

Participant Guide – Sept. 2025

Johnson & Johnson Canadian Pension & Savings Program



Presenter: Nha-Thy Vo

Associate Retirement Consultant
DC Consulting, Employer Solutions
TELUS Health

Nha-Thy has been with TELUS Health for 2 years and provides consulting services and solutions to sponsors of Capital Accumulation Plans, such as plan design and various analyses related to investments, governance, providers, member behaviour.

She gained expertise over 20 years in Group Retirement Services at Life Insurance/recordkeeping companies, where she successively served employers, employees, retirees, and later beneficiaries, when she specialized in complex benefits for life events such as death, marriage breakdown, and bankruptcies, balancing legislative and fiscal compliance with customer empathy.

Nha-Thy aims to simplify financial concepts and motivate individuals to engage in financial planning. She volunteers, as an alumna of a teaching and exchange program in Japan, to train new recruits, including financial preparation for their journey.

On a personal note, Nha-Thy has travelled to over 40 countries, enjoying culturally rich social interactions, foreign cinema, cooking, and literature, both abroad and at home.

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Learning Objectives

After completing this module, you will be able to:

- Understand the J&J Core Defined Benefit (DB) pension plan and how your retirement benefit is calculated
- Compare the J&J Optional Components and determine which are best suited for your savings goals
- Understand how Fidelity ClearPath® Portfolio target date funds automatically adjust based on your retirement timeline

Every effort has been made in this presentation to provide accurate information about the pension and savings plans. This is sourced from member booklets and the pension plan text. If there are any discrepancies, the pension plan text will prevail.

Pension and Savings Plans provisions from Jan. 1, 2022

A. Core defined benefit (DB) pension

- All eligible employees participate
- Provides you with fixed, monthly **retirement income** for **as long as you live**.
- Based on a **formula** that includes your **final average earnings (FAE)** and **years of service**.

B. Optional components

1. Optional DB
2. Defined Contribution (DC)
3. Registered Retirement Savings Plan (RRSP)
4. Optional Ancillary Contributions (OAC)
5. Tax-Free Savings Account (TFSA)
6. Non-registered

A. Core Defined Benefit (DB) Pension

1. Overview

| Feature | Description |
|---|---|
| 1. Plan structure: Defined benefit | This plan provides members with a defined pension income when they retire . This provides you a pension for as long as you live. |
| 2. Membership eligibility | All eligible employees participate. From Jan. 1 of the year following date of hire, all full-time employees, and part-time employees once they have either 700 hours, or annual remuneration of 35% of YMPE (Years' Maximum Pensionable Earnings – in 2025, this is \$71,300, so 35% of YMPE = \$24,955) |
| 3. Employee contributions | You do not make any contributions: All contributions are fully funded by Johnson & Johnson on your behalf. |
| 4. Employer contributions | Your Employer contributes an amount that is necessary to provide the benefits accruing in that year and to fund any deficiencies from previous years. |
| 5. Lifetime pension formula | You will be provided a lifetime pension when you retire. This is based on a formula: 0.50% of your Final Average Earnings (FAE) multiplied by your Credited Service earned <i>(FAE: 1/5 of total compensation in the 5 years during which compensation was the highest, in the latest 10-year period of credited service)</i> |
| 6. Survivor pension | If you have a spouse or common-law partner when you retire, the normal form of payment is 60% of your earned pension benefit upon your death. |

2. Lifetime Pension Formula

E.g., Mackenzie has Final Average Earnings of \$120,000, with 20 years of service.

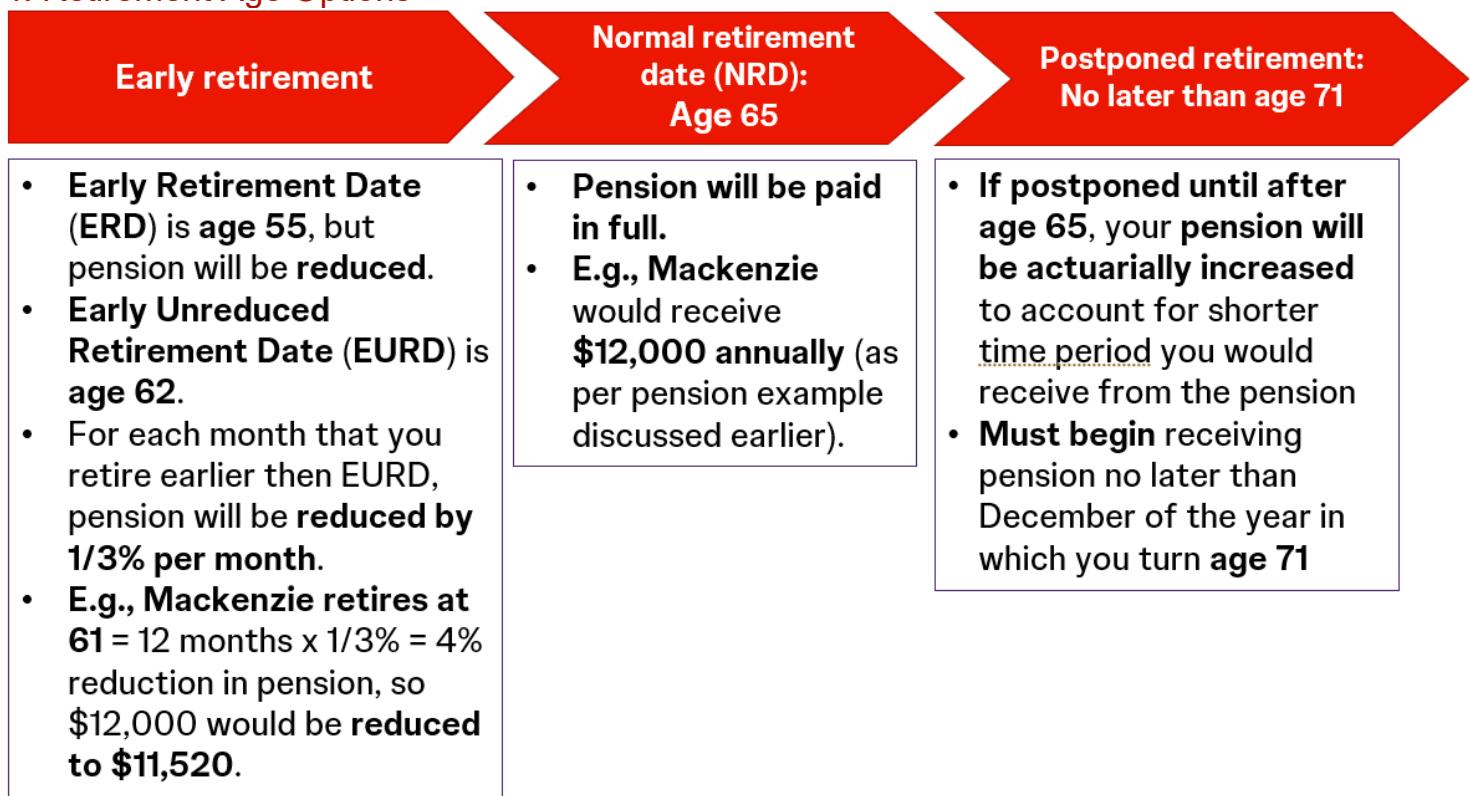
| | | |
|---|---|---|
| 1 | 0.50% of Final Average Earnings | 0.50% x \$120,000 |
| 2 | Multiply by: Credited Service Earned | x 20 years |
| 3 | EQUALS: Annual lifetime pension amount | = \$12,000 per year (or \$1,000 per month) |

