

## Responding to crises

The situation in Ukraine is horrifying to us from a humanitarian perspective. Our first hope is for peace and for an end to so much unnecessary suffering.

Our vision statement is “forging better futures by investing for a world worth living in”. The actions taken by Russia stand in direct contravention to this ethos and, ultimately, to our Responsible Investment principles.

Clearly the invasion, ensuing sanctions and investor responses are also having an impact on broad asset markets. Obviously, Russia remains the epicentre. Through the region generally, there is also the risk of stranded assets.

Thus, both our RI principles and our investment due diligence lead us to believe the investment outlook for these assets has materially changed.

Over the last week, we have liaised extensively with our managers, investment partners and stakeholders to understand the shorter-term market effects, so as to measure and manage our exposure.

Our approach encompasses the following points:

- With immediate effect, we prohibit any new investments in Russian assets
- We wish to begin, in an orderly manner and, where practical, to disinvest from all Russian-controlled and Russian-owned assets, bonds and equities, wherever they be listed. This will ensure we capture all Russian assets. Due to the nature of the Russian regime, we do not make the distinction between state owned assets and non-state-owned companies
- Where our non-Russian assets have material revenues/profits derived from Russia, we should seek first to influence through engagement to the same end. Our broader approach to stewardship and engagement is well-established and can be viewed **on our website**
- Where we do not own companies with exposure to Russia, we will still continue to engage on this issue, in line with our approach

We believe that this position firmly sits within our fiduciary duty to our clients and has been reached based on responsible and investment considerations.

David Vicker - Chief Investment Officer

1 March 2022