



Absa Bank Limited

(Incorporated with limited liability in South Africa under registration number 1986/004794/06)

Issue of ZAR439,000,000 Unsubordinated Registered Notes with Stock Code ABGN01

Under its ZAR90,000,000,000 Domestic Medium Term Note Programme

This document constitutes the Applicable Pricing Supplement relating to the issue of the Tranche of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by Absa Bank Limited dated 3 September 2021, as amended. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the General Terms and Conditions. References in this Applicable Pricing Supplement to the General Terms and Conditions are to the section of the Programme Memorandum "*Terms and Conditions of the Unsubordinated Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the General Terms and Conditions.

DESCRIPTION OF THE NOTES

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| 1. | Issuer | Absa Bank Limited |
| 2. | Debt Officer | Jason Quinn, Group Financial Director |
| 3. | Status of Notes | Unsubordinated Notes |
| 4. | (a) Tranche Number | 01 |
| | (b) Series Number | 81 |
| 5. | Aggregate Principal Amount | ZAR439,000,000 |
| 6. | Interest/Payment Basis | Floating Rate |
| 7. | Form of Notes | Registered Notes |
| 8. | Security | Unsecured |
| 9. | Automatic/Optional Conversion from one Interest/Payment Basis to another | Not Applicable |
| 10. | Issue Date | 27 June 2022 |
| 11. | Business Centre | Johannesburg |

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| 12. | Additional Business Centre | Not Applicable |
| 13. | Principal Amount | ZAR1,000,000 |
| 14. | Specified Denomination | Notes are subject to a minimum denomination ZAR1,000,000 |
| 15. | Issue Price | 100% |
| 16. | Interest Commencement Date | 27 June 2022 |
| 17. | Maturity Date | 27 June 2025 |
| 18. | Specified Currency | ZAR |
| 19. | Applicable Business Day Convention | Modified Following Business Day |
| 20. | Calculation Agent | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 21. | Specified Office of the Calculation Agent | 15 Alice Lane, Sandton, 2196 |
| 22. | Paying Agent | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 23. | Specified Office of the Paying Agent | 15 Alice Lane, Sandton, 2196 |
| 24. | Transfer Agent | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 25. | Specified Office of the Transfer Agent | 15 Alice Lane, Sandton, 2196 |
| 26. | Settlement Agent | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 27. | Specified Office of the Settlement Agent | 15 Alice Lane, Sandton, 2196 |
| 28. | Issuer Agent | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 29. | Specified Office of the Issuer Agent | 15 Alice Lane, Sandton, 2196 |
| 30. | Final Redemption Amount | ZAR439,000,000 |
| | PARTLY PAID NOTES | Not Applicable |
| | INSTALMENT NOTES | Not Applicable |
| | FIXED RATE NOTES | Not Applicable |
| | FLOATING RATE NOTES | Applicable |
| 31. | Floating Rate Note Provisions | |

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| (a) | Interest Payment Date(s) | 27 March, 27 June, 27 September and 27 December, in each year until the Maturity Date, commencing on 27 September 2022 and, subject to the terms hereof, ending on 27 June 2025 or, if such day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the applicable Business Day Convention (as specified in this Applicable Pricing Supplement) |
| (b) | Interest Period(s) | Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) 27 September 2022 (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention) |
| (c) | Definitions of Business Day (if different from that set out in Condition 1 (<i>Interpretation</i>) of the Terms and Conditions) | Not Applicable |
| (d) | Minimum Interest Rate | Not Applicable |
| (e) | Maximum Interest Rate | Not Applicable |
| (f) | Other terms relating to the method of calculating interest (e.g., Day Count Fraction, rounding up provision, if different from Condition 6 (<i>Interest</i>) of the Terms and Conditions) | Not Applicable |
| 32. | Manner in which the Interest Rate is to be determined | Screen Rate Determination |
| 33. | Margin | 120bps to be added to the relevant Reference Rate |
| 34. | If ISDA Determination | |
| (a) | Floating Rate | Not Applicable |
| (b) | Floating Rate Option | Not Applicable |
| (c) | Designated Maturity | Not Applicable |
| (d) | Reset Date(s) | Not Applicable |
| 35. | If Screen Determination | |
| (a) | Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | 3 (three) month ZAR-JIBAR-SAFEX |