Mackenzie will receive a Core DB annual pension amount of \$12,000.

3. Normal Form and Survivor Pension

| Form of Payment | Description |
|---|---|
| If you do not have a spouse at retirement | If you do not have a spouse at your pension start date, the normal form is a pension payable for your lifetime, with a guarantee period of 5 years. |
| If you have a spouse at retirement | If you have a spouse, the normal form is a pension payable to your spouse upon your death at 60% your earned pension benefit payable for their lifetime . There are other joint-and-survivor options available to you, such as: 66 2/3%, 75%, 100%, and 60% with a guaranteed 10 years. Contact the Benefits Help Centre for more details on these options. |

4. Retirement Age Options



B. Optional Components

A. Core defined benefit (DB) pension

- Provides you with fixed, monthly **retirement income** for **as long as you live**.
- Based on a **formula** that includes your **final average earnings (FAE)** and **years of service**.

B. Optional components

1. Optional DB
2. Defined Contribution (DC)
3. Registered Retirement Savings Plan (RRSP)
4. Optional Ancillary Contributions (OAC)
5. Tax-Free Savings Account (TFSA)
6. Non-registered Account

Optional Components: Overview

Optional components are provided so that you can **enhance your Core DB pension** benefit. However, keep in mind these points as you decide if/which optional component(s) best fit your situation:

- What are your current **savings priorities and goals**?
- Which **Optional Component(s) best fit** your priorities and goals?
- Contributions to Optional Components will mean less cash in your bank account for today's spending, but you will be **saving for future retirement**, and **benefiting from J&J matching contributions**.

Choosing Multiple Optional Components

You can choose one or more *Non-DB options* (DC, RRSP, OAC, TFSA, or Nreg). **J&J will match your contributions**, but there is a **maximum aggregate matching percentage**.

| Scenario 1: Optional DB is chosen | Example |
|---|---|
| If you have chosen the Optional DB, then J&J will match your contributions up to 1.75% in aggregate. | <ul style="list-style-type: none">You could contribute 1.75% to the RRSP, and J&J will match this with 1.75% in aggregate.You could also choose to contribute to any of the other <u>savings</u> accounts, such as the TFSA, however since you have reached the maximum employer matching contribution, there will be <i>no</i> additional matching.You'll still benefit from additional savings and low investment management fees. |
| Scenario 2: Optional DB is not chosen | Example |
| If you have not chosen the Optional DB, then J&J will match your contributions up to 4% in aggregate. | <ul style="list-style-type: none">You could contribute 4% to the RRSP, and J&J will match this with 4% in aggregate.You could also choose to contribute to any of the other <u>savings</u> accounts, such as the TFSA, however since you have reached the maximum employer matching contribution, there will be <i>no</i> additional matching.You'll still benefit from additional savings and low investment management fees. |

B1. Optional DB

| Feature | Description |
|-------------------------------|--|
| Lifetime income | Similar to the Core DB, the Optional DB pays an annual pension for as long as you live, on top of the Core DB component – 0.70% of your final average earnings (FAE) multiplied by your credited service earned |
| Employee contributions | You contribute 2.25% of your earnings. Contributions are done through payroll deduction. |
| Contribution example | 2.25% x \$120,000 = \$2,700 per year (or \$104 per biweekly pay) |

Pension Formula, e.g., Mackenzie has Final Average Earnings of \$120,000, with 20 years of service.

| | | |
|---|---|---|
| 1 | 0.70% of Final Average Earnings | 0.70% x \$120,000 |
| 2 | Multiply by: Credited Service Earned | x 20 years |
| 3 | EQUALS: Annual lifetime pension amount | = \$16,800 per year (or \$1,400 per month) |

B2. Defined Contribution (DC) Pension

| Feature | Description |
|--------------------------------|--|
| Defined Contribution pension | Throughout your earning years, you make contributions to the DC pension. When you retire, you will receive an account balance that you can use to boost your retirement income. |
| Employee contributions | Your contribution can be: <ul style="list-style-type: none"> Up to 1.75% of earnings if you participate in the Optional DB Up to 4% of earnings if you do not participate in the Optional DB |
| Employer matching contribution | J&J will provide matching contributions : <ul style="list-style-type: none"> 100% match up to 1.75% if you participate in the Optional DB 100% match up to 4% if you do not participate in the Optional DB |
| Investment choice | There is a set of investment options that you can choose to invest in. |
| Contribution example | Assume Mackenzie participates in this, they can contribute: $1.75\% \times \$120,000 = \$2,100 \text{ per year (or \$81 per biweekly pay)}$ |
| Retirement balance example | Over 20 years, this could potentially grow to \$139,000 . This includes employee & employer contributions and assumes 5% rate of return. *If they chose 4%, this could potentially grow to \$317,000 . |

