



**ConocoPhillips Pension Plan Trustees  
Limited**  
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**8 May 2020**

Dear Member

### **ConocoPhillips Pension Plan – (the “Plan”)**

In these difficult times, I hope that this letter finds you and your families well. In light of the ongoing situation relating to the Coronavirus (COVID-19) pandemic, we would like to reassure you that we are closely monitoring the situation.

The Trustee has held a series of meetings with its advisers since March to review the potential impacts of the COVID-19 pandemic on the Plan. This has been considered from an operational perspective as well as funding and investment. At this time, we are satisfied that we have robust measures and contingency plans in place so that we are prepared to respond to the evolving situation.

### **Funding Update:**

Accompanying this letter as a separate document is a statement (a “Summary Funding Statement”) which the Trustee is required by law to provide to members following completion of a formal assessment, so as to give them important information about the funding position of the Plan. The statement provided confirms the position as at 31 March 2019.

The Trustee is currently undertaking the annual assessment of the Plan’s funding position as at 31 March 2020. The results will be communicated to members in another Summary Funding Statement once the exercise has been completed, but the initial estimates indicate that the Plan was still almost fully funded on the Technical Provisions basis as at 31 March 2020, with the position having then improved in April.

### **2020 Pensions in payment review**

As you may be aware, the part of your pension which relates to pensionable service completed prior to 6th April 1997 (if any) may be increased on a discretionary basis by the Company, although neither the Plan Rules nor legislation requires an increase to be made.

The Company may, however, from time to time review pensions being paid in accordance with the Plan Rules and may direct the Trustees to award a discretionary pension increase. Such additional contributions as the Trustee, having consulted with the Actuary, considers appropriate to secure these increases must then be paid into the Plan within 60 days of the award.

Regrettably due to financial impacts related to simultaneous COVID-19 driven demand impacts and OPEC-driven supply impacts and the resulting low oil price environment affecting both the Company and industry as a whole, the Company has needed to make some difficult but necessary decisions in order to maintain a sustainable business through the market downturn. These include announcing to active employees across the globe the intent to freeze salary adjustments in 2020 and confirming that the Company will not be awarding any discretionary pensions increases, in 2020.

#### **Operational continuity of the Plan:**

In light of the challenges posed by COVID-19, a key focus for us is to ensure that pensions continue to be paid to pensioners on time and other benefits are put into payment as and when they fall due. Assurance has been sought and received from the Plan administrators, Capita in this respect. It's also crucially important that we find alternative ways of keeping in touch with you – more about this below.

Whilst Capita currently continue to provide a full administration service to members of the Plan, less critical enquiries may take a little longer than normal to process to allow critical activities such as putting a member's pension into payment to be prioritised. If so, a response will be provided to all correspondence received as soon as practically possible and we would appreciate your patience at this time.

The administration team helpline continues to remain available and is equipped to answer any queries you have about your pension. However, we ask that you consider whether your query could be answered via another method, perhaps by e-mail at [ConocoPhillipsPensions@capita.co.uk](mailto:ConocoPhillipsPensions@capita.co.uk).

#### **Member communications:**

Keeping in touch with you is vitally important. We've been made aware that Royal Mail has prioritised personal mail over business mail, is currently only able to offer a limited collection service and overseas mail is being delayed. As a result, we'd like to move towards paperless communications and so are encouraging members who have not already signed up to receive Plan updates e.g. Summary Funding Statements, Annual Pension Reports and event specific updates such as this, via e-mail to do so. To ensure that you receive digital communications please visit <https://conocophillips.pensions-directory.co.uk/keepintouch> to submit your contact details securely online. Rest assured that data collected will not be stored on the server the website is hosted by but will instead move to a secure Capita environment.

#### **Avoiding COVID-19 scams:**

The Pensions Regulator has recently published guidance on Pension Scams. If you are an Active or Deferred member of the Plan **thinking about transferring your pension** at this time you are urged to exercise extreme caution and visit **ScamSmart** ([www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)) which has specific guidance relating to COVID-19.

With the instability in financial markets this could mean that you are targeted by scammers attempting to lure your pension to alleged 'safe havens'. Transferring your pension is an irreversible action that will have a lasting impact on your retirement benefits.

Pension scams can be hard to spot. Scammers can be articulate and financially knowledgeable, with credible-looking websites, testimonials and materials that are hard to distinguish from the real thing.

With the impact that COVID-19 has had on stock markets around the world and the effect that it is now having on our daily lives it is now more important than ever that you protect your pension. It is anticipated that scammers could contact you to:

- Offer a review of your personal finances in the light of recent stock market losses; or
- To offer you the ability to have early access to your pension savings.

To help you spot the signs and protect yourself from a scam, the Financial Conduct Authority (FCA) and The Pensions Regulator suggest the following four simple steps:

**Step 1 – Reject any unexpected offers**

This applies to all offers whether they are made online, on social media or over the phone.

**Step 2 – Check who you are dealing with**

Check the ScamSmart website or call 0800 111 6768 to see if the firm you are dealing with is authorised by the FCA to give you pension advice.

**Step 3 – Do not be rushed or pressured into any decision about your pension**

Take your time to make all the checks you need – even if this means turning down what seems to be an amazing deal.

**Step 4 – Get impartial information or advice**

You should seriously consider seeking financial advice before changing your pension arrangements. In some cases, for example where you are wanting to transfer more than £30,000 from a final salary scheme to a defined contribution arrangement, it is a requirement to do so. Consider using The Pensions Advisory Service which provides free independent and impartial information and guidance.

**Be ScamSmart with your pension.** For more information visit the websites of the Financial Conduct Authority and The Pensions Regulator.

We are aware that the COVID-19 pandemic is leaving many of us feeling worried and isolated. These are difficult and challenging times, but we do want to assure you that we are doing everything we can to ensure you receive a normal service during these unprecedented circumstances. The Trustee will continue to monitor the position on an ongoing basis and any further COVID-19 specific Plan updates will be issued via e-mail addresses to those members who have provided them, and will also be posted on the ConocoPhillips (U.K.) website ([www.conocophillips.co.uk/pensions-updates/](http://www.conocophillips.co.uk/pensions-updates/)) so please do check back regularly.



**Malcolm Rice-Jones**  
**Chairman – ConocoPhillips Pension Plan Trustees Limited**