



## **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 500,000,000 Republic of South Africa Credit-Linked Notes under its ZAR 60,000,000,000 Master Structured Note Programme**

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
6. Series Number:	2023-028
7. Tranche Number:	1
8. Aggregate Nominal Amount:	
a) Series:	ZAR 500,000,000.00
b) Tranche:	ZAR 500,000,000.00
9. Interest:	Interest-bearing
10. Interest Payment Basis:	Mixed Rate Notes
11. Form of Notes:	Registered Listed Notes: The Notes in this Tranche will be issued in uncertificated form and held by the CSD
12. Issue Date:	20 March 2023
13. Trade Date:	13 March 2023
14. Specified Denomination:	ZAR 1,000,000 per Note
15. Issue Price:	100% of the Aggregate Nominal Amount, being ZAR []
16. Interest Commencement Date	Issue Date
17. Maturity Date:	31 March 2032 subject to adjustment in accordance with the Applicable Business Day Convention

18. Applicable Business Day Convention:	Following Business Day Convention
19. Credit Event Backstop Date:	Applicable
20. Last Date to Register:	The 11 <sup>th</sup> (eleventh) calendar day before each Floating Interest Payment Date or Fixed Interest Payment Date, i.e. each of 20 <sup>th</sup> March, 19 <sup>th</sup> June, 19 <sup>th</sup> September and 20 <sup>th</sup> December of each calendar year until 31 <sup>st</sup> March 2028, each of 20 <sup>th</sup> March and 19 <sup>th</sup> September of each calendar year thereafter 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.
21. 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 21 March to 31 March, 20 June to 30 June, 20 September to 30 September and the 21 December to 31 December of each calendar year until 31 March 2028 and 21 March to 31 March and 21 August to 30 September of each calendar year thereafter during the term of the Notes, the first 10 calendar days period being 20 September to 30 September and the last period being the 10 day period ending with the Maturity Date
22. 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 then outstanding Aggregate Nominal Amount, determined by the Calculation Agent, unless the Reference Entity had actually not paid and/or the Issuer had actually not received such partial principal repayment amounts in full in accordance with the principal amount repayment provisions of the applicable pricing supplement of the Reference Obligation. The Final Redemption Amount shall then be reduced by the amount not received by the Issuer from the Reference Entity under the Reference Obligation.
23. Value of aggregate Nominal Amount of all Notes issued under the Master Structured Note Programme as at the Issue Date:	As at the date of this issue, the Issuer has issued Notes in the aggregate total amount of ZAR 49,300,926,037.54 under the Master Structured Note Programme which have not been redeemed and remain in issue.  The aggregate Nominal Amount of all Notes issued under the Master Structured Note Programme as at the Issue

		Date, together with the aggregate Nominal Amount of this Tranche (when issued), will not exceed the Programme Amount.
	<b>Noteholder Fixed Amount Payments Leg:</b>	
24.	(a) Noteholder Fixed Amount Payments:	<p>The Noteholder will, on each Noteholder Fixed Amount Payment Date, pay the Issuer a Noteholder Fixed Amount Payment calculated in accordance with the following formula:</p> $\text{NFAP} = \text{FNA} * \left( \frac{\text{C}}{2} \right)$ <p>Where:</p> <p>“<b>NFAP</b>” means the relevant Noteholder Fixed Amount Payment due on the Noteholder Fixed Amount Payment Date in respect of the relevant period;</p> <p>“<b>FNA</b>” means the Fixed Notional Amount equal to ZAR 552,954,317</p> <p>“<b>C</b>” means the Coupon, which is 8.25%</p> <p>“*” means multiplied by.</p>
	(b) Noteholder Fixed Amount Payment Dates:	Each of 31 March and 30 September and if such day is not a Business Day, the Business Day as determined in accordance with the Applicable Business Day Convention.
	<b>Issuer Bond Fixed Amounts:</b>	
25.	(a) Issuer Bond Fixed Amounts:	<p>The Issuer will on each Bond Fixed Amount Payment Date pay the Noteholder an Issuer Bond Fixed Amount calculated in accordance with the following formula:</p> $\text{IBFA} = \text{BNA} * \left( \frac{\text{C}}{2} \right)$ <p>Where:</p> <p>“<b>IBFA</b>” means the relevant Issuer Bond Fixed Amount due on the Bond Fixed Amount Payment Date in respect of the relevant period;</p> <p>“<b>BNA</b>” means the Bond Nominal Amount equal to ZAR 552,954,317</p> <p>“<b>C</b>” means the Coupon, which is 8.25%</p> <p>“*” means multiplied by.</p> <p>The Issuer will always have an unconditional obligation to pay the Issuer Bond Fixed Amount on the relevant Bond</p>

