

Home Group Pension & Life Assurance Scheme

Heightened market volatility and the implications for your pension savings and benefit statement

Your pension contributions are invested according to your choices when you joined the Scheme, or any changes you made thereafter. The current value of your pension therefore depends on how investment markets are performing. This can go up and down regularly.

As well as its impact on daily life, the Coronavirus outbreak is contributing to more regular and noticeable changes in investment values, causing large value swings for many investors including pensions.

The benefit statement you received recently will show your pension savings as at 31 March 2020. In the run up to the end of March 2020, much was unknown regarding Covid19 and due to this, some investment markets experienced large price falls. Since April we have seen central banks stepping in to offer unprecedented stimulus to help companies and the economy. This has resulted in many markets recovering some of the losses experienced earlier this year.

However, as the benefit statement shows your pension savings as at 31 March 2020, it may reflect the falls in some investment markets up to that date but not the subsequent recovery. The pension projections included in this statement are also based on the value of your savings as at 31 March 2020. It is important to remember that the value of your pension savings changes on a daily basis as markets move and this is only a snapshot at a certain point. You can view the value of your current pension savings on Aviva's member portal <https://www.avivamymoney.co.uk/Login>. If you have not previously logged on you will need to contact Aviva for assistance on 0345 604 9915 or alternatively email Aviva on mymoney@aviva.com.

It is important to remember that pension saving is a long-term process and it is important not to make any snap decisions based on day-to-day market changes. If you are many years away from the time you plan to take your pension savings, you will have more time to ride out short-term market fluctuations. For members approaching retirement or planning to access their benefits soon, there is less time to make up any losses and most pension schemes provide lower risk investment options with this period in mind. The Scheme offers Lifestyle options that are designed to reduce the level of investment risk as members start to approach their target retirement age.

Further to this, there is a range of fund choices available for all members of the Scheme within the Self Select range. This range of funds is aimed at members who may wish to make their own investment choices.

What action do I have to take?

You do not have to take any action as a result of this notification. However, the Trustees would like to remind you to keep under review whether your fund choice is right for your circumstances and your expected retirement date.

The Trustees of the Home Group Pension and Life Assurance Scheme 23 September 2020

This notification does not constitute financial advice. Neither the Trustees nor Home Group are permitted to offer you financial advice. You should seek financial advice if you are in any doubt about what is most suitable for your circumstances.