

# Absa launches landmark employee ownership plan

Absa has launched a landmark employee stock ownership plan that is sparking celebration from its employees across the continent.



Source: Supplied.

The transaction, one of the largest B-BBEE transactions in recent times, will include Absa staff and beneficiaries of the Corporate Social Investment (CSI) Trust, making a meaningful difference in the lives of thousands of people who might not have access to education and employment opportunities.

While black employees in South Africa, as defined in South Africa's B-BBEE codes, will be the primary beneficiaries, the transaction recognises the contribution by all employees across the Group, Absa Group chief executive officer, Arrie Rautenbach said.

Absa employees in South Africa will be awarded free shares while Absa employees in the 14 other countries in which the Group operates will be able to participate in a cash-equivalent programme, subject to local approvals.

"The transaction is the next big step in our journey to building a diverse and inclusive organisation and it demonstrates our commitment to being an active force for good in everything we do," said Rautenbach.

The transaction involves 7% of Absa Group's total shareholding, valued at approximately R11.2bn.

All of Absa's approximately 26,000 eligible employees in South Africa will be awarded shares, vesting in five years. Black employees will receive an additional 20% allocation.

A CSI Trust will manage funds flowing from the transaction to benefit black communities in South Africa.

"As a leadership team, we are delighted to deliver the transaction particularly to employees who will be able to participate in the value that they help generate every day," said Rautenbach.

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