	<p>Fixed Amount Payment Dates unless the Issuer has failed to receive any corresponding amount of interest due in respect of the Reference Obligation (in whole or in part) (the amount of such shortfall, a "<b>Shortfall Amount</b>"). If the Issuer has failed to receive such corresponding amount, the unconditional obligation to pay the Issuer Bond Fixed Amounts going forward in respect of future Bond Fixed Amount Payment Dates shall fall away or be reduced, as the case may be, by an amount equal to the Shortfall Amount.</p> <p>Should the Issuer actually receive all or some of the Shortfall Amount(s) post its deduction in accordance with the above provisions and prior to the issuance of a Credit Event Notice, the Issuer shall pay that amount actually received relating to the Shortfall Amount to the Noteholder forthwith.</p> <p>The Issuer records that in terms of the applicable pricing supplement of the Reference Obligation, the interest amount paid by the Reference Entity to holders of the Reference Obligation is calculated by using a fixed interest rate of 8.25%</p>
(b) Bond Fixed Amount Payment Dates:	Each of 31 March and 30 September, if such day is not a Business Day, the Business Day as determined in accordance with the Applicable Business Day Convention .
<b>MIXED RATE NOTES:</b>	Applicable
<b>26.</b> Periods during which the interest rate for Mixed Rate Notes will be applicable:	

(i) Floating Rate provisions:	From and including Interest Commencement Date up to, but excluding, 31 March 2028
(ii) Fixed Rate provisions:	From and including 30 September 2028 to, but excluding, the Maturity Date
<b>27. FLOATING RATE PROVISIONS:</b>	Applicable
(a) Floating Interest Payment Date(s)	Each of 31 March, 30 June, 30 September and 31 December with the first Floating Interest Payment Date being 30 June 2023 and ending on 31 March 2028 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.
(b) Maximum Interest Rate	Not Applicable
(c) Other terms relating to the method of calculating interest:	The Day Count Fraction is Actual/365 (Fixed)
(d) Manner in which the Interest Rate is to be determined:	Screen Rate Determination
(e) Margin:	230 basis points (or 2.3%) to be added to the relevant Reference Rate.
(f) 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 31 March, 30 June, 30 September and 31 December in each calendar year, commencing on the Interest Commencement Date and ending on 31 December 2028 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).

(g) 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 subject to adjustment in accordance with the Applicable Business Day Convention);
<b>FIXED RATE PROVISIONS:</b>	
28. a) Fixed Interest Payment Dates:	Each 31 March and 30 September of each calendar year during the term of the Notes, commencing on 30 September 2028 and ending on the Maturity Date 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.
b) Fixed Interest Rate:	10% per annum payable semi-annually on the Fixed Interest Payment Dates
c) Day Count Fraction:	The Day Count Fraction is Actual/365 (Fixed).
<b>CREDIT EVENT REDEMPTION:</b>	
29. Type of Credit Linked Note:	Single Name CLN
30. Redemption at Maturity:	Final Redemption Amount
31. Redemption following the occurrence of Credit Events:	Applicable
32. Extension interest:	Not Applicable
33. Issuer of the Reference Obligation:	Republic of South Africa
34. Financial Statements of the Issuer of the Reference Obligation:	The Issuer of the Reference Obligation is listed on the interest rate market of JSE and as per rule 4.30(c)(i) of the JSE Debt Listings Requirements, no additional information is required to be provided herein
35. Standard Reference Obligation:	Not Applicable
36. Reference Obligation:	The obligation identified as follows: Primary Obligor: Republic of South Africa Maturity Date: 31 March 2032 Coupon: 8.25%