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| (b) | Interest Rate Determination Date(s) | 27 March, 27 June, 27 September and 27 December, in each year until the Maturity Date, with the first Interest Determination Date being 22 June 2022 |
| (c) | Relevant Screen Page and Reference Code | Reuters screen SAFEY page under caption "Yield" (or on SAFEX nominated successor screen for JIBAR) on or about 11h00, Johannesburg time, rounded to the nearest third decimal point |
| 36. | If Interest Rate to be calculated otherwise than by reference to the previous 2 sub-paragraphs, insert basis for determining Interest Rate/Margin/Fall back provisions | Not Applicable |
| 37. | If different from the Calculation Agent, agent responsible for calculating amount of principal and interest | Not Applicable |
| | MIXED RATE NOTES | Not Applicable |
| | ZERO COUPON NOTES | Not Applicable |
| | INDEXED NOTES | Not Applicable |
| | EXCHANGEABLE NOTES | Not Applicable |
| | OTHER NOTES | Not Applicable |
| | PROVISIONS REGARDING REDEMPTION | |
| 38. | Redemption at the option of the Issuer (Call Option) | No |
| 39. | Redemption at the option of the Noteholders (Put Option) | No |
| 40. | Early Redemption Amount(s) | Yes |
| (a) | Early Redemption Amount (Regulatory) | Not Applicable |
| (b) | Early Redemption Amount (Tax) | Principal Amount plus accrued interest (if any) to the date fixed for redemption |
| (c) | Early Termination Amount | Principal Amount plus accrued interest (if any) |
| 41. | Do the General Terms and Conditions or the provisions of this Applicable Pricing Supplement provide for automatic redemption of the Notes upon the occurrence of a trigger event(s)? | No |

GENERAL

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| 42. | Additional selling restrictions | Not Applicable |
| 43. | Additional terms or special conditions | Not Applicable |
| 44. | (a) International Securities Identification Numbering (ISIN) | ZAG000187436 |
| | (b) Stock Code | ABGN01 |
| 45. | Financial Exchange | JSE Limited |
| 46. | Clearing System | Strate Proprietary Limited |
| 47. | Method of distribution | Auction |
| 48. | If syndicated, names of managers | Not Applicable |
| 49. | Receipts attached? | Not Applicable |
| 50. | Coupons attached? | Not Applicable |
| 51. | Talons attached? | Not Applicable |
| 52. | Issuer rating and date of issue | Aa1.za (Moody's Investor Services) on 10 December 2021 and zaAA (Standard & Poor's) on 13 August 2021 |
| 53. | Date of Issuer Rating review | The ratings will be reviewed annually |
| 54. | Rating Agency (if any) | Moody's Investor Services and Standard & Poor's |
| 55. | Stripping of Receipts and/or Coupons prohibited as provided in Condition 14.4 (<i>Prohibition on stripping</i>) of the Terms and Conditions? | Not Applicable |
| 56. | Governing law (if the laws of South Africa are not applicable) | Not Applicable |
| 57. | Other Banking Jurisdiction | Not Applicable |
| 58. | Last Day to Register, which shall mean that the "Books Closed Period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption | 17h00 on 17 June, 17 September, 17 December, 17 March or if such day is not a Business Day, the Business Day before each Books Closed Period, in each year until the Maturity Date |
| 59. | Books Closed Period | The Register will be closed from 18 March to 27 March, 18 June to 27 June, 18 September to 27 September and from 18 December to 27 December (all dates inclusive) in each year until the Maturity Date |

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| 60. | Debt Sponsor | Absa Bank Limited, acting through its Corporate and Investment Banking division |
| 61. | Stabilisation Manager (if any) | Not Applicable |
| 62. | Pricing Methodology | Auction |
| 63. | Authorised amount of the Programme | ZAR90,000,000,000 |
| 64. | Aggregate Outstanding Principal Amount of all Notes in issue on the Issue Date of this Tranche (excluding the current issue and any other Note(s) issued on the Issue Date) | ZAR52,608,883,052.00 |
| 65. | Set out the relevant description of any additional/other Terms and Conditions relating to the Notes (including covenants, if any) | Not Applicable |
| 66. | Negative Pledge | Condition 22 (<i>Negative Pledge</i>) |
| 67. | Material Changes | The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the date of the Issuer's latest audited financial statements, dated 14 March 2022. As at the date of this Applicable Pricing Supplement, there has been no involvement by KPMG and Ernst & Young, the auditors of the Issuer, in making the aforementioned statement |
| 68. | Exchange control approval | Not Applicable |
| 69. | Use of proceeds | The Notes are intended to be issued as Green Bonds. |

Absa Group Limited Sustainable Finance Issuance Framework

Absa Group Limited has developed and adopted the Framework which provides the foundation under which Absa Group may execute, and where applicable list, Green, Social and/or Sustainable Bonds, amongst other instruments. Green, Social and Sustainable Bonds issued under the Framework support Absa Group's lending and financing activities (including refinancing activities) to Green Projects, Social Projects and Sustainable Projects. The Framework specifies, amongst other things, categories and eligibility criteria against which a project must qualify to enable sustainable instruments to be categorised as Green, Social and/or Sustainable Bonds. The Framework is available on Absa Group's website at <https://www.absa.africa/content/dam/africa/absafrica/pdf/dmtn/2022/ABSA-Sustainable-Finance-Issuance-Framework-May-2022.pdf>.

