

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 was flat against the benchmark in the second quarter. The tilt towards small cap stocks was additive. An underweight to and selection within consumer staples was positive. An underweight to LVMH within consumer discretionary was also effective. However, an underweight to and selection within health care (underweight Novo Nordisk) detracted.

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 A Acc	-1.7	0.0	6.4	6.4	10.4	6.2	8.9	7.4	-
MSCI Europe ex UK Index (Eur) - Net Returns	-1.1	0.4	8.7	8.7	13.5	6.5	8.9	7.4	-

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in EUR	30/06/23 30/06/24	30/06/22 30/06/23	30/06/21 30/06/22	30/06/20 30/06/21	30/06/19 30/06/20
Return net of management fee Class A Acc	10.39	18.70	-8.65	37.55	-6.90
MSCI Europe ex UK Index (Eur) - Net Returns	13.46	19.37	-10.81	28.96	-1.60

Returns shown in EUR	30/06/18 30/06/19	30/06/17 30/06/18	30/06/16 30/06/17	30/06/15 30/06/16	30/06/14 30/06/15
Return net of management fee Class A Acc	0.89	2.80	23.50	-8.34	13.52
MSCI Europe ex UK Index (Eur) - Net Returns	6.00	2.11	20.51	-9.97	13.37

Past performance does not predict future returns.

The current benchmark is the MSCI Europe ex UK Index () - 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

A Acc; EUR

Dealing frequency; Cut off

Daily; 2:00 pm GMT

Domicile; Category

Ireland; UCITS

Fund size

EUR 122.96m

Fund launch date

19 January 1998

Share class launch date

29 March 1996

Management fee

0.80%

ISIN; Bloomberg

IE0007356250; FRUCEAI ID

Share class NAV

EUR 39.56m

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	293	339
Price/Earnings	17.7	18.5
Dividend Yield	3.2	3.2
Price to Book	2.1	2.2
EPS Growth (1 Year)	16.3	18.5

3 years	Fund	Benchmark
Volatility	13.8	13.8
Tracking error	1.6	1.6
Sharpe ratio	0.1	0.1
Information ratio	0.4	0.4
3 year return (net)	7.2%	6.5%
3 year excess return (net)	0.7%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
ASML Holding NV	4.0%	4.9%
Novo Nordisk A/S	3.9%	5.6%
SAP SE	2.3%	2.5%
Roche Holding AG	2.0%	2.4%
Novartis AG	1.9%	2.5%
TotalEnergies SE	1.7%	1.7%
Sanofi SA	1.6%	1.3%
CaixaBank SA	1.3%	0.2%
Industria de Diseno Textil SA	1.3%	0.6%
Hermes International SCA	1.2%	0.9%

Country weight

	Fund	Benchmark
France	21.7%	22.0%
Germany	17.1%	17.0%
Switzerland	15.3%	19.1%
Netherlands	10.8%	11.4%
Denmark	6.4%	7.8%
Sweden	6.2%	6.8%
Italy	5.9%	4.9%
Spain	5.7%	5.2%
Finland	3.1%	1.5%
Norway	2.3%	1.2%

Sector weights

	Fund	Benchmark
Industrials	18.9%	17.4%
Financials	18.1%	18.1%
Health Care	16.2%	17.2%
Information Technology	11.2%	10.6%
Consumer Discretionary	11.2%	11.3%
Consumer Staples	7.5%	8.7%
Energy	4.7%	3.1%
Materials	4.7%	5.9%
Communication Services	4.3%	3.2%
Utilities	2.7%	3.7%
Real Estate	0.5%	0.8%
Other	0.0%	0.0%

ESG Data

	Fund	Benchmark
ESG Score	18.7	18.7
Carbon Footprint	62.5	81.3

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%	12.6%
Joh. Berenberg, Gossler & Co. KG	Growth	14.0%	16.1%
Liontrust Investment Partners LLP	Market-Oriented	14.0%	12.8%
Numeric Investors LLC		24.0%	27.7%
Pzena Investment Management, LLC	Value	14.0%	10.4%
Russell Investments	Positioning Strategies	20.0%	20.4%

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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