

MEMBER NEWSLETTER

November • 2013

KNOW YOUR FUND BE EMPOWERED

Every month, you and Woolworths contribute towards your Retirement Fund. This money is invested according to certain guidelines so that it will grow for your ultimate retirement.

IS THAT ALL YOU NEED TO KNOW? ABSOLUTELY NOT!

You need to know the following so that you are empowered and fully understand how your fund works:



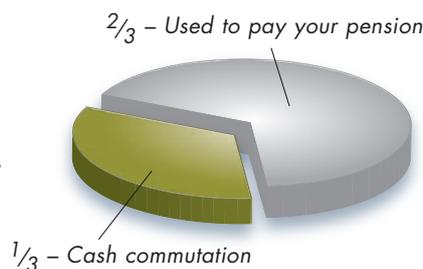
THE WOOLWORTHS GROUP RETIREMENT FUND IS A **DEFINED CONTRIBUTION PENSION FUND**

This means you pay a fixed amount each month, being the defined contribution, and you carry the investment risk (and potential reward). How well your retirement savings grow and how much you get as a final pension will depend on:

- how well the Fund's investments are performing,
- how long you have saved for your retirement.

THE WOOLWORTHS GROUP RETIREMENT FUND IS A **PENSION FUND**

You are saving so that when you retire at 60 you can buy a pension. You can take a third in cash (a cash commutation), but the rest is used to buy you a pension.

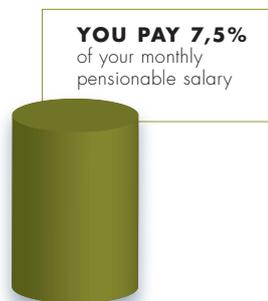


THE RULE OF THUMB IS THAT YOU NEED TO SAVE FOR AT LEAST **35 YEARS** IN A PENSION FUND TO GET A PENSION CLOSE TO 70% OF YOUR FINAL SALARY.

YOU CONTRIBUTE MONTHLY AND **WOOLWORTHS CONTRIBUTES AS WELL:**

- You pay **7,5%** of your pensionable salary each month.
 - Woolies pays **10,5%** of your pensionable salary each month.
- Your 7,5% is paid directly into your investment. Of the 10,5% that Woolies pays, 8,22% is paid into your investment each month.

YOUR FUND CREDIT



- 0,76% for Admin
- 0,80% for Death cover
- 0,72% for Disability cover



WOOLIES PAYS 8,22% of your monthly pensionable salary into your investment



WOOLIES TOTAL 10,5%



“SAVING TODAY FOR FINANCIAL INDEPENDENCE TOMORROW”

MEMBER INVESTMENT CHOICE

Your contribution and the Woolies contribution are paid into your Fund Credit each month. This is invested in one of the two investment structures.



THE AUTOMATIC LIFE STAGE INVESTMENT OPTION

Growth			Stable			
HIGH GROWTH	GROWTH	MEDIUM GROWTH	MEDIUM CONSERVATIVE	CONSERVATIVE	STABLE	PRESCIENT PENSIONER LOCAL PORTFOLIO
Up to age 53	At age 54	At age 55	At age 56	At age 57	At age 58	From age 59 to 60

By their very nature, your contributions are invested automatically according to your age – all members under the age of 54 years should be in a high growth investment portfolio to ensure you get the maximum return for the time you are invested. From the age of 54, your funds are automatically moved from high growth towards stable. In this way your fund credit is protected from market volatility as you get closer to retirement.

THE LIFE STAGE CHOICE INVESTMENT OPTION

Growth			Stable				
HIGH GROWTH	GROWTH	MEDIUM GROWTH	MEDIUM CONSERVATIVE	CONSERVATIVE	STABLE	CASH	SHARIAH

This is a little trickier, as you need to decide into which investment option you want to invest your contributions. All too often members make the wrong choice and invest in a low growth option like Conservative and end up with too little money at retirement. This investment option also offers the Shariah Portfolio – Oasis Crescent Balanced High Equity – for those members who wish to invest according to their Muslim faith.

OUR SERVICE PROVIDERS

The Woolworths Group Retirement Fund is a sizeable, independent pension fund. The Trustees, on your behalf, need to ensure that the fund is well managed and administered and that they obtain the best possible advice and guidance.

Alexander Forbes in Cape Town are the Fund's administrators. They provide administration services – processing new engagements, withdrawals and retirement – and also offer actuarial and consulting

services to the trustees of our Fund.

Ginsburg Asset Consulting (GAC) are the independent investment advisers to the Fund. They are a small niche investment company with extensive skills and knowledge in pension fund investing. Our fund has gone from strength to strength under their management and we have already passed the R3 billion mark – very impressive for an independent fund such as ours! GAC invests your contributions and monitors

the performance of the investment companies. They meet regularly with these companies, both locally and overseas, to ensure that we achieve our investment goal of CPI + 7%.

Keith Titley is our independent Principal Officer. He was instrumental in converting the fund from a Defined Benefit Fund to a Defined Contribution Fund in 1992. We were one of the first pension funds to change and lead the way for other funds to follow.



Let us know if you want us to cover particular topics, if you would like to know more about something, or want to raise a concern. We'd like to hear from you!

Fund queries: For more information about the Fund or for Fund queries, you can contact us on **021 407 2699**

E-mail us: jennywolhuter@woolworths.co.za

Or write to the Retirement Fund Post Box: Woolworths Group Retirement Fund, PO Box 680, Cape Town 8000

WWW.WGRF.CO.ZA

