

Dear member

We attach a link providing some detail on how the coronavirus and the market volatility will affect your pension and would recommend that you read it. The link contains some contact details should you need further support.

<https://www.pensionsadvisoryservice.org.uk/about-pensions/when-things-change/coronavirus-how-will-this-affect-my-pension-or-investments>

For Caterpillar Defined Contribution (DC) Pension Plan members

The majority of our members (but not all) are in one of our Lifestyle funds.

For members approaching retirement or planning to access their benefits, the Plan offers options that are designed to manage the level of risk taken dependent on how close you are to retirement. The Trustee considers the design of the Plan's lifestyle strategies carefully and allocates to a range of geographies and asset classes in order to diversify the risks of investments, in particular, as members start to approach their target retirement age. Your target retirement age will be set at 65, unless you have changed it. If you wish to change your target retirement age because you wish to retire earlier or later than 65 and to ensure your investments are switched at the appropriate time, please go to your member website, OneView, which can be accessed through www.mycatpension.co.uk.

You should take extreme care if changing investment strategy during this uncertain time. For example, transferring away from equities into lower-risk investments whilst they have dropped in value may lock in any losses. We would recommend you take independent financial advice before making any change to your investments or target retirement age (as this may change your investments automatically from equities to lower-risk investments depending on your current age), so you fully understand the implications of your decision.

Alternatively, you may have chosen to use the freestyle option for investing your funds, so you will have been managing where your funds have been invested and an automatic switch will not occur as noted above. You may wish to review your choices on the member website.

For Caterpillar Defined Benefit (DB) Pension Plan members

Investment risk is borne by the sponsoring employer.

Please be aware of pension scams if transferring your benefits. The pension administrators perform many checks to avert pension scams, however you should visit <https://www.fca.org.uk/scamsmart> to ensure you understand the signs of a scam. Scam activity may heighten during this uncertain time.

For further information and guidance please use www.moneyandpensionsservice.org.uk. They provide the following services:

Looking for money or pensions help?

Pension Wise, The Pensions Advisory Service and the Money Advice Service all offer support and guidance for people looking to talk about money and pensions.



Pension guidance for over 50s
with a personal or workplace
pension

0800 138 3944

Find out more >



Free and impartial pensions
guidance on workplace and
personal pensions for everyone

0800 011 3797

Find out more >



Money guides, tools and
calculators to help improve all
your finances

0800 138 7777

Find out more >

Pension wise is for members with DC benefits (they do not provide guidance for DB benefits). The Pensions Advisory Service and The Money Advice Service is for everyone.

You may also find the following links useful:

<https://www.moneyadvice.service.org.uk/en/articles/coronavirus-and-your-money>

<https://www.moneyadvice.service.org.uk/en/articles/coronavirus-what-it-means-for-you>

Getting in touch

The Pension Plan administrators of both the DB and DC Plans are following their Business Continuity Plans and, although working remotely, plan to continue with business as usual as far as possible.

Please be patient if you experience a delay and for DC members use OneView where possible to free up resource so the teams can focus on key processes. Key processes will be prioritised should resources be strained due to illness.