

Russell Investments Continental European Equity Fund

Article 8

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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 underperformed against the benchmark in the first quarter. The tilt towards small cap value stocks was unfavourable during the period. Stock selection within technology (underweight ASML) was a key detractor, followed by selection within industrials (underweight Safran). An overweight Jeronimo Martins within consumer staples was also ineffective. However, an underweight to Nestle within the sector was additive. Positioning and selection within financials (overweight CaixaBank, UniCredit) also contributed positively.

Performance Review %

Performance to period end Returns shown in GBP	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 D Acc	2.9	5.0	11.9	5.0	10.2	9.0	9.7	8.2	9.5
MSCI Europe ex UK Index (Eur) - Net Returns (GBP)	3.7	6.8	14.9	6.8	12.7	8.9	9.6	8.1	9.7

All returns greater than 1 year are annualised

Rolling 12 Month Performance (%)

Returns shown in GBP	31/03/23 31/03/24	31/03/22 31/03/23	31/03/21 31/03/22	31/03/20 31/03/21	31/03/19 31/03/20
Return net of management fee Class D Acc	10.20	8.18	8.51	41.39	-13.10
MSCI Europe ex UK Index (Eur) - Net Returns (GBP)	12.65	8.62	5.45	33.51	-8.28

Returns shown in GBP	31/03/18 31/03/19	31/03/17 31/03/18	31/03/16 31/03/17	31/03/15 31/03/16	31/03/14 31/03/15
Return net of management fee Class D Acc	-1.60	3.71	30.23	-0.96	5.57
MSCI Europe ex UK Index (Eur) - Net Returns (GBP)	2.17	3.59	27.68	-5.17	7.24

Past performance does not predict future returns.

The current benchmark is the MSCI Europe ex UK Index 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.

Fund facts
Share Class; Dealing ccy
D Acc; GBP
Dealing frequency; Cut off
Daily; 2:00 pm GMT
Domicile; Category
Ireland; UCITS
Fund size
EUR 122.86m
Fund launch date
19 January 1998
Share class launch date
24 February 2003
Management fee
0.65%
ISIN; Bloomberg
IE0032502001; FRUCESD ID
Share class NAV
GBP 5.40m

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Portfolio Statistics

	Fund	Benchmark
Number of equity holdings	306	338
Price/Earnings	18.3	26.5
Dividend Yield	3.2	3.2
Price to Book	2.2	5.6
EPS Growth (1 Year)	16.6	0.0

3 years	Fund	Benchmark
Volatility	13.7	13.7
Tracking error	0.0	0.0
Sharpe ratio	0.2	0.2
Information ratio	-	-
3 year return (net)	10.1%	8.9%
3 year excess return (net)	1.2%	-

Ten largest holdings by weight

Issuer	Fund	Benchmark
Novo Nordisk A/S	3.5%	4.9%
ASML Holding NV	3.4%	4.5%
SAP SE	2.2%	2.4%
Novartis AG	1.7%	2.3%
Sanofi SA	1.7%	1.3%
Roche Holding AG	1.7%	2.2%
TotalEnergies SE	1.6%	1.7%
Hermes International SCA	1.3%	0.9%
CaixaBank SA	1.2%	0.2%
Industria de Diseno Textil SA	1.2%	0.6%

Country weight

	Fund	Benchmark
France	22.7%	23.9%
Germany	17.3%	17.2%
Switzerland	13.8%	18.5%
Netherlands	10.2%	11.0%
Sweden	6.2%	6.5%
Denmark	6.2%	7.2%
Italy	5.9%	4.9%
Spain	5.8%	5.3%
Finland	2.9%	1.5%
Norway	2.6%	1.2%

Sector weights

	Fund	Benchmark
Industrials	19.0%	17.3%
Financials	19.0%	18.4%
Health Care	15.8%	16.1%
Consumer Discretionary	11.9%	12.3%
Information Technology	10.5%	10.0%
Consumer Staples	7.3%	8.9%
Energy	4.4%	3.2%
Materials	4.3%	6.1%
Communication Services	4.2%	3.1%
Utilities	2.9%	3.7%
Real Estate	0.5%	0.9%
Infrastructure	0.0%	0.0%
Other	0.0%	0.0%

ESG Data

	Fund	Benchmark
ESG Score	18.9	19.0
Carbon Footprint	64.0	83.0

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%	12.7%
Joh. Berenberg, Gossler & Co. KG	Growth	14.0%	15.9%
Liontrust Investment Partners LLP	Market-Oriented	14.0%	12.6%
Numeric Investors LLC	Market-Oriented	24.0%	26.3%
Pzena Investment Management, LLC	Value	14.0%	10.1%
Russell Investments	Positioning Strategies	20.0%	22.4%

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.

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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