

For customers, employers, trustees and intermediaries

# Coronavirus – questions and answers

We're here to support you and rest assured we're doing everything we can to keep our services running as smoothly as possible. We also want to help answer some of the questions you may have about the impact of the coronavirus – these fall into two categories as outlined below:

- **Office closures** – affecting all Aegon UK sites from 24 March 2020.
- **Market volatility** – the coronavirus outbreak and its effects on the markets.

## Office closure questions

### Are the Aegon offices closed?

Yes, all Aegon offices are currently closed in line with government coronavirus guidance. Aegon staff have been asked to work from home at this time.

The closure of our offices was something we anticipated, and we have detailed plans in place to minimise the impact on our customers while ensuring our employees remain as safe as possible.

Most of our services will be unaffected by the office closure. However, we can't accept incoming calls, or receive post at this time. Please go to the [contact us](#) page to see alternative ways of contacting us.

While the offices are closed it may take longer than usual for us to get back to you. We ask for your understanding and apologise for any inconvenience this may cause.

### When will your offices reopen?

Our offices will reopen when government guidance allows this, and on condition that there are no additional local factors that make it sensible to keep one or more of our offices closed for longer.

### What's the impact on customers while the offices are closed?

We've implemented business continuity plans so we can continue to serve our customers, and we will prioritise critical requests at busy times.

With all sites closed, you won't be able to reach us by telephone or post. All online services are operating as normal and we're dealing with enquiries and transaction instructions online. You can find more about how to [contact us](#) online.

We'll respond as quickly as we can, but wait times may be longer than usual while our offices are closed. We ask for your understanding and apologise for any inconvenience this may cause. To help



manage demand, we'll prioritise the most critical activities (such as deposits, withdrawals and investment instructions).

### **How can I get in touch now?**

You can [contact us](#) online.

Please note that while offices are closed we're unable to accept any calls to our contact centres, and won't receive post. Instead we're asking our customers to get in touch online via the above link.

While the offices are closed it may take longer than usual for us to get back to you. We ask for your understanding and apologise for any inconvenience this may cause.

We'll continue to post updates to our dedicated [coronavirus website](#) and we're doing everything we can to maintain our service to you.

### **Can I email Aegon with my question?**

We're doing everything we can to maintain our service to you, and the best way to get in touch in the current circumstances is by using our online forms.

You can find out how to do this on the [contact us](#) page of our website.

### **Can I post my documents to you?**

We're unable to accept any documents via post to our offices at this time. Please make alternative arrangements to send any instructions digitally. You can find more about how to [contact us](#) online.

### **Can I keep doing business with you as normal?**

You can continue to do business with us online, and all critical services will continue to operate. However, our contact centres are currently closed and we're unable to accept documents sent to us through the post at this time. Please make alternative arrangements to send any instructions digitally. You can find more about how to [contact us](#) online.

### **When will I get a reply to any queries submitted online?**

We're prioritising customer queries so that we respond to the most urgent first, and we're working hard to minimise the impact on you. While the offices are closed it may take longer than usual for us to get back to you. We ask for your understanding and apologise for any inconvenience this may cause.



## **How do I make a complaint?**

Detailed instructions on how to do this can be found on the [contact us](#) page of our website.

## **Market volatility questions**

### **Why has my fund price dropped?**

The global spread of the coronavirus has been an important contributor to the recent volatility in equity (company shares) markets. Markets tend to react to uncertainty, so as new cases arise and the situation evolves, it's likely that global markets will be impacted further – potentially for a prolonged period of time. This impact could be both positive and negative at different times as market confidence evolves.

### **What will happen to my investments if this situation continues?**

This isn't something we can determine. It's important that you consider these fund value changes in the context of your long-term investment objectives. Fluctuations in fund value should be expected and, as always, there's a risk that you may get back less than you invest.

You should speak to a financial adviser in the first instance if you're unsure how the Coronavirus outbreak is impacting your investments, or whether you should take any action. If you don't have a financial adviser, you can find one on the [Money Advice Service](#) website. Please remember that Aegon cannot give financial advice.

### **I've heard that property funds may suspend trading – why is this?**

Market volatility in the wake of the current coronavirus pandemic has led to increased uncertainty in the UK commercial property market.

This uncertainty has impacted the ability of independent property valuers to accurately assess the value of physical properties. This has resulted in a number of UK commercial property funds being suspended with immediate effect.

This means investors are currently unable to switch out or withdraw money from these funds until such time as the fund manager resumes trading.

