



telecommunication workers pension plan

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TWPP – Investment Exposure to Russia/Ukraine Conflict

We are deeply saddened by the tragedy unfolding as a result of Russia's ongoing attack on Ukraine.

The Board of Trustees is closely monitoring developments in Ukraine and the potential impacts of Russia's invasion on the TWPP.

Russia is currently not participating in the international financial community. Most developed countries worldwide have placed strict economic sanctions on Russia in response to the invasion. As the conflict continues, more companies and investment entities have been announcing various measures they are taking to distance themselves from Russia including:

- Major index providers have removed Russia from their benchmark universes including MSCI, FTSE and Bloomberg
- Investment managers are divesting from their positions in Russia where possible, including large public sector managers like BCI
- Major companies have ceased operations in Russia by closing offices, ceasing sales in the region, and restricting access to digital services

The Russian stock exchange has remained closed since Russia began its invasion. Investors have been unable to sell their Russian shares and thus, most investment managers who intend to divest have written down their shares to \$0 pending the opening of the Russian markets.

Each of the Plan's investment managers have been queried as to their level of exposure to Russia and Ukraine. It has been confirmed that there is no direct exposure to Russia or Ukraine with all Fund managers with the only exception being PH&N who has two funds with a small amount of direct exposure to Russia; RBC Multi-Strategy Alpha 0.1% and PRisM Balanced 0.1%. PH&N has indicated they wish to divest from any affected holdings as soon as possible; they have been proactive in dealing with the situation and their intention to divest as soon as possible is the best they can do under the circumstances. The Plan has some indirect exposure to Russia via companies that are not located/traded in Russia but do business in Russia or with Russian companies. We expect that this exposure will be minimized over time by each business due to sanctions.

The situation will continue to be monitored closely by the Board of Trustees.

Jennifer Bucholtz,
Administrator

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