	CUSIP/ISIN: ZAG000107004
37. Issuer's holding of the Reference Obligation:	The Issuer will hold the Reference Obligation during the period that these Notes remain outstanding in order to hedge its obligations in respect of these Notes. The Issuer will not pledge or outright transfer the Reference Obligation in security to any other person or entity. The Issuer will only dispose of its interest in such Reference Obligation if such disposal arises in connection with redemption of these Notes on or prior to the scheduled Maturity Date in accordance with their terms (including any early redemption, howsoever described).
38. Transaction Type:	Not Applicable
39. All Guarantees:	Applicable
40. Conditions to Settlement:	Applicable Credit Event Notice: Applicable Notice of Publicly Available Information: Applicable
41. Credit Events:	The following Credit Events apply: Failure to Pay Grace Period Extension: Applicable Grace Period: 30 calendar days Payment Requirement: ZAR 10,000,000 Obligation Acceleration Obligation Default Governmental Intervention Repudiation/Moratorium Restructuring Default Requirement: ZAR 25,000,000
42. Obligations:	Obligation Category: Reference Obligation Only Obligation Characteristics: None
43. Excluded Obligations:	Not Domestic Currency and Not Domestic Law
44. CLN Settlement Method:	Physical Settlement
<b>Terms Relating to Physical Settlement:</b>	



Physical Settlement Period:	As specified in the 2014 Credit Linked Conditions.
Partial Cash Settlement due to Impossibility or Illegality:	Applicable
45. Fallback CLN Settlement Method:	Cash Settlement
<b>Terms Relating to Cash Settlement:</b>	
Credit Event Redemption Amount:	Means in respect of each Note an amount equal to the greater of (a) zero and (b) the CLN Cash Settlement Amount (as defined below) minus such Note's pro rata share of the Settlement Expenses.
CLN Cash Settlement Amount:	<p>Means an amount in ZAR calculated by the Calculation Agent, which amount shall not be less than zero, equal to:</p> <ul style="list-style-type: none"> <li>(i) The amount equal to: the product of (a) the Reference Obligation Outstanding Nominal Amount and (b) Final Price; plus</li> <li>(ii) The Hedging Costs (as defined below).</li> </ul> <p><b>"Hedging Costs"</b> means in respect of the Notes, an amount determined by the Calculation Agent in a commercially reasonable manner equal to any expense, loss or costs (in which case expressed as a negative number) or gain (in which case expressed as a positive number) incurred (or expected to be incurred) by or on behalf of the Issuer as a result of its terminating, liquidating, modifying, obtaining or re-establishing any hedge term deposit, related interest rate swap position or funding arrangements entered into by it (including with its internal treasury function) specifically in connection with the Notes.</p> <p><b>"Reference Obligation Aggregate Nominal Amount"</b> means ZAR 552,954,317 on Trade Date</p> <p><b>"Reference Obligation Outstanding Nominal Amount"</b> means with respect to the Reference Obligation and on any date, the outstanding principal amount for the Reference Obligation with an original nominal amount equal to the Reference Obligation Aggregate Nominal Amount on the Trade Date</p>
Credit Event Redemption Date:	5 (five) Business Days
CLN Valuation Date:	Single CLN Valuation Date. The CLN Valuation Date will be determined by the Calculation Agent in its sole discretion provided that such CLN Valuation Date is not more than 100 (one hundred) Business Days from the Event Determination Date specified in the 2014 Credit Linked Conditions, provided that the Settlement Suspension provisions

