

# COVID-19 update

## An important Trustee update for members of the Vaillant Group Pension Scheme (the Scheme)

### How does COVID-19 affect the Scheme?

As well as hearing about the potential health and social impact of COVID-19 around the world, you will likely have heard that it has created a major downturn in financial markets. Stock markets around the world are very volatile at the moment, and share prices are generally falling.

Fortunately, the Scheme's investment strategy is designed to secure reasonable returns whilst minimising risk as much as possible. The Scheme's funding position, which is being regularly checked, has deteriorated slightly but is holding up well given the circumstances. This remains a key focus for the Trustees and I now have weekly calls with both the appointed investment adviser and the Scheme Actuary to discuss the positioning of the investment portfolio in the context of the market developments and the impact on the Scheme's funding level.

*"The Scheme's investment strategy is designed to secure reasonable returns whilst minimising risk as much as possible."*

You will be aware that the situation is changing rapidly, and we wanted to let you know about the additional steps the Trustees are taking to protect the funding position for the future, and to ensure we have strong resilience in place in terms of our continued service delivery to all the members of the Scheme:

- The Trustees have asked their investment adviser to provide assurance that all the underlying Fund Managers (who manage investments on our behalf) are carrying out a detailed review of all assets held and taking appropriate action to manage risk.
- The in-house administration team are all working from home and we have thoroughly tested our procedures to ensure that we are able to deliver our normal service to you. **If you are a pensioner member of the Scheme, please be assured that pension payments for March were made at the end of the month as normal.** This was the first big test of our ability to work remotely and, I am pleased to say, it caused no problems. Payments will continue to be made as scheduled. We will continue to monitor our operational resilience closely should further restrictions come into place.
- The Trustees remain strongly engaged with the Company to ensure we understand the steps it is taking to manage the impact of the crisis. Dependence on the Company has reduced over the years as the Scheme's funding position has improved, but it's reassuring to know that the Company remains financially strong and continues to be able to support the Scheme.

If you are a current Vaillant employee, you'll also be part of the defined contribution arrangement with Aegon. You should have already received a communication from the Company with details about this arrangement and how it could be affected by stock market uncertainties.

### Is your nomination form up to date?

You may remember from our last newsletter that we're encouraging all members to make sure nomination forms are up to date. If you haven't updated your form in the last few years, or if your personal circumstances have changed, then please complete and return a [nomination form](#).

## Pension scams – don't be next

Please be aware that there has been a significant increase in the number of scams since the COVID-19 outbreak started.

In relation to your pension, 'cold calls' are one of the most common methods used by scammers to commit pension fraud. These are usually unexpected calls from people who you don't know. Cold calls are now illegal and so any unexpected calls you get about your pension are very likely to be a scam. Find out more about cold calls in our most recent [DB newsletter](#).

Neither the Company, the Trustees, or any reputable business will cold call you about your pension. Be extra vigilant at this time to make sure you keep your pension savings safe. The scammers often sound convincing but can rob savers of their hard-earned retirement and devastate lives.

Scams could include fraudulent links to items such as face masks or hand sanitiser, or to lists of people affected by COVID-19 in your area. Make sure you don't click links in any suspicious-looking emails, and never respond to any unsolicited messages that ask for your personal or financial details. If you're buying something from a company you don't know, remember to do some research first to make sure it's legitimate.

You can check the Financial Conduct Authority's ['ScamSmart'](#) for a list of known scams to help you keep your guard up. Remember, if you're thinking about making decisions regarding your pension, it's always best to contact a financial adviser. You can find one near you at [unbiased.co.uk](http://unbiased.co.uk)

## Contacting us

We appreciate that you may still have questions or concerns at this difficult time and we are available to support you however you need us. Despite the high level of phone calls we are currently receiving, we will do our best to respond to you as soon as possible. You can also [contact the team via email](#).

We hope that you and your family remain safe and well during this challenging time.

**Mike Hampton**  
**Chairman of Trustees**