



## **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 ZAR 400,000,000 Republic of South Africa (SOAF) trigger Credit-Linked Notes due June 2025**

**under its ZAR60,000,000,000 Master Structured Note Programme approved by 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 ("Absa")
2.	Applicable Product Supplement:	2014 Credit Linked Notes Applicable Product Supplement contained in Section IV-B of the Master Programme Memorandum.
3.	Status of Notes:	Unsubordinated and Unsecured.
4.	Listing:	Listed Notes
5.	Issuance Currency:	ZAR (South African Rand)
6.	Series Number:	2022 – 92
7.	Tranche Number:	1
8.	Aggregate Nominal Amount:	
	(a) Series:	ZAR 400,000,000.00
	(b) Tranche:	ZAR 400,000,000.00
9.	Interest:	Interest-bearing
10.	Interest Payment Basis:	Floating Rate Notes
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:	18 May 2022

14.	Trade Date:	11 May 2022
15.	Specified Denomination:	ZAR1,000,000 per Note.
16.	Issue Price:	100%
17.	Interest Commencement Date	Issue Date
18.	Maturity Date:	20 June 2025, as adjusted in accordance with the Applicable Business Day Convention.
19.	Applicable Business Day Convention:	Following Business Day Convention
20.	Business Days:	Johannesburg, New York and London
21.	Final Redemption Amount:	ZAR 400,000,000
22.	Credit Event Backstop Date:	Applicable
23.	Last Date to Register:	The 11th (eleventh) calendar day before each Floating Interest Payment Date, i.e. each of the 09 March, 09 June, 09 September and 09 December of each calendar year or 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 during the period commencing on the Issue Date and ending on the Maturity Date.
24.	Books Closed Periods:	The Register will be closed for a period of 10 (ten) calendar days prior to each Floating Interest Payment Date and prior to the Maturity Date, i.e. each of the following periods, the 10 March to 20 March, 10 June to 20 June, 10 September to 20 September and 10 December to 20 December of each calendar year during the term of the Notes, the first 10 calendar days period being the 10 June 2022 to 20 June 2022 and the last period being 10 June 2025 to 20 June 2025
25.	Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date:	ZAR 39,204,655,643.86

<b>FLOATING RATE LEG:</b>			
26.	(a)	Floating Interest Payment Dates:	Each of the 20 March, 20 June, 20 September and 20 December of each calendar year during the term of the Notes, commencing on the 20 June 2022 and ending on 20 June 2025 or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention (as specified in this Applicable Pricing Supplement),
	(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:	230 basis points (or 2.30%) to be added to the relevant Reference Rate.
	(h)	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 i.e. the 18 May 2022, thereafter each of 20 June, 20 September, 20 December , and 20 March in each calendar year, during the term of the Notes, commencing on the Issue Date and ending on the 20 June 2025 or if such day is not a Business Day, the Business Day on which interest will be paid, as 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).
(i) If Interest Rate to be calculated otherwise than Screen Determination, insert basis for determining Interest Rate/Margin/Fallback provisions:	Not Applicable
(j) 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.
(k) 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 Following 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:	Republic of South Africa
32.	Standard Reference Obligation:	Applicable
33.	Reference Obligation:	The obligation identified as follows: Primary Obligor: Republic of South Africa Maturity: 16 September 2025 CUSIP/ISIN: US836205AR58
34.	Transaction Type:	Standard Emerging European and Middle Eastern Sovereign
35.	All Guarantees:	Applicable
36.	Conditions to Settlement:	Applicable Credit Event Notice: Applicable Notice of Publicly Available Information: Applicable
37.	Credit Events:	The following Credit Events apply: Failure to Pay Grace Period Extension: Applicable Obligation Acceleration Repudiation/Moratorium Restructuring Multiple Holder Obligation: Not Applicable
38.	Credit Event Accrued Interest:	Not Applicable
39.	Obligations:	Obligation Category: Bond Obligation Characteristics: Not Subordinated Not Domestic Currency Not Domestic Law Not Domestic Issuance
40.	Excluded Obligations:	None