B3. Registered Retirement Savings Plan (RRSP)

| Feature | Description |
|--------------------------------|---|
| RRSP account | Throughout your earning years, you make contributions to the RRSP, up to your RRSP limit* . Besides retirement, you may also be able to use this RRSP for buying a home (Home Buyers' Plan/HBP) or going back to school (Lifelong Learning Plan/LLP). |
| Employee contributions | Your contribution can be: <ul style="list-style-type: none"> Up to 1.75% of earnings if you participate in the Optional DB Up to 4% of earnings if you do not participate in the Optional DB |
| Employer matching contribution | J&J will provide matching contributions : <ul style="list-style-type: none"> 100% match up to 1.75% if you participate in the Optional DB 100% match up to 4% if you do not participate in the Optional DB |
| Investments | There is a set of investment options that you can choose to invest in. |
| Contribution example | Assume Mackenzie participates in this, they can contribute: $1.75\% \times \$120,000 = \$2,100 \text{ per year (or \$81 per biweekly pay)}$ |
| Retirement balance example | Over 20 years, this could potentially grow to \$139,000 . This includes employee & employer contributions and assumes 5% rate of return. *If they chose 4%, this could potentially grow to \$317,000 . |

B4. Optional Ancillary Contributions (OAC)

| Feature | Description |
|---------------------------------------|--|
| OAC account | <p>You can use the OAC account to enhance the Core DB benefit in various ways:</p> <ol style="list-style-type: none"> 1. Minimize/eliminate early retirement reduction if you retire before age 62 2. Final Average Earnings: This is normally based on 5-year average, and OAC can be used to modify this to an indexed 3-year average 3. Enhance bridge benefit: Prior to starting CPP/OAS at age 65, OAC can provide bridge benefit payments 4. Enhance spousal benefits: OAC can enhance spousal benefits without reducing your own pension 5. Pension increases: OAC can be used to increase pension payments to help keep up with inflation (to be introduced soon TBD) |
| Employee contributions | <p>Your contribution can be:</p> <ul style="list-style-type: none"> • Up to 1.75% of earnings if you participate in the Optional DB • Up to 4% of earnings if you do not participate in the Optional DB |
| Employer matching contribution | <p>J&J will provide matching contributions:</p> <ul style="list-style-type: none"> • 100% match up to 1.75% if you participate in the Optional DB • 100% match up to 4% if you do not participate in the Optional DB |
| Investments | <p>There is a set of investment options that you can choose to invest in.</p> |
| Contribution example | <p>Assume Mackenzie participates in this, they can contribute: $1.75\% \times \\$120,000 = \\$2,100 \text{ per year (or \\$81 per biweekly pay)}$</p> |
| OAC balance example | <p>Over 20 years, this could potentially grow to \$139,000. This includes employee & employer contributions and assumes 5% rate of return.</p> <p><i>*If they chose 4%, this could potentially grow to \$317,000.</i></p> |

B5. Tax-Free Savings Account (TFSA)

| Feature | Description |
|---------------------------------------|--|
| TFSA account | <p>The key benefits of TFSA accounts are tax-free growth and withdrawals. These funds can be used for any goal, at any time. TFSA contributions are after-tax, up to your TFSA limit, so these will <i>not</i> reduce your taxable income (unlike RRSP contributions).</p> |
| Employee contributions | <p>Your contribution can be:</p> <ul style="list-style-type: none"> • Up to 1.75% of earnings if you participate in the Optional DB • Up to 4% of earnings if you do not participate in the Optional DB |
| Employer matching contribution | <p>J&J will provide matching contributions:</p> <ul style="list-style-type: none"> • 50% match up to 1.75% (i.e., 0.875%) if you participate in the Optional DB • 50% match up to 4% (i.e., 2%) if you do not participate in the Optional DB |
| Investments | <p>There is a set of investment options that you can choose to invest in.</p> |
| Contribution example | <p>Assume Mackenzie participates in this, they can contribute: $1.75\% \times \\$120,000 = \\$2,100 \text{ per year (or \\$81 per biweekly pay)}$</p> |
| TFSA balance example | <p>Over 20 years, this could potentially grow to \$104,000. This includes employee & employer contributions and assumes 5% rate of return.</p> <p><i>*If they chose 4%, this could potentially grow to \$238,000.</i></p> |

B6. Non-registered Account

| Feature | Description |
|---------------------------------------|---|
| Non-registered account | Contributions are after-tax, and there's no limit to how much you can contribute . However, you will need to pay tax on any investment earnings (capital gains and dividends). You can withdraw money from your Non-registered account whenever you need it . |
| Employee contributions | Your contribution can be: <ul style="list-style-type: none"> Up to 1.75% of earnings if you participate in the Optional DB Up to 4% of earnings if you do not participate in the Optional DB |
| Employer matching contribution | J&J will provide matching contributions: <ul style="list-style-type: none"> 50% match up to 1.75% (i.e., 0.875%) if you participate in the Optional DB 50% match up to 4% (i.e., 2%) if you do not participate in the Optional DB |
| Investments | There is a set of investment options that you can choose to invest in. |
| Contribution example | Assume Mackenzie participates in this, they can contribute: $1.75\% \times \$120,000 = \$2,100 \text{ per year (or \$81 per biweekly pay)}$ |
| Non-reg. balance example | Over 20 years, this could potentially grow to \$104,000 . This includes employee & employer contributions and assumes 5% rate of return. <p style="border: 1px solid purple; padding: 5px;">*If they chose 4%, this could potentially grow to \$238,000.</p> |

**J&J matching in aggregate: You can choose one or more Optional components, but matching will be capped at 1.75% (or 4%) as an aggregate of all components chosen.*

Recap: Choosing Optional Components - Things to Consider

| If you prefer... | Then consider... |
|--|--|
| ...stability and security of a guaranteed lifetime pension where J&J manages the pension (a “hands-off” approach) | ...Optional DB and/or Optional Ancillary Contributions (OAC) |
| ...saving for retirement and having control over investment choices (a “hands-on” approach) | ...Defined contribution (DC) and/or RRSP |
| ...saving for a short-term goal such as a home purchase and/or continuing education | ...RRSP |
| ...saving for any short-term or long-term goal, with the flexibility to withdraw funds whenever you need it | ...TFSA and/or Non-registered account |
| ...pre-tax contributions and tax savings | ...Optional DB, OAC, DC, or RRSP |
| ...after-tax contributions | ...TFSA and/or Non-registered account |

Your Choices

- **Core DB only:** All eligible employees participate in the Core DB pension. All contributions are funded by J&J so you do not make any contributions. The Core DB by itself will provide lifetime retirement income, but ***will it be enough?***
- **Core DB and Optional components:** You can choose from a wide variety of optional components according to your goals and needs. You make contributions and J&J provides matching contributions. Any Optional components you choose will **enhance your retirement and/or savings.**
- **Which Optional components:** Consider the features and benefits of each option to see which one(s) best suit your situation.
- **“Do it for me” or “Manual”?:** After June 20, 2025, you’ll have the option to choose a “Do it for me” (hands off) or “Manual” (hands on) investment path for contributions to these plans.

