



## **APPLICABLE PRICING SUPPLEMENT**

### **ABSA BANK LIMITED**

*(Incorporated in the Republic of South Africa with limited liability with company registration number 1986/004794/06)*

### **Issue of ZAR100,000,000 KAP Industrial Holdings Limited Credit Linked Notes due April 2025**

**under its ZAR60,000,000,000 Master Structured Note Programme registered with the JSE Limited t/a The Johannesburg Stock Exchange**

This Applicable Pricing Supplement must be read in conjunction with the Master Structured Note Programme Memorandum dated on or about 16 August 2021 and registered with the JSE on or about 18 August 2021, as amended and/or supplemented from time to time ("the Master Programme Memorandum"), prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR60,000,000,000 Master Structured Note Programme.

With effect from the date on which this Applicable Pricing Supplement is signed, this Applicable Pricing Supplement shall replace and supersede any previous Applicable Pricing Supplement in all respects and this Applicable Pricing Supplement shall constitute the only pricing supplement relating to the Notes of this Tranche.

Any capitalised terms not defined in this Applicable Pricing Supplement have the meanings ascribed to them in the Glossary of Terms, as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the provisions of the Master Programme

Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement will prevail.

The Holders of the Notes should ensure that: (i) they fully understand the nature of the Notes and the extent of their exposure to risks, and (ii) they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position.

The Notes involve a high degree of risk, including the risk of losing some or a significant part of the Noteholder's initial investment. A Noteholder should be prepared to sustain a total loss of its investment in the Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other.

Noteholders are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential Noteholders should understand that they are relying on the credit worthiness of the Issuer.

<b>DESCRIPTION OF THE NOTES</b>	
1. Issuer:	Absa Bank Limited
2. Applicable Product Supplement:	The 2014 Credit Linked Notes Applicable Product Supplement contained in Section IV-B of the Master Programme Memorandum applies in respect of the credit linked features of the Notes.
3. Status of Notes:	Unsubordinated and unsecured. (The default status of the Notes under the Master Structured Note Programme is 'unsubordinated and unsecured' per Condition 5 (Status of Notes) of the Master Programme Memorandum.)
4. Listing:	Listed Notes
5. Issuance Currency:	ZAR
6. Series Number:	2022-62
7. Tranche Number:	1
8. Aggregate Nominal Amount:	
(a) Series:	ZAR100,000,000.00
(b) Tranche:	ZAR100,000,000.00
9. Interest:	Interest bearing
10. Interest Payment Basis:	Floating
11. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another:	Not Applicable
12. Form of Notes:	Registered Listed Notes: The Notes in this Tranche will be issued in uncertificated form and held by the CSD.
13. Issue Date:	08 April 2022

14.	Trade Date:	1 April 2022
15.	Specified Denomination:	ZAR 1,000,000 per Note.
16.	Issue Price:	100%
17.	Interest Commencement Date:	Issue Date
18.	Maturity Date:	08 April 2025
19.	Applicable Business Day Convention:	Following Business Day Convention.
20.	Business Days:	Johannesburg
21.	Final Redemption Amount:	Provided that the Notes have not been redeemed prior to the Maturity Date, on the Maturity Date of the Notes, the Final Redemption Amount will be the Aggregate Nominal Amount (R100,000,000.00)
22.	Credit Event Backstop Date:	Applicable
23.	Last Date to Register:	The 11 <sup>th</sup> calendar day before each Floating Interest Payment Date i.e. 28 March, 27 June, 27 September and 28 December of each calendar year during the period commencing on Issue Date and ending on the Maturity Date. If such day is not a Business Day then the close of business on the Business Day immediately preceding the first day of a Books Closed Period
24.	Books Closed Period:	The Register will be closed from 10 (ten) calendar days prior to each Floating Interest Payment Date and prior to each Maturity Date, i.e. each 29 March, 28 June, 28 September and 29 December of each calendar year until the Maturity Date
25.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue	ZAR 40,860,700,310.52

Date:	
<b>26. FLOATING RATE NOTES</b>	
(a) Floating Interest Payment Date(s)	08 January, 08 April, 08 July and 08 October and during the period commencing on Issue Date and ending on the Maturity Date. The first Interest payment date is 08 July 2022
(b) Minimum Interest Rate:	Not Applicable
(c) Maximum Interest Rate:	Not Applicable
(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision):	The Day Count Fraction is Actual/365 (Fixed).
(e) Manner in which the Interest Rate is to be determined:	Screen Rate Determination
(f) Margin:	181 basis points (or 1.81%) to be added to the relevant Reference Rate.
(g) If Screen Determination:	
i. Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated):	ZAR-JIBAR-SAFEX (3 months)
ii. Interest Rate Determination Dates:	The first Interest Determination Date will be the Issue Date, thereafter each of 08 January, 08 April, 08 July and 08 October and in each calendar year, during the term of the Notes, commencing on the Issue Date and ending on the Maturity Date, as adjusted or determined in accordance with the Applicable Business Day Convention.

