



Two-Pot Retirement Reform



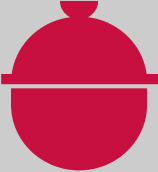
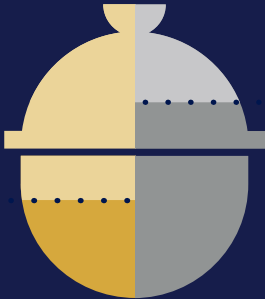
Introducing the Two-Pot Retirement System

 **Implementation: 1 September 2024**

You may have up to **3 pots** (known as components) in total from 1 September 2024.

-  **Vested Component**
-  **Savings Component**
-  **Retirement Component**

The new three-way split

Accumulated benefits invested from 1 September 2024 into 1 component	Retirement fund contributions, invested from 1 September 2024, into 2 components.	
<p>Vested Component</p>  <p>Accumulated benefits up to 31 August 2024 less once off "Seed Capital"</p> <p>+ All future investment returns on these benefits. No further retirement fund contributions.*</p> <p>Pre-retirement withdrawals are allowed as per the current regulatory system</p> <p><small>*Members of provident funds who were 55 and older on 1 March 2021, and who remain in the same provident fund, will continue making contributions to the Vested Component unless they opt into the Two-Pot Retirement System by no later than 31 August 2025.</small></p>	<p>Savings Component</p> <p>Once-off Seed Capital plus 1/3 of all contributions from 1 September 2024</p> <p>+ All future investment returns on these contributions</p>  <p>Pre-retirement "Savings Withdrawal Benefits" are allowed but limited to once a tax year</p>	<p>Retirement Component</p> <p>2/3 of all contributions from 1 September 2024</p> <p>+ All future investment returns on these contributions</p> <p>Improved retirement outcomes by facilitating compulsory preservation (i.e. no pre-retirement withdrawals*)</p> <p><small>*except on emigration, cessation of SA residence for a minimum period of 3 years, non-SA residents with expired SA visas or death.</small></p>