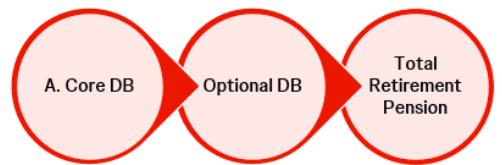
Comparison 1: Core DB only or Core DB + Optional DB

A. **Core DB only:** By default, all eligible employees participate, and all contributions are fully funded by J&J. *Can this provide enough retirement income by itself?*

B. **Optional DB:** If chosen, this can ***potentially more than double*** your retirement income.

| Core DB only | Core DB + Optional DB | |
|--|--|--|
| $0.5\% \times \text{FAE} \times \text{Credited Service}$ = $0.5\% \times \$120,000 \times 20 \text{ years}$ = $\\$12,000 \text{ annual pension}$ | Part A: Core DB $0.5\% \times \text{FAE} \times \text{Credited Service}$ = $0.5\% \times \$120,000 \times 20 \text{ years}$ = $\\$12,000 \text{ annual pension}$ | If Mackenzie chooses the Core DB + Optional DB, their annual pension amount could be <u>more than double</u> the Core DB only ($\\$28,800 \div \\$12,000 = 2.4x$). |
| | Part B: Optional DB $0.7\% \times \text{FAE} \times \text{Credited Service}$ = $0.7\% \times \$120,000 \times 20 \text{ years}$ = $\\$16,800 \text{ annual pension}$ | But what about the other Optional components? |
| | Total: Part A + Part B = $\$12,000 + \$16,800$ = $\\$28,800 \text{ annual pension}$ | |

Comparison 2: Core DB + Optional DB or Core DB + (one or more of DC, RRSP, TFSA, Nreg)



This combination could be ideal if you prefer a **“hands-off” approach** to your retirement pension, i.e., **J&J will fully manage your pension.**



This combination could be ideal if you prefer a **“hands-on” approach** to managing your retirement pension, i.e., **you can make the investment decisions** based on your risk tolerance and retirement goals, as well as select the investment(s) that you want to hold in your account(s).



This combination is a **mix of hands-on and hands-off** approaches, but keep in mind that this may result in a lower contribution/matching cap of 1.75% (vs. up to 4%).

“Do it for me” or “Manual”?

After June 20, 2025, you'll have the option to choose a “Do it for me” (hands off) or “Manual” (hands on) investment path for contributions to these plans.

| Feature | “Do it for me” | “Manual” |
|-----------------------------------|--|---|
| What is this? | All current and future investments in this selected option will be allocated to the Fidelity ClearPath Portfolio year closest to your 65th birthday. | Choose this option if you wish to manage your investments based on your own specific risk tolerance and personal retirement objectives. |
| Choosing investments | You don't need to choose: All investments will be allocated to the ClearPath portfolio. | Manually build your own portfolio by choosing from a variety of fixed income and equity funds, including ClearPath portfolios. |
| Periodic monitoring | You can monitor your progress via the FYB portal or annual pension statement, with the confidence that your ClearPath portfolio is being professionally managed and monitored. | You can monitor your progress via the FYB portal or annual pension statement. |
| Periodic rebalancing | ClearPath portfolios are professionally managed, so asset allocation and rebalancing is done for you. | You will be responsible for reviewing and making asset allocation and/or rebalancing changes, including fund switches, etc. |
| Transition from growth to income. | As you approach retirement, ClearPath portfolios will automatically and gradually transition from a growth allocation to an income-generating allocation. | You will be responsible for making changes and transitioning from a growth allocation to an income allocation as you see fit and necessary. |

Default Option and Your Choices

- **By default**, all eligible members participate in the **Core DB only**.
- **Optional components must be elected**, therefore you **must make choices** in order to benefit from J&J matching contributions.
- **You can join or change your participation** in the Optional DB and DC plan **twice a year** (in January and July).
- **You can modify** your investment allocations and contributions to the **RRSP, OAC, TFSA and Non-registered at any time**.

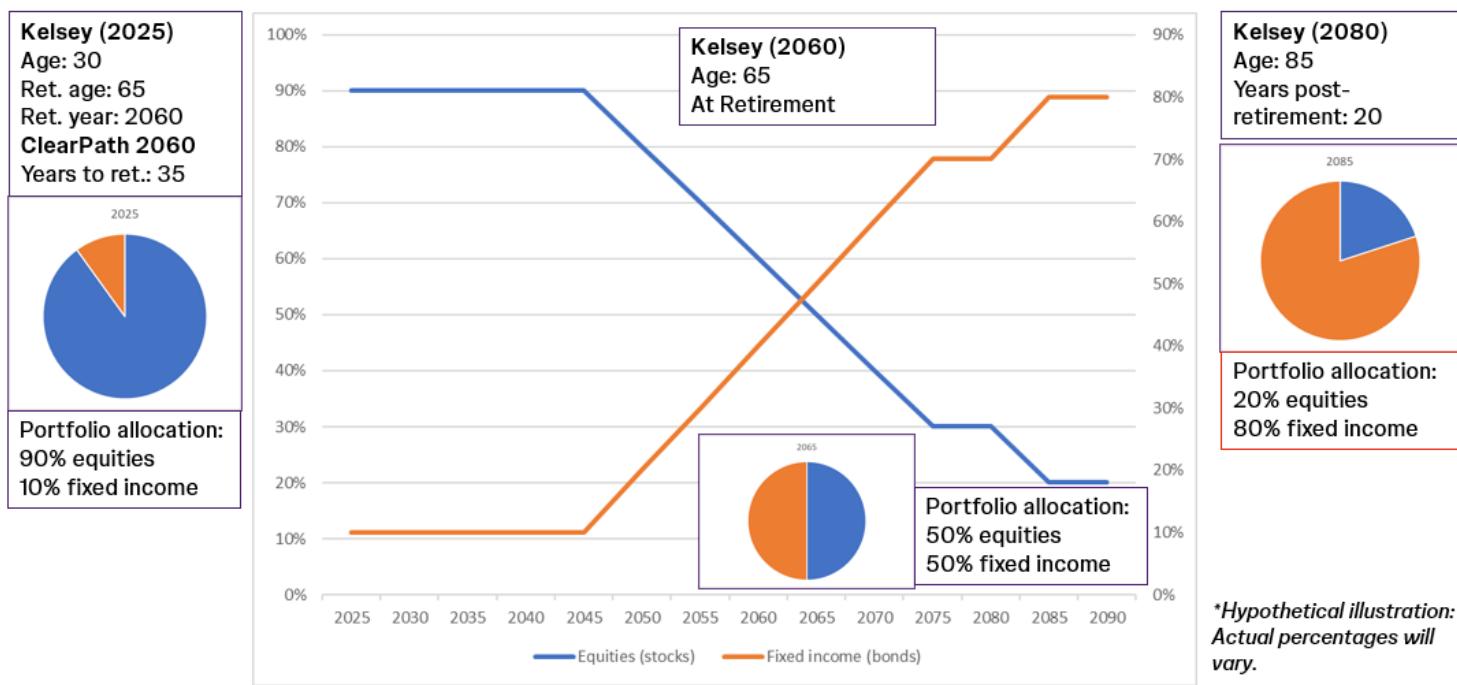
Summary: J&J Core and Optional Components

