

## Ukraine Invasion – frequently asked questions

This document includes questions you may have about your investments

- Q1 What exposure do you have to Russian or Belarussian investments?  
A1 Our exposure is very low. Not all our investments have exposure but where there is, we have been actively reducing this over past few weeks and on 28 February 2022 this exposure ranged from 0.05% to 0.18% (depending on the particular investment).
- Q2 Will there be any impact on the performance of my investments, or that of any connected 3<sup>rd</sup> party companies because of the Russian/Ukraine conflict?  
A2 The overall investment exposure is relatively small and is partly helped by our higher position in commodities, which have performed strongly this year. This has helped to mitigate losses. We will continue to monitor the situation closely. The invasion of Ukraine by Russia took markets by surprise, resulting in a broad sell off in equity markets and other risk-assets. Although our investments were conservatively positioned against their respective benchmarks, we have seen a fall in the absolute value of investments since the conflict started. Unsurprisingly, our exposure to Russian assets has been most affected, with sharp declines in both the market price of Russian stocks and the currency.
- Q3 Can I remove Russian assets from my Investments?  
A3 We are actively working on removing Russian and Belarussian investments as quickly as we can but it is not possible to request that Russian investments are excluded. This is because they are in collective investments and all clients are invested in the same holdings.
- Q4 Will you be investing in Russian and Belarus in the future?  
A4 We will not be investing further in Russian and Belarus assets . We are working with our investment managers to dispose of all remaining Russian / Belarus holdings in our directly invested funds as soon as possible, provided they are tradeable. In the longer term we will continue to assess the situation.
- Q5 Are there any other things you are currently doing?  
A5 Our investment managers continue to monitor events and markets regularly assessing holdings. The diversified nature of our investments and risk positioning ahead of the crisis have been supportive. We will also keep our clients updated on markets and our investments.
- Q6 How is my investment positioned given the current market position? Do you have any hedging that will help with the situation?  
A6 Since the start of the year we have seen an increase in volatility driven by both concerns with global inflation and the tragic events that are occurring in Ukraine. Since the start of the crisis in Ukraine we have been engaged with our investment partner Schroders Investment Management to understand what tactical changes they are making to help manage investments through the uncertainty which the conflict between Russia/Ukraine poses.

The escalation of tensions between Russia and Ukraine is an evolving geo-political situation and this makes it difficult to call which way it will turn. We are not positioning investments aggressively for any particular outcome. Recently we closed our overweight equity positions and moved to a neutral position. There is potential for further escalation or indeed a de-escalation of the current conflict. We have tried to be careful where we are taking risk in order to manage potential adverse outcomes for our clients' investments should the

Russia/Ukraine situation evolve. In particular, we are maintaining an overweight exposure to commodities as it may act as a hedge if we see further escalations as the supply of several commodities would likely be further squeezed. We have also adjusted our currency positioning by going overweight in the USD, which is seen as a safe haven currency in times of uncertainty. In summary our current investment position is:

**Equities – Neutral**

**Bonds – Underweight**

**Commodities - Overweight**

Q7 Will there be any problems in adding to or withdrawing from my investment?

A7 We do not foresee any problems in withdrawing or adding to your investments, as markets remain sufficiently liquid and our investments have very diversified exposures and holdings. This is subject to usual limits, such as ISA subscription limits.