iii. Relevant Screen Page and Reference Code:	Reuters RIC <SFX3MYLD> on Reuters Page "SAFEY" (Page number ZA01209).
(h) If Interest Rate to be calculated otherwise than Screen Determination, insert basis for determining Interest Rate/Margin/Fallback provisions:	Not Applicable
(i) Calculation Agent responsible for calculating amount of principal and interest:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof, acting in good faith and in a commercially reasonable manner.
(j) Interest Period:	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) the following Interest Payment Date (each Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention);
<b>CREDIT EVENT REDEMPTION</b>	
27. Type of Credit Linked Note:	Single Name CLN
28. Redemption at Maturity:	Final Redemption Amount
29. Redemption following the occurrence of Credit Events:	Applicable
30. Extension interest:	Not Applicable
31. Reference Entity:	KAP Industrial Holdings Limited
32. Financial Statements of the Reference Entity:	The Issuer of the Reference Obligation is listed on the interest rate market of the JSE and as per rule 4.30(c)(i) of the JSE Debt Listings Requirements, no additional

	information is required to be provided herein.
33. Standard Reference Obligation:	Not Applicable
34. Reference Obligation:	The obligation identified as follows: Primary Obligor: KAP Industrial Holdings Limited Maturity Date: 18 February 2025 CUSIP/ISIN: ZAG000183773
35. Transaction Type:	Not Applicable
36. All Guarantees:	Applicable
37. Conditions to Settlement:	Applicable Credit Event Notice: Applicable Notice of Physical Settlement: Applicable Notice of Publicly Available Information: Applicable
38. Credit Events:	The following Credit Events apply: Bankruptcy Failure to Pay Grace Period Extension: Applicable Grace Period: 30 calendar days Payment Requirement: ZAR10,000,000.00 Obligation Acceleration Obligation Default Repudiation / Moratorium Restructuring Default Requirement: ZAR 25,000,000 Mod R: Not Applicable Mod Mod R: Not Applicable

	Multiple Holder Obligation: Not Applicable								
39. Credit Event Accrued Interest:	Not Applicable								
40. Obligations:	<table border="0"> <tr> <td><b>Deliverable Obligation Category:</b></td> <td><b>Deliverable Obligation Characteristics:</b></td> </tr> <tr> <td>Listed Bond Only</td> <td>Not Subordinated</td> </tr> <tr> <td></td> <td>Specified Currency: ZAR</td> </tr> <tr> <td></td> <td>Transferable</td> </tr> </table>	<b>Deliverable Obligation Category:</b>	<b>Deliverable Obligation Characteristics:</b>	Listed Bond Only	Not Subordinated		Specified Currency: ZAR		Transferable
<b>Deliverable Obligation Category:</b>	<b>Deliverable Obligation Characteristics:</b>								
Listed Bond Only	Not Subordinated								
	Specified Currency: ZAR								
	Transferable								
41. Excluded Obligations:	Not Domestic Currency and Not Domestic Law								
42. CLN Settlement Method:	Physical Settlement								
43. Credit Event Redemption Amount	<p>Means in respect of each Physically Delivered CLN, such Deliverable Obligations with a Due and Payable Amount or an Outstanding Principal Balance in an aggregate amount (excluding any accrued and unpaid interest) equal to:</p> <ul style="list-style-type: none"> <li>(i) The Aggregate Nominal Amount of the Notes outstanding as of the relevant Event Determination Date; minus</li> <li>(ii) a Due and Payable Amount or an Outstanding Principal Balance of such Deliverable Obligations with a market value determined by the Calculation Agent equal to such Note's pro rata share of the Settlement Expenses and Swap Costs.</li> </ul>								