| Feature | Core DB | 1. Opt. DB | 2. DC | 3. RRSP | 4. OAC | 5. TFSA | 6. N-reg |
|---|--|--|---|---|---|--|---|
| Lifetime income, or a retirement account balance, or other? | Lifetime income | Lifetime income | Retirement account balance | Retirement account balance | Enhance DB benefit | Account balance for any purpose | Account balance for any purpose |
| Who makes contributions (and how much)? | J&J only (based on actuarial calculations) | Employee only: 2.25% of earnings | Employee (1.75% or 4%), and J&J match (1.75% or 4%) | Employee (1.75% or 4%), and J&J match (1.75% or 4%) | Employee (1.75% or 4%), and J&J match (1.75% or 4%) | Employee (1.75% or 4%), and J&J match (0.875% or 2%) | Employee (1.75% or 4%), and J&J match (0.875% or 2%) |
| Are there potential tax savings? | Yes, J&J contributions result in tax savings | Yes, contributions result in tax savings | Yes, contributions result in tax savings | Yes, contributions result in tax savings | No, contributions to are pre-tax and don't reduce RRSP room | No, contributions are after-tax, but withdrawals will be tax-free | No, contributions are after-tax, and growth may be taxable in the year earned |
| How is retirement income determined? | Pension formula | Pension formula | Depends on retirement vehicle: LIF, annuity, etc. | Depends on retirement vehicle: RRIF, annuity, etc. | OAC balance can be used to enhance DB pension | You can withdraw money whenever you need it, even before retirement. | You can withdraw money whenever you need it, even before retirement. |
| Can you choose which investments to hold? | Not applicable | Not applicable | Yes | Yes | Yes | Yes | Yes |

Introducing Target Date Funds (TDF): Fidelity ClearPath® Portfolios

- 1. All-in-one, fully diversified portfolio that is professionally-managed for you.** This invests in a combination of stocks, bonds, cash and other assets.
- 2. Changes with you as you get closer to retirement:** Designed to help **grow your savings** during the earning years, and **provide income and stability** through retirement.
- 3. Choose a fund** based on your current age and your expected retirement age/year
 - E.g., in 2025, Kelsey is 30 years old, and plans to retire at age 65 in 2060 – they could choose ClearPath® 2060.
 - (Birth year 1995) add (65 years) = 2060
 - And if they plan to retire earlier or later than age 65, then adjust accordingly.
- 4. Now available:** Available since June 2025, these can be chosen for your Optional component(s). Also, in the fall of 2025, the **PH&N Balanced Fund** will be **removed** from these plans and **replaced with ClearPath** Portfolio target date funds.

TDF: Changes from Today to Retirement



Choosing a ClearPath Portfolio

General rule-of-thumb:

Based on your year of birth (*left column*) and/or the year of your 65th birthday (*middle column*), choose the corresponding ClearPath portfolio (*right column*).

| YEAR OF BIRTH | YEAR OF YOUR 65 TH BIRTHDAY | CLEARPATH PORTFOLIO |
|-----------------|--|--------------------------|
| 1957 or earlier | 2022 or earlier | ClearPath 2020 Portfolio |
| 1958 – 1962 | 2023 – 2027 | ClearPath 2025 Portfolio |
| 1963 – 1967 | 2028 – 2032 | ClearPath 2030 Portfolio |
| 1968 – 1972 | 2033 – 2037 | ClearPath 2035 Portfolio |
| 1973 – 1977 | 2038 – 2042 | ClearPath 2040 Portfolio |
| 1978 – 1982 | 2043 – 2047 | ClearPath 2045 Portfolio |
| 1983 – 1987 | 2048 – 2052 | ClearPath 2050 Portfolio |
| 1988 – 1992 | 2053 – 2057 | ClearPath 2055 Portfolio |
| 1993 or later | 2058 or later | ClearPath 2060 Portfolio |

Choosing Fidelity ClearPath® TDF funds

- Optional components:** TDF can be held in any Optional component where you manage your investments, i.e., DC, RRSP, TFSA, and non-registered.
- Range of investments:** Besides Fidelity ClearPath TDF, J&J offers various equity and fixed income funds that you can choose from.
- Understanding and monitoring:** Although TDF is professionally-managed, we encourage you to understand how TDF works, and monitor it from time to time, e.g., annual pension statement or online.

Key Concept: Target Date Fund vs. Balanced Fund

In the fall of 2025, the PH&N Balanced Fund will be removed from these plans and replaced with ClearPath Portfolio target date funds. If you have not yet updated your investment election, any balance you have held in the PH&N Balanced Fund will be moved to the Fidelity ClearPath Portfolio closest to the year of your 65th birthday. For example, if you were born in 1970, the money in your PH&N Balanced Fund will be automatically transferred to the Fidelity ClearPath 2035 Portfolio.

| Feature | Target Date Fund | Balanced Fund |
|---|---|--|
| What is this? | All-in-one, fully diversified portfolio with a mix of stocks, bonds and money market instruments that changes with you as you get closer to retirement. | A single investment fund that may invest in common stocks, bonds and money market securities, as well as units of other mutual funds. Generally speaking, the asset allocation is approximately 50% in equities and 50% in fixed income, hence the term “balanced”. |
| Does the overall asset allocation change over time? | Yes, the mix of underlying holdings slowly change over time to reduce risk as it nears the time frame of the fund. | Not necessarily: the mandate of the fund is to fundamentally maintain a balanced mix of underlying investments, although minor fluctuations in the asset mix will naturally occur as market conditions change. |
| Does the fund change with our life stages? | Yes, TDF are structured to change along with our life stages, as we progress from the earning years, to retirement, and throughout retirement. | Not necessarily: although balanced funds may have a place in all stages of our lives, they do not specifically change per se. Instead, a broader portfolio perspective would be needed to take into account the overall ratio of fixed income funds, balanced funds, and equity funds in order to provide the appropriate asset allocation according to life stage and individual needs. |
| Does the fund offer an “all-in-one” solution to asset allocation? | Yes, a single TDF can provide total portfolio allocation. | No, although a balanced fund provides an even balance between fixed income and equities, it does not necessarily change over time to match typical life stage needs and suitability. |

