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1. INTRODUCTION

- 1.1 The Company applies the principles outlined in the Labour Relations Act 66 of 1995 as amended and therefore regards dismissal based on age as fair if the employee has reached the agreed retirement age.
- 1.2 The Company values the contributions made by all employees regardless of age. The Company nevertheless recognises that some level of employee turnover is essential in order to introduce new skills and approaches or to refocus on activities that impact the success of the Company.
- 1.3 Employee turnover is also imperative if the Company is to achieve its transformation goals.

2. AIM OF THIS POLICY

The aim of this policy is to:

- 2.1 Communicate the age of retirement.
- 2.2 Clarify the different circumstances under which an employee may retire and the benefits associated with the retirement.
- 2.3 Establish the principles under which an individual may be permitted to extend employment after reaching the Company's normal retirement age.

3. SCOPE OF THIS POLICY

- 3.1 This policy applies to all employees employed as Permanent and Fixed-Term employees who are reaching the age of sixty-five (65).

4. NORMAL RETIREMENT

The normal age of retirement for all employees will be sixty-five (65) years of age and will take effect at the end of the month in which the employee reaches this age.

5. EARLY RETIREMENT

Subject to the rules of the relevant pension fund, employees at the age of fifty five (55) years and older may apply to retire before their normal retirement age.

6. EXTENTIONS BEYOND NORMAL RETIREMENT AGE

- 6.1 All applications for extension beyond retirement will be considered by the Managing Director of the Company, who, in his sole discretion, may decide to extend the services of an employee beyond their retirement age.
- 6.2 Negotiations will not be entered into with respect to the decision of the Managing Director.
- 6.3 The maximum duration of the first extension beyond retirement is two (2) years.
- 6.4 Thereafter, extensions will only be considered for a further period of up to one (1) year.
- 6.5 No extension may be granted to any employee beyond the age of seventy (70).
- 6.6 Employees who are retiring will be given at least six (6) months' notice of the decision to be placed on retirement.

7. MINIMUM REQUIREMENTS FOR EXTENSION BEYOND NORMAL RETIREMENT AGE

- 7.1 The assessment to extend an employee's employment beyond retirement age will be based largely on the annual performance reviews of the employee (**see Policy Nr. T-02: Performance Management**), but the following will also be considered.
 - 7.1.1 Possession of specialised or scarce skills and qualifications that are difficult to replace through normal recruitment due to prevailing market factors.
 - 7.1.2 A key level of involvement in a significant project where continuity is imperative for success.
 - 7.1.3 High ongoing productivity.
 - 7.1.4 Proven record in terms of income generation.
 - 7.1.5 Evidence of continuing professional development and adaptability to new trends and developments in his/her field.
 - 7.1.6 The duration of an approved succession plan.
 - 7.1.7 The need to use the post to enhance transformation in terms of achieving the Employment Equity goals of the Company.

- 7.2 Applicants for extensions beyond retirement will be treated with sensitivity, but no extension beyond retirement will be granted purely on compassionate grounds.

8. TERMS OF APPOINTMENT FOR EXTENSION BEYOND NORMAL RETIREMENT AGE

- 8.1 As soon as an employee reaches the normal retirement age and is granted an extension of his/her employment contract, such a contract will be based on a Fixed-Term contract.
- 8.2 Where there is no change in the workload and/or level of responsibility, the employee will retain his/her salary as at the expected retirement date and will remain on pensionable service subject to the rules of the relevant pension fund.
- 8.3 The Company will effect all statutory and voluntary deductions from each employee's remuneration package as necessary or as prescribed by the relevant Pension Fund.
- 8.4 The rules of the current pension fund allow for members to retain their membership in the Fund after Normal Retirement Age of sixty-five (65) years, with the Company's permission.
- 8.5 Where membership continues after age sixty-five (65) years, the cover for Group Life assurance, Disability benefit and Dreaded Disease benefits ceases at age sixty-five (65) years, in terms of the provisions of the insurance policies that are in place.
- 8.6 The member may choose to maintain their contribution to the Pension Fund.
- 8.7 It is the responsibility of employees to inform and contribute to their relevant Medical Aid Funds according to the rules of each Medical Aid regarding extension of employment.
- 8.8 Employees will receive the same amount of Annual Leave allocation for the period of extension of employment as was allocated when the normal retirement age was reached.

9. PROCEDURES FOR ASSESSMENT OF APPLICATIONS FOR EXTENSION BEYOND RETIREMENT

- 9.1 At the beginning of each year, the Human Resources Department will identify all employees:
- 9.1.1 Who will reach the age of sixty-five years during the next two years and who have not previously been considered for extension beyond retirement;
- 9.1.2 Who were considered previously by the Managing Director and who were given an undertaking that their extended employment would be reviewed in the current year;
- 9.1.3 Whose first extension beyond normal retirement will be coming to an end at the end of the current year;
- 9.1.4 Whose application has been previously deferred for whatever reason.
- 9.2 The list of employees will be sent to the relevant Manager, who will discuss the options for refilling the post with the Managing Director and advise the Human Resources Manager accordingly.

- 9.3 Employees whose posts are not available for refilling after their retirement, and employees who are eligible for assessment for extension beyond retirement, will be advised accordingly by the Human Resources Manager.

10. RETIREMENT AWARD

- 10.1 On retirement from the Company, an employee will qualify for a gift to the following value:

Length of Service	Value of gift	Social Function	Attendants
10 - 20 years	R3 000	Social function to the value of R3 000.	Company Colleagues
➤ 20 years	R5 000	Social function to the value of R5 000.	Employee's Spouse and Company Colleagues .

11. AMENDMENTS

The Company reserves the right to amend this policy at its discretion. In such a case employees will be informed accordingly.