

African Bank press release

1 June 2017

**African Bank begins consultation process in terms of Section 189A of the Labour Relations Act**

African Bank today announced that it has commenced a consultation process with Sasbo and potentially impacted employees as prescribed in terms of Section 189A of the Labour Relations Act, Act 66 of 1995.

The Bank and Sasbo had agreed to mediation of the consultation process by a commissioner appointed by the CCMA. African Bank and Sasbo had their first mediated consultation on 30 May 2017 and have today, by mutual agreement, notified potentially impacted employees of the consultation process.

Brian Riley, CEO of African Bank noted: "Given a reduction in the Bank's volume of loan business due to a reduced risk appetite in the current market and in order to achieve the strategy approved by the Board, it is essential to continually transform the business into one that is sustainable over the long term, including restructuring our operational workforce, where necessary".

The Commissioner has directed that African Bank and Sasbo will meet again on 21 June 2017. The parties have agreed to use the intervening period to consult with each other and with all potentially impacted employees, including union and non-union members.

ENDS

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On behalf of CEO of African Bank, Brian Riley