To-Do List

- Review the Core and Optional components** of my J&J pension and savings plan
- Consider** what my **goals** are (retirement, etc.) and if my **Optional** components **match** my goals
- Optimize** how much I am **contributing** to my pension and/or savings accounts to **take advantage of J&J matching contributions and low investment fees**

Finding a Financial Planner

1. Bank/credit union
2. Investment brokerage
3. Independent/fee-only
4. Online

Resources

- **Choosing a financial advisor:** <https://www.canada.ca/en/financial-consumer-agency/services/savings-investments/choose-financial-advisor.html>
- **Find a Financial Planner - FP Canada:** <https://www.fpcanada.ca/findaplanner>
- **Find a Financial Planner (QC - EN) – IQPF:** <https://www.iqpf.org/en/services-for-the-public/find-a-financial-planner>

Resources: Johnson & Johnson Benefits Help Centre



Pension & Savings Guide

Pension & Savings Program

Contributions

Choose the right options

Scenarios for savings goals

How to enrol

Managing your savings

Target date funds

Leaving Johnson & Johnson

Questions

[See the Benefits Plan guide](#)

 Get support!

Call the Benefit Help Centre at 1-866-769-8521

EN | [FR](#)

How the Pension & Savings Program works

The Pension & Savings Program supports your financial wellness and savings goals — whether you're focused on increasing your retirement income or saving for the shorter-term.

For a quick program overview, watch this video!

J&J Pension & Savings Guide

<https://njbenefitsguide.ca/pension/en/>

Fidelity Target Date Funds

<https://njbenefitsguide.ca/pension/en/target/>

 fyb@hroffice.com

 1-866-769-8521

Monday to Friday
8:30 AM to 5 PM ET

Resources: Johnson & Johnson FYB (For Your Benefit) Portal

Retirement Income Calculator

Estimate Saved assumptions Budget Investor profile Learning zone

Instructions

Myself My spouse

My basic information

Current annualized salary: \$139,200

Expected annual salary increase: 0%

Expected work schedule: 100%

Province of residence: Ontario

Available contribution room: RRSP contribution room: \$0, TFSA contribution room: \$0

Recalculate

Estimated average retirement income

Save assumptions Printable version

Below is your estimated average retirement income taking into account the assumptions you selected. To see how your income will fluctuate over your retirement years, click [Display details](#).

Pessimistic Reference Optimistic

Average annual retirement income from age 65

Average income goal: \$106,021

Average scenario breakdown

- Other sources: \$0
- Government plans: \$46,022
- Employer plans: \$58,999

Average annual retirement income: \$106,021

Average annual income goal: \$97,441

Average annual surplus: \$8,580

Income goal: Reached

Display details

- Pension Projection Tool
- Retirement Income Calculator (RIC)
- Investor Questionnaire
- And more...

Link: nj.hroffice.com

Your feedback
is important to
us. Thank you.

J&J



<https://forms.office.com/r/qWYeVxJ48u?origin=lprLink>

Appendix: How to Read a Fund Sheet: Fidelity ClearPath® 2060 Portfolio

FUND FACTS
FIDELITY INVESTMENTS CANADA ULC

Fidelity ClearPath® 2060 Portfolio
Series O

NOVEMBER 8, 2024

This document contains key information you should know about Fidelity ClearPath® 2060 Portfolio - Series O (the "Fund"). You can find more detailed information in the Fund's simplified prospectus. To get a copy, ask your representative, contact Fidelity Investments Canada ULC ("Fidelity") at 1 800-263-4077 or cs.english@fidelity.ca, or visit fidelity.ca.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.



■ QUICK FACTS

| | | | |
|---|---------------|--------------------|-----------------------------------|
| FUND CODES | CAD NL: 6255 | FUND MANAGER | Fidelity Investments Canada ULC |
| DATE SERIES STARTED | May 15, 2018 | PORTFOLIO MANAGER | Fidelity Investments Canada ULC |
| TOTAL VALUE OF THE FUND ON SEPTEMBER 30, 2024 | \$6.0 million | DISTRIBUTIONS | Annually, in mid to late December |
| MANAGEMENT EXPENSE RATIO (MER) | 0.00% | MINIMUM INVESTMENT | Negotiable |

■ WHAT DOES THE FUND INVEST IN?

The Fund invests primarily in underlying funds including other Fidelity Funds and ETFs. These underlying funds generally invest in equity securities, fixed income securities and/or money market instruments. From inception to its target date in 2060 and for a period of approximately twenty years thereafter, an increasing proportion of the Fund's assets will gradually be invested in securities of fixed income and money market funds. At the time the Fund's asset allocation is substantially similar to that of the Fidelity ClearPath® Income Portfolio, it is expected that the Fund will be combined with that portfolio.

The charts below give you a snapshot of the underlying fund's investments on September 30, 2024. The underlying fund's investments will change.