Assurance

In connection with the Framework and in compliance with the applicable JSE Debt Listings Requirements, Absa Group appointed a sustainability specialist, the Carbon Trust, to evaluate the Framework and to issue the Carbon Trust Second Party Opinion confirming that the Framework is aligned with the ICMA Principles and Guidelines.

The Carbon Trust Second Party Opinion is available on Absa Group's website at <https://www.absa.africa/content/dam/africa/absaafrica/pdf/dmtn/2022/Absa-SFIF-SPO-30-May-2022.pdf>.

Independent External Reviewer

The Carbon Trust is an independent external reviewer for the purposes of the JSE Debt Listings Requirements. The Carbon Trust Second Party Opinion constitutes the report of an independent external reviewer on the Framework contemplated in the JSE Debt Listings Requirements.

The Carbon Trust is an independent firm with a mission to accelerate the move to a sustainable, low-carbon economy. The Carbon Trust:

- (a) advises businesses, governments and the public sector on opportunities in a sustainable, low-carbon world;
- (b) measures and certifies the environmental footprint of organisations, products and services; and
- (c) helps develop and deploy low-carbon technologies and solutions, from energy efficiency to renewable power.

Use of Proceeds – Green Bonds – Renewable Energy

The Issuer intends to allocate an amount of funding equivalent to the net proceeds of this Tranche of Notes to finance and/or refinance, in whole or in part, on a portfolio basis, renewable energy assets which may include, without limitation, solar and wind projects.

The application of the net proceeds of this Tranche of Notes will therefore fall within the '*Renewable energy*' category, as set out in the table headed "*Green Categories*" appearing under the section of the Framework headed "*Use of Proceeds*".

Management of Proceeds

The Issuer will track the receipt and use of the net proceeds of this Tranche of Notes via its internal tracking systems as more fully set out in the section of the Framework headed "*Management of Proceeds*".

Impact Measurement and Reporting and External Review

Absa Group will prepare and publish an Annual Allocation and Impact Report as more fully set out in the section of the Framework headed “*Reporting*”.

Absa Group will request (from the first anniversary of the Issue Date and until the earlier to occur of the Maturity Date or full allocation of the net proceeds) a limited assurance report of the allocation of the proceeds of Green Bonds, Social Bonds and Sustainable Bonds to eligible assets as contemplated by the Framework, to be provided by an external auditor.

The Annual Allocation and Impact Report and related assurance report will be included in Absa Group’s annual Environment, Social and Governance Report and be available on Absa Group’s website at <https://www.absa.africa/absaafrica/investor-relations/annual-reports/>. The Issuer will publish a SENS announcement stating when the Annual Allocation and Impact Report will be made available on Absa Group’s website.

Incorporation by Reference

The Framework and the Carbon Trust Second Party Opinion are incorporated by reference into this Applicable Pricing Supplement.

Notwithstanding the incorporation by reference of the Framework and the Carbon Trust Second Party Opinion, the attention of investors in the Notes is drawn to the risk factor headed “*In respect of any Notes issued as Green Bonds, Social Bonds or Sustainable Bonds there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor*” set out in the document entitled “*Risk Factors and Other Disclosures Schedule – DMTN Programme*” relating to the Programme which is dated 3 September 2021 (as amended or updated from time to time) and is available on Absa Group’s website at <https://www.absa.africa/absaafrica/investor-relations/debt-investors/>.