Where this affects Aegon insured property funds we'll contact those affected, their financial advisers, and those responsible for impacted workplace pensions schemes, giving people more detail about what this means for them.

See the [full list of affected funds and more information about these suspensions](#).



## **How are the Aegon Core or Select portfolios impacted by the current market volatility?**

These portfolios were already defensively positioned before the coronavirus started to impact markets, because we believed the prospects for most major markets were relatively weak. In line with our long-term investment approach, we're assessing the impact of recent events on equity and bond markets to ensure that our investment portfolios continue to appropriately balance risk and opportunity. We also remain in dialogue with Morningstar, the asset allocation provider for our Core and Select portfolios, about their views in the context of the sharp market movements. They recommend taking a measured approach to analysing changes to the long-term value of assets. We share this view and stress the importance of investors considering current market volatility in the context of long-term investment objectives.

## **Has the risk management process in my Retiready Solution fund, or MI Savings fund, been invoked?**

The risk management process within the fund means a portion of its investments are replaced with lower-risk assets like cash when volatility is too high. We believe this process can limit the impact of sharp and sustained market falls. As at 16 March 2020, due to the sustained volatility in the markets, the risk management process was invoked with the aim of keeping the fund within its pre-defined risk parameters.

## **How are your scheme default funds impacted by the current market volatility?**

In line with our long-term investment approach, we're assessing the impact of recent events on equity and bond markets to ensure that our investment portfolios – including our default funds – continue to appropriately balance risk and opportunity. While we can't predict what markets will do next, we stress the importance of investors considering current market volatility in the context of their long-term investment objectives.

Most default funds reduce exposure to riskier stocks and shares as retirement approaches, with the aim of preparing savings for retirement. This may help to protect those close to retirement from some of the worst of the market falls. However, it may also mean that savers miss out on gains should markets rebound.

We would encourage you to speak to a financial adviser if you're at all unsure about whether your investment in a scheme default fund is right for you. If you don't have a financial adviser, you can find one on the [Money Advice Service](#) website. Please remember that Aegon cannot give financial advice.



## **I'm close to or in retirement – what should I do?**

Recent falls in the stock market will mean that, if you're primarily invested in stocks and shares, you will have seen your pension pot fall in value at a point when you may need to generate an income from those savings.

If you're about to retire and were planning to buy an annuity, you may face additional challenges as the 0.1% bank base rate (correct as of 19 March 2020) has meant that annuity rates have also fallen.

While there's no guarantee, around if and when fund values and annuity rates will bounce back, you can choose when and how much income you wish to take. If you're about to retire we'd encourage you to speak to a financial adviser about your options. If you don't have a financial adviser, you can find one on the [Money Advice Service](#) website. Please remember that Aegon cannot give financial advice.

## **Should I wait to take benefits, or take benefits now?**

Withdrawing savings following a sudden downturn can be tempting, and doing so may prevent further losses if markets continue to fall. However, this strategy could also mean you miss out on gains if markets rebound. Timing market withdrawals can be difficult to get right, so we recommend that you speak to your financial adviser in the first instance for questions about your investment decisions. If you don't have a financial adviser, you can find one on the [Money Advice Service](#) website. Please remember that Aegon cannot give financial advice.

## **Is my money safe?**

Aegon remains in a financially solvent and stable position. Business risk and market volatility – including extreme falls like those seen in recent weeks – are things that we plan for as part of our usual business processes.

## **What should I do if I receive a call or email about my savings that I haven't asked for?**

Unfortunately the current market uncertainty makes financial scams more likely. It doesn't matter if contact is made by post, email, text or telephone – you should be increasingly wary of anything pension-related that arrives unexpectedly. If you're in any way uncomfortable, the safest thing to do is to hang up the phone, delete the message or ignore the mail. Be careful about using the 'unsubscribe' option in emails as this could alert fraudsters that they've got the correct contact details for you.

If you do decide to act on a letter or speak to someone who has called you about your pension, it's important to remember that you're in the driving seat. You can take control of the situation.

## Do you have any tips on what to do if someone contacts me about my pension savings?

### Don't:

- give out your personal information if contacted unexpectedly;
- be rushed into anything, take time to think;
- sign anything unless you fully understand what you're signing up to, and
- let anyone into your house unless you're sure they're genuine.

### Do:

- research any firm that contacts you;
- check the FCA warning list;
- get yourself regulated financial advice;
- take your time over financial decisions, and
- assess the tax implication of any decision you make.