44. Deliverable Obligations:	<table border="0"> <tr> <td style="vertical-align: top;"><b>Deliverable Obligation Category:</b></td> <td style="vertical-align: top;"><b>Deliverable Obligation Characteristics:</b></td> </tr> <tr> <td>Bond Only</td> <td>Not Subordinated</td> </tr> <tr> <td></td> <td>Specified Currency: ZAR</td> </tr> <tr> <td></td> <td>Transferable</td> </tr> <tr> <td></td> <td>Not bearer</td> </tr> <tr> <td></td> <td>Not Contingent</td> </tr> </table>	<b>Deliverable Obligation Category:</b>	<b>Deliverable Obligation Characteristics:</b>	Bond Only	Not Subordinated		Specified Currency: ZAR		Transferable		Not bearer		Not Contingent
<b>Deliverable Obligation Category:</b>	<b>Deliverable Obligation Characteristics:</b>												
Bond Only	Not Subordinated												
	Specified Currency: ZAR												
	Transferable												
	Not bearer												
	Not Contingent												
<b>Terms Relating to Physical Settlement:</b>													
45. Physical Settlement Period:	As specified in the 2014 Credit Linked Conditions.												
46. Partial Cash Settlement due to Impossibility or Illegality:	Applicable												
47. Fallback CLN Settlement Method:	Cash Settlement												
<b>PROVISIONS REGARDING REDEMPTION / MATURITY</b>													
48. Redemption at the option of the Issuer:	<p>Yes</p> <p>In the event that any one of the Domestic Medium Term Note Programmes of the Reference Entity are redeemed in part or full such that the Reference Obligation and/or the Deliverable Obligations referenced in this Note become early redeemed by the Reference Entity and are no longer available (the “<b>Affected Obligations</b>”), the Issuer shall be entitled to:</p> <p>(i) replace the Affected Obligations with new Deliverable Obligations to act as the new Reference Obligation for purposes of the</p>												

	<p>Note; provided that same bears Deliverable Characteristics substantially the same as those of the Reference Obligation (the <b>“Replacement Deliverable Obligations”</b>).</p> <p>The replacement event described in sub-clause (i) above, shall be subject to the Issuer having obtained the approval of at least 50% of the Noteholders, which consent shall not be unreasonably withheld (the <b>“Replacement Event Consent”</b>).</p> <p>In the event that:</p> <p>(a) the Issuer is unable to obtain the Replacement Event Consent described above; or</p> <p>(b) the Issuer is unable to replace and/or acquire the Replacement Deliverable Obligations (in part or in full),</p> <p>the Issuer shall early redeem the affected portion of the Note and pay the Noteholder the Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes.</p>
<p>i) Minimum period of Notice:</p>	<p>The minimum period of written or oral notice for the purposes of this provision shall be One (1) Business Days and the notice shall be called an <b>“Optional Call Redemption Notice”</b>.</p>
<p>ii) Other terms applicable on Redemption:</p>	<p>The sentence in line 2 of Condition 8.3 of the Terms and Conditions of the Notes “the Issuer may, having given not less than 15 (fifteen) nor more than 60 (sixty) calendar days’ irrevocable notice to the Noteholders in accordance with Condition 16 (Notices)” is deemed to be deleted and replaced by the following sentence “the Issuer may, having given not less than 1(one) Business Day’s irrevocable notice to the Noteholders in</p>

	accordance with Condition 16 (Notices)" for the purposes of the Notes.
49. Redemption at the Option of Noteholders:	No
50. Early Redemption Amount(s) payable on redemption for taxation reasons, Additional Early Redemption Event, Illegality, Change in Law or on Event of Default (if required):	Yes
If yes:	
(a) Amount payable; or	The Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes.
(b) Method of calculation of amount payable:	Not Applicable
<b>GENERAL</b>	
51. Financial Exchange:	JSE Limited t/a The Johannesburg Stock Exchange
52. Calculation and Paying Agent:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
53. Calculation Agent City:	Johannesburg
54. Specified office of the Paying, Calculation and Settlement Agent:	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa
55. Settlement Agent:	Absa Investor Services, a division of Absa Bank Limited

56. Additional selling restrictions:	Not Applicable
57. ISIN No.:	ZAG000185067
58. Stock Code:	ASN822
59. Method of distribution:	Private Placement
60. If syndicated, names of Managers:	Not Applicable
61. If non syndicated, name of Dealer:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
62. Governing law:	The laws of the Republic of South Africa
63. Issuer Rating on Issue Date:	Issuer Rating: zaAA being the National Long-Term Credit Rating as assigned by Standard & Poor's on 26 November 2019 and to be reviewed by Standard & Poor's from time to time.
64. Issuer Central Securities Depository Participant (CSDP):	Absa Bank Limited
65. Debt Listing Requirements:	In accordance with Section 4.17 of the Debt Listing Requirements, the Issuer confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes.
66. Material Change in Financial or Trading Position	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 subsidiaries (where applicable) since the date of the Issuer's Annual consolidated and separate financial statements for the reporting period ended 31 December 2021.

**Responsibility:**

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and

that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list this issue of Notes on 08 April 2022

For and on behalf of

**ABSA BANK LIMITED**

---

Name:

Capacity:

Date:

---

Name:

Capacity:

Date: