

## **Ukraine Crisis - Investment Update for CNPP Members**

### **DC/SPPP/AVC Members**

**(DB members, please go to the message at the bottom of this update)**

**If you a DC/SPPP/AVC MEMBER OF COMBINED NUCLEAR PENSION PLAN, please see the below message.**

#### **What impact did Russia's invasion of Ukraine have on share prices?**

In line with what has been seen historically with geopolitical tensions, following Russia's invasion of Ukraine, global shares and other investments have seen significant increases in volatility. This has meant, for many people, a reduction in the value of their pension pot.

Volatility can be expected for some time to come and this can be worrying, especially for less experienced investors. However, investments such as pensions are considered long term and expectations are that long term growth will more than offset the impact of short term volatility.

#### **If markets are going down, what does this mean for my pension savings?**

Pension savings are long-term savings, so short-term events in markets may not affect what you could get when you retire.

If you are invested in the Plan's default arrangements – LifePath Flexi or LifePath Capital – these funds have a diversified investment approach which aims to smooth out short term ups and downs. Your investments are spread across different asset classes so they are less reliant on shares and can benefit from other sources of return.

Your DC Plan administrator, Aegon, has put some information on its website about what it is doing and about market volatility which may help you.

**[Ukraine crisis – the impact on investments \(aegon.co.uk\)](https://www.aegon.co.uk)**



If you're unsure how to proceed in these difficult times, you might like to get professional financial advice. If you haven't got a financial adviser, you can find a list of advisers at [www.moneyhelper.co.uk](http://www.moneyhelper.co.uk).

You can find out where your pension savings are invested on your online member portal (Target Plan). If you have any questions, you can contact Aegon regarding the portal on the following phoneline or email.

- [my.pension@aegon.co.uk](mailto:my.pension@aegon.co.uk)
- 01733 353414

### **What if I am closer to retirement?**

If you are close to retirement and invested in either of the Plan's default Funds – LifePath Flexi or LifePath Capital – most of your savings will have already been moved out of the stock markets.

The strategy is designed to help protect you from the possibility of big falls in value close to retirement, so your savings won't be as exposed to any market falls as funds which invest more heavily in stocks and shares.

### **Does my pension have any exposure to Russia?**

We understand you may be concerned that your pension savings have exposure to Russia – either because of the impact on the value of these assets or from an ethical point of view.

The Trustee has talked to its advisors and Aegon, and they have confirmed that less than 0.5% of your pension savings was invested in Russia and the intention is that in future this will be zero.

### **Pension scamming - BE AWARE that you could be targeted by pension scammers.**

A pension scam could result in you losing all your pension savings: There may be new trends in fraud related to the Ukraine crisis. Scammers are known to be targeting members with pension pots of ALL sizes. What should you do if someone contacts you about your pension savings?

- › Don't give out your personal information if contacted unexpectedly;
- › Don't be rushed into anything, take time to think;
- › Don't sign anything unless you fully understand what you're signing up to; and
- › Don't let anyone into your house unless you're sure they're genuine.



- › Do research any firm that contacts you;
- › Do check the FCA warning list on the Financial Services Register (<https://www.register.fca.org.uk>);
- › Do get yourself regulated financial advice;
- › Do take your time over financial decisions, and
- › Do assess the tax implication of any decision you make.

Please think carefully before you consider transferring your pension. You need to be very wary of potential scams. The following websites contain useful information which can help protect you protect yourself from pension scams

<https://www.fca.org.uk/scamsmart/how-avoid-pension-scams>

<https://www.thepensionsregulator.gov.uk/en/pension-scams>.

### **DB Members**

**If you are a DB member of the CNPP, please see the below message:-**

There has been volatility in markets following the invasion of Ukraine. Whilst the Plan's Defined Benefit investments have minimal direct exposure to Ukraine and Russia, the increased volatility in markets means there may inevitably be some indirect impact on the Plan's assets. The Trustee will continue to monitor the Plan's assets and any exposure to Russia in the future.

However, the Plan's investment strategy is diversified across different asset classes and managers in order to mitigate the impact from market events. As a long-term investor, the Plan is also able to take advantage of any market opportunities that may arise.

The Trustee continues to monitor the Plan's investments and believes the portfolio is well-placed to manage a range of different economic conditions.

For DB, the employer covenants are unchanged by Russia/Ukraine; Any investment risk, in the long-term, is taken by the employer and mitigated by increased employer contributions.