TOP TEN INVESTMENTS (SEPTEMBER 30, 2024)

| NAME | PERCENTAGE | INVESTMENT MIX (SEPTEMBER 30, 2024) |
|--|------------|--|
| 1. Fidelity Emerging Markets Fund | 12.91% | BY ASSET ALLOCATION |
| 2. Fidelity International Equity Multi-Asset Base Fund | 11.71% | BY COUNTRY (INCLUDES CASH) |
| 3. Fidelity Canadian Disciplined Equity Fund | 10.03% | United States 35.49% |
| 4. Fidelity Insights Investment Trust | 9.97% | Canada 23.01% |
| 5. Fidelity Blue Chip Growth Multi-Asset Base Fund | 7.34% | Canadian Equities 22.24% |
| 6. Fidelity American Disciplined Equity Fund | 6.69% | Canadian Provincial 0.53% |
| 7. Fidelity International Value Multi-Asset Base Fund | 6.57% | United Kingdom 5.82% |
| 8. Fidelity International Growth Multi-Asset Base Fund | 6.53% | China 5.07% |
| 9. Fidelity U.S. Dividend Investment Trust | 5.99% | Bonds 0.17% |
| 10. Fidelity True North Fund | 5.94% | Japan 4.52% |
| Total percentage of top 10 investments | 83.68% | U.S. High Yield Bonds 0.17% |
| Total number of investments | 25 | France 3.66% |
| | | Convertibles 0.10% |
| | | Germany 2.52% |
| | | Taiwan 2.14% |
| | | Canadian Municipal Bonds 0.08% |
| | | South Korea 1.91% |
| | | Remaining Countries and Net Other Assets 15.86% |
| | | Remaining Investments and Net Other Assets 0.03% |

- **Fund sheet:** Provides important details about an investment fund to help investors make informed decisions.
- **Regularly updated:** Updated periodically, i.e., quarterly or annually.
- **Key information:**
 - A. Name and date of fund sheet
 - B. Quick facts
 - C. What does the fund invest in?
 - D. Risk rating
 - E. How has the fund performed?
 - F. Who is this fund for?
 - G. How much does it cost?
 - H. For more information

A. Name and date of fund sheet

B. Quick Facts

C. What does the fund invest in?

FUND FACTS
FIDELITY INVESTMENTS CANADA ULC



Fidelity ClearPath® 2060 Portfolio

Series O

NOVEMBER 8, 2024

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Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

■ QUICK FACTS

| | | | |
|---|---------------|--------------------|-----------------------------------|
| FUND CODES | CAD NL: 6255 | FUND MANAGER | Fidelity Investments Canada ULC |
| DATE SERIES STARTED | May 15, 2018 | PORTFOLIO MANAGER | Fidelity Investments Canada ULC |
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| MANAGEMENT EXPENSE RATIO (MER) | 0.00% | MINIMUM INVESTMENT | Negotiable |

■ WHAT DOES THE FUND INVEST IN?

The Fund invests primarily in underlying funds including other Fidelity Funds and ETFs. These underlying funds generally invest in equity securities, fixed income securities and/or money market instruments. From inception to its target date in 2060 and for a period of approximately twenty years thereafter, an increasing proportion of the Fund's assets will gradually be invested in securities of fixed income and money market funds. At the time the Fund's asset allocation is substantially similar to that of the Fidelity ClearPath® Income Portfolio, it is expected that the Fund will be combined with that portfolio.

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TOP TEN INVESTMENTS (SEPTEMBER 30, 2024)

| | |
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| 6 Fidelity American Disciplined Equity Fund | 6.69% |
| 7 Fidelity International Value Multi-Asset Base Fund | 6.57% |
| 8 Fidelity International Growth Multi-Asset Base Fund | 6.53% |
| 9 Fidelity U.S. Dividend Investment Trust | 5.99% |
| 10 Fidelity True North Fund | 5.94% |
| Total percentage of top 10 investments | 83.68% |
| Total number of investments | 25 |

INVESTMENT MIX (SEPTEMBER 30, 2024)

| BY ASSET ALLOCATION | % | BY COUNTRY (INCLUDES CASH) | % |
|--|--------|--|--------|
| Foreign Equities | 74.76% | United States | 35.49% |
| Canadian Equities | 22.24% | Canada | 23.01% |
| Cash | 1.89% | United Kingdom | 5.82% |
| Canadian Provincial Bonds | 0.53% | China | 5.07% |
| Canadian Federal Bonds | 0.17% | Japan | 4.52% |
| U.S. High Yield Bonds | 0.17% | France | 3.66% |
| Convertibles | 0.10% | Germany | 2.52% |
| Foreign Bonds | 0.08% | Taiwan | 2.14% |
| Canadian Municipal Bonds | 0.03% | South Korea | 1.91% |
| Remaining Investments and Net Other Assets | 0.03% | Remaining Countries and Net Other Assets | 15.86% |

A. Name and date of fund sheet: Fund sheets may be updated on an annual (or quarterly/3-month) basis. It is important that you obtain a recently-dated fund sheet.

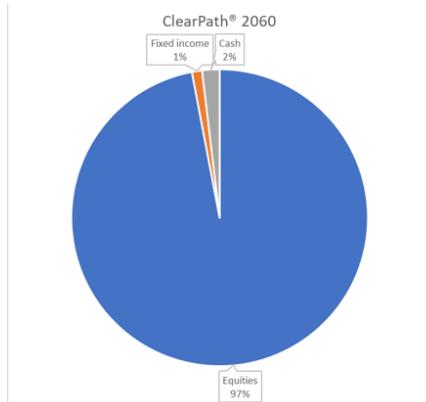
B. Quick facts

- **Date series started:** This indicates when the fund was initially launched. As we will see in a later section, the historical performance of the fund is reported from the time it is launched.
- **Total value of the fund (as of a specific date):** This shows the total value of funds invested from potentially all investors, both individuals and institutions. This provides a general idea of the size of the fund. In general, the average fund size in Canada is approximately \$1.5 billion, but this can range from much smaller to much larger funds.
- **Management expense ratio (MER):** This is the fee that you would pay for this fund. For more details, please refer to section “G. How much does it cost?”

C. What does the fund invest in?

- **Top ten investments (as of a specific date):** This lists the 10 largest holdings in the fund. Compare this to the “Total number of investments” (in this example, 25) to get a sense of how diversified this fund is.
- **Investment mix (as of a specific date):** This provides the asset allocation of the fund: what percentage is invested in equities (e.g., stocks), fixed income (e.g., bonds), and cash.
- **The investment mix** is also shown by country/geographic allocation.
- In this example of **investment mix**, if we consolidate this list of 10 categories into the three main categories of equities, fixed income and cash, we have this allocation (i.e., combine “Foreign equities” and “Canadian equities”, etc.):

| Allocation | Percentage |
|--------------|----------------|
| Equities | 97.00% |
| Fixed income | 1.11% |
| Cash | 1.89% |
| Total | 100.00% |



■ HOW RISKY IS IT?

The value of the Fund can go down as well as up. You could lose money.

One way to gauge risk is to look at how much a fund's returns change over time. This is called "volatility".

In general, funds with higher volatility will have returns that change more over time. They typically have a greater chance of losing money and may have a greater chance of higher returns. Funds with lower volatility tend to have returns that change less over time. They typically have lower returns and may have a lower chance of losing money.

RISK RATING

Fidelity has rated the volatility of this Fund as medium.