	specified in the 2014 Credit Linked Conditions will apply to such time limit.
CLN Valuation Time:	As specified in the 2014 Credit Linked Conditions.
Quotation Method:	Bid
Quotation Amount:	As specified in the 2014 Credit Linked Conditions.
Minimum Quotation Amount:	As specified in the 2014 Credit Linked Conditions.
Valuation Method:	Highest
Accrued Interest:	Quotations Exclude Accrued Interest
Dealers:	A dealer in obligations of the type of the Reference Obligation for which Quotations are to be obtained as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner Such Dealers may include SA and/or non-SA Dealers.
<b>PROVISIONS REGARDING REDEMPTION / MATURITY</b>	
46. Redemption at the option of the Issuer:	Yes
i. Optional Call Redemption Event:	The Issuer may redeem the Notes on any Business Day selected by the Issuer on or after the occurrence of a Reference Obligation Early Redemption Event (such day being designated "Optional Call Redemption Date"). For purposes of the above, "Reference Obligation Early Redemption Event" means the redemption of the Reference Obligation by the Reference Entity as issuer of the Reference Obligation for any reason whatsoever, in whole or in part, prior to its final maturity date in accordance with, and as contemplated in, the terms and conditions of the applicable pricing supplement of the Reference Obligation, as determined by the Issuer.
ii. Optional Call Redemption Amount:	In respect of a Note, an amount determined and calculated by the Issuer, equal to the aggregate of:  (i) The Reference Obligation Outstanding Nominal Amount unless there has been default under the Reference Obligation, in which event it shall be the product of (a) the Reference Obligation Outstanding Nominal Amount and (b) Final Price, plus  (ii) the Hedging Costs

iii. Minimum period of Notice:	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> ”.
iv. Other terms applicable on Redemption:	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 accordance with Condition 16 (Notices)” for the purposes of the Notes.
47. Redemption at the Option of Noteholders:	No
48. Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required):	Yes
(a) Amount payable	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>GENERAL</b>	
49. Financial Exchange:	JSE Limited t/a The Johannesburg Stock Exchange
50. Settlement, Calculation & Paying Agent	Absa Bank Limited (acting through its Corporate and Investment Banking division) or an affiliate thereof.
51. Calculation Agent City:	Johannesburg
52. Specified office of the Settlement, Calculation & Paying Agent:	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa
53. Additional selling restrictions:	Not Applicable
54. ISIN No.:	ZAG000194762

55. Stock Code:	56. ASC001
57. Method of distribution:	Private Placement
58. Dealer:	Absa Bank Limited (acting through its Corporate and Investment Banking division) or an affiliate thereof.
59. Governing law:	The laws of the Republic of South Africa
60. Issuer Rating on Issue Date:	<p>Issuer National Rating: Aa1.za as assigned by Moody's on 06 April 2022 and to be reviewed by Moody's from time to time.</p> <p>Issuer National Rating: zaAA as assigned by Standard &amp; Poor on 25 May 2022 and to be reviewed by Standard &amp; Poor from time to time.</p>
61. Issuer Central Securities Depository Participant (CSDP):	Absa Bank Limited
62. 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.

63. 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 Unaudited condensed consolidated financial results for the interim reporting period ended 30 June 2022. This statement has not been confirmed nor verified by the auditors of the Issuer.
64. Other Provisions:	(i) Pass through of all the Reference Obligation benefits and costs:  All payments actually received from the Reference Entity by the Issuer as holder of the Reference Obligation, (including without limitation, interest payments, fees, prepayment penalties) will be paid by the Issuer to the Noteholder without material delay unless the Issuer has already paid the corresponding amount due to its unconditional obligation to make payments.

**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 20 March 2023

**ABSA BANK LIMITED**


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 Name:

Capacity:

Date:

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 Name:

Capacity:

Date: