the benchmark in the third quarter. In factors, the tilt towards value stocks was favourable during the period. Stock selection within consumer discretionary (underweight LVMH), financials (overweight CaixaBank) and health care (underweight Novo Nordisk) was effective. An underweight to ASML within technology was also rewarded. However, selection within industrials (overweight DO & CO, underweight Siemens, DSV) limited further outperformance.

Performance Review %

Performance to period end Returns shown in EUR	1 month	3 months	6 months	Year to Date	1 year	3 years	5 years	10 years	Since inception
Return net of management fee Class B Acc	-0.5	2.1	1.8	8.1	15.0	5.5	8.2	6.7	4.6
MSCI Europe ex UK Index (Eur) - Net Returns	-0.4	2.0	2.4	10.9	19.4	7.1	8.7	7.5	5.5

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in EUR	30/09/23 30/09/24	30/09/22 30/09/23	30/09/21 30/09/22	30/09/20 30/09/21	30/09/19 30/09/20
Return net of management fee Class B Acc	15.04	19.23	-14.50	35.47	-6.70
MSCI Europe ex UK Index (Eur) - Net Returns	19.37	20.38	-14.60	27.63	-2.96

Returns shown in EUR	30/09/18 30/09/19	30/09/17 30/09/18	30/09/16 30/09/17	30/09/15 30/09/16	30/09/14 30/09/15
Return net of management fee Class B Acc	-0.68	-0.49	19.66	3.38	5.12
MSCI Europe ex UK Index (Eur) - Net Returns	6.56	1.02	18.87	3.20	3.10

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.

Fund facts

Share Class; Dealing ccy

B Acc; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

EUR 107.09m

Fund launch date

19 January 1998

Share class launch date

31 March 1999

Management fee

1.75%

ISIN; Bloomberg

IE0007356367; FRUCEBI ID

Share class NAV

EUR 0.15m

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	296	338
Price/Earnings	22.9	22.9
Dividend Yield	3.1	3.1
Price to Book	2.1	2.2
EPS Growth (1 Year)	13.7	27.2

3 years	Fund	Benchmark
Volatility	13.6	13.6
Tracking error	1.6	1.6
Sharpe ratio	-	-
Information ratio	0.3	0.3
3 year return (net)	5.7%	7.1%
3 year excess return (net)	-1.4%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
Novo Nordisk A/S	3.1%	4.3%
SAP SE	2.5%	2.7%
ASML Holding NV	2.3%	3.7%
Roche Holding AG	2.2%	2.7%
Sanofi SA	2.1%	1.5%
Novartis AG	2.0%	2.6%
TotalEnergies SE	1.6%	1.6%
Schneider Electric SE	1.4%	1.6%
Industria de Diseno Textil SA	1.3%	0.7%
CaixaBank SA	1.3%	0.2%

Country weight

	Fund	Benchmark
France	22.6%	22.3%
Germany	17.6%	17.8%
Switzerland	15.9%	19.5%
Netherlands	10.0%	10.2%
Denmark	6.1%	6.6%
Italy	6.0%	5.2%
Spain	5.8%	5.5%
Sweden	5.0%	7.0%
Finland	3.8%	1.6%
Norway	2.0%	1.1%

Sector weights

	Fund	Benchmark
Financials	19.4%	18.9%
Industrials	18.1%	18.0%
Health Care	17.0%	16.9%
Consumer Discretionary	10.6%	10.9%
Information Technology	9.5%	9.4%
Consumer Staples	7.3%	8.6%
Materials	6.3%	6.0%
Communication Services	4.7%	3.5%
Energy	4.0%	2.8%
Utilities	2.8%	4.1%
Real Estate	0.3%	1.0%
Other	0.0%	0.0%

ESG Data

	Fund	Benchmark
ESG Score	17.4	17.5
Carbon Footprint	64.0	82.2

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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Fund structure

Manager/Strategy	Strategy	Target	Actual
INVESCO Asset Management Limited	Market-Oriented	14.0%	12.4%
Joh. Berenberg, Gossler & Co. KG	Growth	14.0%	15.1%
Liontrust Investment Partners LLP	Market-Oriented	14.0%	12.1%
Numeric Investors LLC	Market-Oriented	24.0%	28.1%
Pzena Investment Management, LLC	Value	14.0%	10.5%
Russell Investments	Positioning Strategies	20.0%	21.9%

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.

Potential investors in Emerging markets should be aware that investment in these markets can involve a higher degree of risk.

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