This rating is based on how much the Fund's returns have changed from year to year. It doesn't tell you how volatile the Fund will be in the future. The rating can change over time. A fund with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the Fund's returns, see the 'What are the risks of investing in the fund?' section of the Fund's simplified prospectus.

NO GUARANTEES

Like most mutual funds, this Fund doesn't have any guarantees. You may not get back the amount of money you invest.

D. Risk rating: This is a volatility rating of the fund and it can range from low to high volatility. This is an important investment concept to help you decide if an investment is suitable. Generally speaking, a conservative investor may prefer with low volatility because the investment doesn't fluctuate much from month-to-month, whereas an aggressive investor may be comfortable with high volatility and the potential fluctuations that can accompany such an investment.

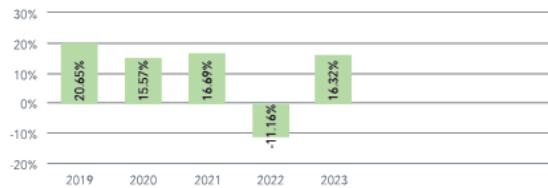
E. How has the fund performed?

■ HOW HAS THE FUND PERFORMED?

This section tells you how Series O units of the Fund have performed over the past 5 years. Returns are after expenses have been deducted. These expenses reduce the Fund's returns.

YEAR-BY-YEAR RETURNS

This chart shows how Series O units of the Fund performed in each of the past 5 years. The Fund dropped in value in 1 of the 5 years. The range of returns and change from year to year can help you assess how risky the Fund has been in the past. It does not tell you how the Fund will perform in the future.



BEST AND WORST 3-MONTH RETURNS

This table shows the best and worst returns for Series O units of the Fund in a 3-month period over the past 5 years. The best and worst 3-month returns could be higher or lower in the future. Consider how much of a loss you could afford to take in a short period of time.

| | RETURN | 3 MONTHS ENDING | IF YOU INVESTED \$1,000 AT THE BEGINNING OF THE PERIOD |
|---------------------|--------|-----------------|--|
| Best return | 14.8% | June 30, 2020 | Your investment would rise to \$1,148 |
| Worst return | -13.8% | March 31, 2020 | Your investment would drop to \$862 |

AVERAGE RETURN

A person who invested \$1,000 in Series O units of the Fund on the inception date now has \$1,901. This works out to an annual compound return of 10.6%.

■ A WORD ABOUT TAX

In general, you'll have to pay income tax on any money you make on a fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan (RRSP) or a Tax-Free Savings Account (TFSA).

Keep in mind that if you hold your fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

F. Who is this fund for?

■ WHO IS THIS FUND FOR?

Investors who:

- are planning to retire around 2060
- want to gain exposure to both equity and fixed income securities
- want the convenience of a diversified portfolio in a single fund
- can handle the volatility of returns generally associated with equity investments

The Fund is not an appropriate investment if you have a short-term investment horizon.

E. How has the fund performed: This section shows the historical performance of the fund over each of the past few calendar years. In an earlier section, “*B. Quick facts – Date series started*”, this fund was started in **May, 2018**, and therefore the *first* full calendar year of performance was recorded for **2019**. This fund sheet is dated **November, 2024**, and therefore the *last* full calendar year of performance was **2023**.

F. Who is this fund for?: This section provides some suggestions for **suitability**, for example for those who are **planning to retire around the year 2060**.

■ HOW MUCH DOES IT COST?

The following tables show the fees and expenses you could pay to buy, own and sell Series O units of the Fund. The fees and expenses - including any commissions - can vary among the series of a fund and among funds. Higher commissions can influence representatives to recommend one investment over another. Ask about other funds and investments that may be suitable for you at a lower cost.

■ SALES CHARGES

You do not pay any sales charge when you buy or sell Series O units of the Fund.

■ FUND EXPENSES

You don't pay these expenses directly. They affect you because they reduce the return you get on your investment.

As of June 30, 2024, the Fund's expenses were 0.08% of its value. This equals \$0.80 for every \$1,000 invested.

| | ANNUAL RATE (AS A % OF THE FUND'S VALUE) |
|---|---|
| Management expense ratio (MER) This is the total of the Fund's management fee (including the trailing commission), and certain operating expenses (fund costs). | 0.00% |
| Trading expense ratio (TER) These are the Fund's trading costs. | 0.08% |
| FUND EXPENSES | 0.08% |

■ More about the trailing commission

Trailing commissions are not paid on Series O units.

■ OTHER FEES

You may have to pay other fees when you buy, hold, sell or switch units of the Fund.

| FEES | WHAT YOU PAY |
|-------------------------------|--|
| Short-term trading fee | Short term trading fees do not apply to units sold as part of a fund of fund program or other similar investment programs. |
| Series O fees | You pay a negotiated management fee directly to us (maximum of 0.85%). This series is available to institutional investors who have entered into a Series O fund purchase agreement with us. |

G. How much does it cost?: This section provides key information related to fees and expenses that you may pay.

- Sales charges:** This includes possible sales/commission charges. *Note that you do not pay any sales charges since you are a member of the J&J pension plan.* In contrast, if you invest in funds directly through your bank or financial institution, you may pay this fee directly, and so it is important to be aware of this.
- Fund expenses:** This can include management fees, operating expenses, and trading fees. You don't pay these expenses directly since these are deducted from the returns of the investment.
- Other fees:** You may have to pay these fees when you buy, hold, sell or switch units of the fund. *Note that because you are a member of the J&J pension plan, these fees are typically lower than what you may pay if you bought a comparable fund at your bank or financial institution.*

H. For more information

■ WHAT IF I CHANGE MY MIND?

Under securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund securities within two business days after you receive a simplified prospectus or Fund Facts document, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, Fund Facts document or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

■ FOR MORE INFORMATION

Contact Fidelity or your representative for a copy of the Fund's simplified prospectus and other disclosure documents. These documents and the Fund Facts make up the Fund's legal documents.

Fidelity Investments Canada ULC
483 Bay Street, North Tower
Suite 300
Toronto, Ontario M5G 2N7

PHONE: 416 307-5200
TOLL-FREE: 1 800-263-4077
EMAIL: cs.english@fidelity.ca
WEB: fidelity.ca

To learn more about investing in mutual funds, see the brochure Understanding mutual funds, which is available on the website of the Canadian Securities Administrators at www.securities-administrators.ca.

For more information: This section has contact details for Fidelity Investments Canada.