

HOW ARE YOU AFFECTED BY THESE CHANGES?

DB Active Member Portfolio – No change
Pensioner Portfolio – No change

DC Growth Portfolio – More share investments exposure for members over the last 10 years to retirement. Moderate portfolio expected at retirement.

DC Money Market – More share investments exposure for members over the last 10 years to retirement. Moderate portfolio expected at retirement. For members with 6 years or less to retirement the funds would be split between growth and moderate investments.

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LIFE STAGE INVESTMENTS



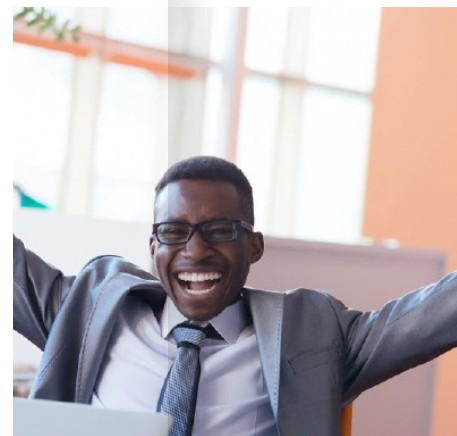
HERE AT SALA, WE CARE ABOUT YOUR FINANCIAL WELL-BEING

This is why we have decided on the lifestage investments. This will allow us to manage your money better and give you greater returns on your life savings. Life stage investment portfolios will be our norm and members can opt out if they wish.

- Better performance of investments (by using a combination of aggressive and moderate portfolios)
- Monitoring the trends and being ahead of the investment curve
- Allows for flexibility for those who want an annuity

It is a better way to invest, that leans on your age as a barometer for your risk appetite. The younger you are, the more aggressive we will be with your investments. The older you are, the less risk we will take as the likelihood of those investments bouncing back in a short time is small.

MEMBERS' SAVINGS WILL NOW BE INVESTED AS FOLLOWS AS MEMBERS APPROACH RETIREMENT AGE



6+ years before retirement: 0% in moderate investments, the balance in growth investments

6 years before retirement: 17% in moderate investments, the balance in growth investments

5 years before retirement: 33% in moderate investments, the balance in growth investments

4 years before retirement: 50% in moderate investments, the balance in growth investments

3 years before retirement: 67% in moderate investments, the balance in growth investments

2 years before retirement: 83% in moderate investments, the balance in growth investments

1 year before retirement: 100% in moderate investments

WHY ARE WE CHANGING THE FUND'S NEW LIFESTAGE APPROACH?

- Current approach is not flexible to allow members who want an annuity at retirement and not full cash.
- Current approach is also too low on risk, switching members to moderate investments 10 years before retirement.
- Current approach is outdated as we expect riskier investments to perform better than low-risk investments over the next 10 years.

The new approach attempts to balance between preserving savings but allow for more growth of members' investment in the last 10 years before retirement. The lifestage investment portfolios will be effective 1 September 2020.