



Coronavirus Statement

Dear member,

As the COVID-19 pandemic continues to spread, concerns are widespread that global economic activity will slow sharply. This has caused significant falls in stock markets across the world, which could have negatively impacted the current value of your pension or investments. You may notice this in your annual benefit statement this year. Our approach at Aviva is about taking appropriate action to ensure that we're able to protect the service that we provide to you as much as possible.

What does this mean for you?

To get through challenging times such as these, we believe that it's important to focus on areas where we know we can have a positive influence – namely the ability to offer our customers well-diversified investment solutions (default funds) where risk is managed at each stage of the retirement journey.

Our main investment funds, in which you may be automatically invested through your pension scheme, are designed to try to smooth out the sharper ups and downs in the stock markets. We do this by investing your money in a range of investments, so they aren't solely reliant on the performance of one investment market. For people who are close to retirement, our main funds reduce the amount invested in company shares and invest in other types of investments, such as bonds, instead.

If you're further away from retirement, you may see a sharper fall in the value of your pension savings. This is because the funds are more heavily invested in company shares and, as a result, the stock market. We understand that this may be unsettling, but we'd urge you to remember that pensions are long-term savings and we are hopeful investment markets will recover in time, as they have done previously.

It's also worth bearing in mind that when investment values are low, the contributions to your pension will buy more. So, although past performance isn't a guide to future performance, the value of the investments you've already bought will go up if markets recover.

What should I be doing?

With retirement savings, we can't over-emphasise the importance of taking a long-term view of investments. Markets suffered significant losses in 2007 and 2008, but they came back strongly thanks to the unprecedented action of central banks. Since then, policymakers have continued to demonstrate that they're prepared to do everything in their power to support their respective economies and the global financial markets.

Markets do, and will, recover – but it's always worth keeping an eye on your investment portfolio by logging in to your online account.

Keeping calm when stock markets fluctuate

Although we don't know how markets will perform over the coming months, here are some useful facts to consider:

1. Market volatility is nothing new

It's not unusual for world events to increase stock market turbulence --- we've seen it before during the 2008 financial crash, the US-China trade war and Brexit.

2. No need to make any reactive decisions – think about the long-term

When markets are falling there's a temptation to make a hasty decision. But it's rarely wise to base long-term investment decisions on short-term market fluctuations. After all, your workplace pension is a long-term investment. The key is understanding where your pension is invested --- that way, you'll know how much it's been affected.

Remember, the main investment funds in which we invest your workplace pension are designed with the aim of smoothing out the bigger fluctuations in the stock markets. We do this by investing your money in a range of investments, avoiding reliance on the performance of one investment market. And for those that are closer to retirement, less of your savings are invested in the stock market and more in bonds and other investments which are less likely to experience sharp ups and downs.

3. Read key tips to help you stay in control of your pension

We know these are uncertain times, so we've listed five steps to help you stay in control of your workplace pension.

You can read these here: [Keeping calm when stock markets fluctuate](#)

4. Find answers to your questions about your pension

Many people are feeling concerned about the possible financial effects of the spread of the COVID-19 virus. Below, we've provided answers to some questions which you may have about your pension.

You'll be aware how quickly events are moving, so do remember that our answers are based on guidelines and legislation which might change at short notice as the government's response to the pandemic continues to evolve.

You can read these here: [Your pension: some frequently asked questions](#)

At Aviva, we put our customers first, so you can rest assured that we're doing everything possible to look after your pension. We'll be here if you need us.

Kind regards,

Your Aviva Pensions Team

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