Interpretation

For purposes of this paragraph 69 (*Use of Proceeds*):

- (a) “**Absa Group**” means Absa Group Limited and its subsidiaries;
- (b) “**Annual Allocation and Impact Report**” means, in relation to sustainable instruments issued under the Framework, the annual allocation and impact report prepared by Absa Group;

- (c) “**Carbon Trust**” means Carbon Trust Africa Proprietary Limited a company incorporated in accordance with the laws of the Republic of South Africa with registration number 2016/398205/07, registered address Corobay Corner Block B, 169 Corobay Avenue, Pretoria, 0081 and email address info@carbontrust.com;
- (d) “**Carbon Trust Second Party Opinion**” means the second party opinion issued by Carbon Trust confirming that the Framework is aligned with the ICMA Principles and Guidelines;
- (e) “**Framework**” means the Absa Group Limited Sustainable Finance Issuance Framework dated May 2022;
- (f) “**Green Bonds**” means any Notes the proceeds of which are applied to finance or refinance, in whole or in part, Green Projects;
- (g) “**Green Projects**” means any project and/or activities that promote climate-friendly and other environmental purposes;
- (h) “**ICMA Principles and Guidelines**” means the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines, as applicable, published by International Capital Market Association (“**ICMA**”) from time to time;
- (i) “**Social Bonds**” means any Notes the proceeds of which are applied to finance or refinance, in whole or in part, Social Projects;
- (j) “**Social Projects**” means any project and/or activities that are aimed at reducing economic and social inequality;
- (k) “**Sustainable Bonds**” means any Notes the proceeds of which are applied to finance or refinance, in whole or in part, Sustainable Projects; and
- (l) “**Sustainable Projects**” means a combination of Green Projects and Social Projects.

Carbon Trust Disclaimer

Prospective investors should have regard to the information set out in this Applicable Pricing Supplement and the Framework regarding such use of proceeds and consult with their legal and other advisers before making an investment in any such Green Bonds, Social Bonds or Sustainable Bonds, and must determine for themselves the relevance of such information for the purpose of any investment in such Green

Bonds, Social Bonds or Sustainable Bonds together with any other investigation such investor deems necessary. In connection with the issuance of Green Bonds, Social Bonds, or Sustainable Bonds, amongst other instruments, Carbon Trust has evaluated the Framework and has issued the Carbon Trust Second Party Opinion confirming that the green eligible projects and social eligible projects described in the Framework and the proposed issuance of securities are aligned with the ICMA Principles and Guidelines, as applicable.

The Carbon Trust Second Party Opinion is not, nor should it be deemed to be, an offer or a recommendation by Carbon Trust to buy, sell or hold any such Green Bonds, Social Bonds and/or Sustainable Bonds and/or any other instruments. The Carbon Trust Second Party Opinion is only current as at its date. Prospective investors must determine for themselves the relevance of the Carbon Trust Second Party Opinion is and/or the information contained in it and/or the fact that Carbon Trust is its author, for the purpose of any investment in Green Bonds, Social Bonds, Sustainable Bonds and/or other instruments. Currently, the providers of such opinions, and related reports and certifications are not subject to any specific regulatory or other regime or oversight. The Carbon Trust Second Party Opinion is addressed solely to the Issuer. Investors in such Green Bonds, Social Bonds, Sustainable Bonds and/or other instruments shall have no recourse against Carbon Trust for the contents of the Carbon Trust Second Party Opinion. Carbon Trust is under no obligation to any holder of or prospective investor in any Green Bonds, Social Bonds, Sustainable Bonds and/or other instruments to update or supplement the Carbon Trust Second Party Opinion or to monitor adherence by the Issuer to any stated use of proceeds or the achievement of any targets or objectives referred to in the Carbon Trust Second Party Opinion. Carbon Trust has reserved its right to withdraw its consent to the publication of the Carbon Trust Second Party Opinion at any time.

RESPONSIBILITY

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Programme Memorandum and this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Applicable Pricing Supplement contains all information required by Applicable Laws and, in relation to any Tranche of Notes listed on the Interest Rate Market of the JSE, the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Programme Memorandum, this Applicable Pricing Supplement, the annual financial statements and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of this Programme Memorandum, any Applicable Pricing Supplements, the annual financial statements and/or the annual report of the Issuer (and any amendments or supplements to the aforementioned documents from time to time). The JSE makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any

loss arising from or in reliance upon the whole or any part of this Programme Memorandum, any Applicable Pricing Supplements, the annual financial statements and/or the annual report of the Issuer (any amendments or supplements to the aforementioned documents from time to time).

The JSE's approval of the registration of this Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the aggregate Principal Amount of all Notes Outstanding under this Programme does not exceed ZAR90,000,000,000, being the maximum aggregate Principal Amount of the Notes that may be issued under the Programme.

Application is hereby made to list this issue of Notes on 27 June 2022 pursuant to the Absa Bank Limited Domestic Medium Term Note Programme. The Programme was registered with the JSE on 3 September 2021.

ABSA BANK LIMITED

By: 
Name: PAULO GONCALVES

Capacity: Authorised Signatory

Date: 22 / 06 / 2022

By: 
Name: Richard Favis

Capacity: Authorised Signatory

Date: 22 / 6 / 2022