41. Issuer CLN Settlement Option :	Not Applicable
<b>SETTLEMENT:</b>	
42. (a) CLN Settlement Method	Cash Settlement
(b) Credit Event Redemption Amount	<p>Means the amount determined by the Calculation Agent which value shall not be less than zero and will be the sum of the following items expressed in ZAR</p> <ul style="list-style-type: none"> <li>a) The amount required (positive or negative) to settle the Hypothetical Credit Default Swap; plus</li> <li>b) The amount required (positive or negative) to settle other Hedging Positions (includes funding arrangements)(which will be early terminated by the Issuer); plus</li> <li>c) Accrued but unpaid interest on the Notes; less</li> <li>d) Unwind costs; less</li> <li>e) Settlement Expenses</li> </ul> <p><b>“Hypothetical Credit Default Swap”</b> means a hypothetical credit default swap with the Issuer, as credit protection seller on the following terms:</p> <ul style="list-style-type: none"> <li>a) Maturity Date: 20 June 2025</li> <li>b) Notional: USD24,803,263.61</li> <li>c) Documentation: 2014 Sovereign No Asset Package Delivery Supplement to the 2014 ISDA Credit Derivatives Definitions (September 15, 2014): Applicable,</li> <li>d) Reference Entity: Republic of South Africa</li> <li>e) Reference Obligation: SOAF 5.875% due 16-Sep-2025 (CUSIP: 836205AR5, ISIN: US836205AR58) Trade Type: CD Standard CDS</li> <li>f) Credit Events: Failure to pay, Obligation Acceleration, Repudiation/ Moratorium and Restructuring Grace Period Extension: Applicable Grace Period: 30 Days Payment Requirement: US\$1,000,000 or its equivalent in the relevant Obligation currency as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay as applicable Multiple Holder Obligation: Not Applicable Default Requirement: US\$10,000,000.00</li> </ul>
(c) Deliverable Obligations	<p>Deliverable Obligation Category:</p> <p>Category: Bond</p> <p>Characteristics:</p> <ul style="list-style-type: none"> <li>Not Subordinated</li> <li>Specified Currency</li> <li>Not Domestic Law</li> <li>Not Contingent</li> <li>Not Domestic Issuance</li> <li>Transferable</li> <li>Not Bearer</li> </ul>

<b>PROVISIONS REGARDING REDEMPTION / MATURITY</b>	
43. Redemption at the option of the Issuer:	Yes in the event of an Early Redemption Trigger Event as described in A below.

If yes:	
<b>A. Early Redemption Trigger Events:</b>	
(a) Optional Redemption Date(s):	<p>If at any time on any day prior to the Maturity Date, the following event occurs, as determined by the Calculation Agent (“<b>Trigger Event</b>” and the date on which the Trigger Event occurs being the “<b>Trigger Event Determination Date</b>”), the Issuer may elect, in its sole and absolute discretion, to redeem the Notes on the Optional Redemption Date notified by the Issuer to the Noteholder(s) in a Trigger Redemption Notice and at the Optional Redemption Amount determined in accordance with paragraph (b) below:</p> <p>the Note NAV is less than or equal to the Trigger NAV.</p> <p>Where <b>Note NAV</b>” means on any day an amount in ZAR determined by the Calculation Agent in a commercially reasonable manner, which amount shall not be less than zero, equal to the sum of the market value of the Hypothetical Credit Default Swap and Hedging Positions (as defined below).</p> <p>“<b>Trigger NAV</b>” means 40% of the Aggregate Nominal Amount of the Notes.</p> <p>“<b>Hedging Positions</b>” means in respect of the Notes all related hedging instruments entered into by the Issuer including without limitation, any basis swaps, funding instruments and other derivative instruments.</p> <p>In making any determination, the Calculation Agent may take into account prevailing market prices and/or proprietary pricing models or, where these pricing methods may not yield a commercially reasonable result, may estimate such amount in good faith and in a commercially reasonable manner.</p>
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	<p>Means the amount determined by the Calculation Agent which value shall not be less than zero and will be the sum of the following items expressed in South Africa Rands</p> <ol style="list-style-type: none"> <li>a) The amount required (positive or negative) to settle a Hypothetical Credit Default Swap; plus</li> <li>b) The amount required (positive or negative) to settle other Hedging Positions (includes funding arrangements)(which will be early terminated by the Issuer); plus</li> <li>c) Accrued but unpaid interest on the notes; less</li> <li>d) Unwind costs; less</li> <li>e) Settlement Expenses</li> </ol>

(c) Minimum period of notice (if different from Condition 8.3 ( <i>Redemption at the Option of the Issuer</i> ))	The minimum period of written or oral notice for the purposes of this provision shall be one (1) Business Day and the notice shall be called a “ <b>Trigger Redemption Notice</b> ”.
44. Redemption at the Option of Noteholders:	No
45. Early Redemption Amount(s) payable on redemption for taxation reasons, 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 paragraph 44 (b) above.
(b) Method of calculation of amount payable:	Not Applicable
<b>GENERAL</b>	
46. Financial Exchange:	JSE Limited t/a The Johannesburg Stock Exchange
47. Calculation & Paying Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
48. Calculation Agent City:	Johannesburg
49. Specified office of the Settlement, Calculation & Paying Agent:	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa
50. Additional selling restrictions:	Not Applicable
51. ISIN No.:	ZAG000186123
52. Stock Code:	ASN852

53. Method of distribution:	Private Placement
54. If syndicated, names of Managers:	Not Applicable
55. If non-syndicated, name of Dealer:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
56. Governing law:	The laws of the Republic of South Africa
57. 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.
58. Issuer Central Securities Depository Participant (CSDP):	Absa Bank Limited
59. 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.
60. Inward listing	The Notes will be inward listed securities listed on the Financial Exchange in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank.
61. 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 audited condensed consolidated financial results 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 Listing 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 18 May 2022

### **ABSA BANK LIMITED**

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Name: Nicolette Burger

Capacity:

Date: 16 May 2022

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Name: Letitia Carboni

Capacity:

Date: 16 May 2022