

Message from Mark Duckworth

Russia's invasion of Ukraine is a human tragedy. At this time, our thoughts are first and foremost with the people of Ukraine. Even so, I appreciate that no one will have been unaffected by the sight of Russian forces moving deeper into the country. Scenes like these have not been seen in Europe since the Second World War.

Under these circumstances, it can perhaps seem out of place to discuss the impact the invasion might have on our finances. But the simple truth is that our lives, and those of our families and communities, have not ceased to matter overnight. And geopolitical events like the one we are currently witnessing can affect our finances.

Stock markets across the world have fallen and the price of oil has risen as the tragedy has unfolded. And we have seen increased demand for so-called safe haven assets, such as gold and the US dollar. Many of us have watched our investments fall in value. Thankfully, market declines have so far been nothing like as steep as they were at the start of the pandemic.

In these sobering times it is worth remembering that markets have a history of recovering from geopolitical shocks. They did so after the two Gulf Wars, after 9/11 and after the Russian takeover of Crimea. Although, as with all investments, nothing is guaranteed*.

It is understandable that, in times of heightened political tension, people might want to switch from riskier assets to perceived safer ones. But we at Schroders Personal Wealth believe this would not be the right thing to do, as you could miss out on any market rebound.

We are firm adherents of investing for the long term, which can enable you to ride out the peaks and troughs that markets inevitably go through. We also believe in holding a diverse range of assets in line with your investment needs. These varied holdings can respond differently to particular events and so may provide your investments with some protection.

We understand that you will have a number of questions about your investments at the moment and we are doing everything we can to help answer these. Please find attached a Q&A document that addresses some important issues.

Please be assured that we are constantly monitoring the situation in Ukraine and looking at what is best for your investments. We have significantly reduced our exposure to Russia and Belarus over the last few weeks and are working with our investment managers to dispose of all remaining Russian and Belarus holdings in our directly invested funds as soon as possible. We will not be investing further in Russian and Belarus assets through our directly invested funds in the foreseeable future based on our ethical beliefs as a business and what we believe to be in the best interests of investors.

We believe it is important to play our part in supporting Ukraine. The British Red Cross has launched an emergency appeal to help provide victims of the Russian attacks with food, water, shelter and medicines and basic medical supplies. We are encouraging our employees to contribute to this appeal and will match their contributions. In the meantime, our thoughts remain with the people of Ukraine.

If you have any questions, please contact your Financial Adviser or call a member of our Customer Services Centre on +44 (0) 344 822 8910. Please note that the Customer Services Centre cannot give investment advice.

Yours sincerely

A handwritten signature in black ink, appearing to be 'M. Duckworth', enclosed within a large, loopy oval shape.

Mark Duckworth
CEO
Schroders Personal Wealth (ACD)

*Past performance is not a reliable indicator of future results. The value of investments and the income from them can fall as well as rise and are not guaranteed.