

TO: The Honorable Mayor and City Council

FROM: Prabhu Palani, CIO
Federated City Employees' Retirement System
Police and Fire Department Retirement Plan

SUBJECT: Retirement Plans' Russia Exposure

DATE: March 18, 2022

INFORMATION

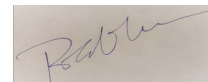
This information memorandum provides information on the exposure of our Retirement Plans' to Russian investments.

Our retirement plans' investment portfolios are diversified across asset classes as well as geographies. While our plans' do not directly invest in securities, we do make investments in fund vehicles through investment managers who may take positions in securities of countries and regions globally.

Through such investments, as of 1/31/2022, which was prior to the Russian invasion of Ukraine, the Police and Fire Department Plan and the Federated City Employees' Retirement System had a combined exposure of 0.53% (\$42 mm) to Russian debt and equity securities. More recently, as of 2/28/2022, our exposure to Russian investments has come down significantly to 0.14% (\$10.8 mm) for both plans combined, due to a combination of selling down our positions in these investments as well as write-downs in their value.

It is to be noted that these exposure numbers are approximate. A combination of sanctions and closed exchanges has made it difficult to determine the value of these investments using market prices. Major index providers have determined that the Russian Market is "uninvestable" and its securities have been removed from Emerging Markets indexes. When trading recommences in these securities, it is quite possible that their values may be considerably diminished.

Please do not hesitate to reach out to us if you have any questions.



Prabhu Palani
Chief Investment Officer