



# Absa Group Limited

Pillar 3 risk management report  
Additional disclosures

for the reporting period ended 31 December 2021



The 2021 Pillar 3 risk management report for the reporting period ended 31 December 2021 provides the prescribed annual view of Absa Group Limited (the Group) regulatory capital and risk exposures. It complies with:

- The Basel Committee on Banking Supervision (BCBS) Pillar 3 disclosure requirements (Pillar 3 Standard).
- Regulation 43 of the Regulations relating to Banks (Regulations), issued in terms of the Banks Act, 1990 (Act No. 94 of 1990), where not superseded by the Pillar 3 disclosure requirements.

The report is supplemented with the Group's Pillar 3 additional disclosure tables.

Management and the members of the Group Risk and Capital Management Committee (GRCMC) reviewed the report. For the reporting period, the Board is satisfied that the Group's risk and capital management processes operated effectively and the Group is adequately capitalised and funded to support the execution of its strategy.

The information in this report is unaudited.

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## Composition of regulatory capital [CC1]

### Group

	a		b	a	
	31 Dec 2021			30 Jun 2021	
	Amounts		Ref. <sup>1</sup>	Amounts	
	Rm			Rm	
<b>CET1 capital: instruments and reserves</b>					
1 Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	12 304	(e)		12 296	
2 Retained earnings	105 676	(f)		100 790	
3 Accumulated other comprehensive income (and other reserves)	6 699	(g)		5 398	
4 Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-			-	
5 Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	4 519	(a)		3 903	
<b>6 CET1 capital before regulatory adjustments</b>	<b>129 198</b>			<b>122 387</b>	
<b>CET1 capital: regulatory adjustments</b>					
7 Prudent valuation adjustments	761			800	
8 Goodwill (net of related tax liability)	640	(b)		677	
9 Other intangibles other than mortgage servicing rights (net of related tax liability)	10 289	(c)		9 483	
10 Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	34			194	
11 Cash-flow hedge reserve	1 261			2 166	
12 Shortfall of provisions to expected losses	-			-	
13 Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework)	-			-	
14 Gains and losses due to changes in own credit risk on fair valued liabilities	(11)			(278)	
15 Defined-benefit pension fund net assets	472			511	
16 Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	4			-	
17 Reciprocal cross-holdings in common equity	-			-	
18 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-			-	
19 Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-			-	
20 Mortgage servicing rights (amount above 10% threshold)	-			-	
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-			-	
22 Amount exceeding the 15% threshold	-			-	
23 of which: significant investments in the common stock of financials	-			-	
24 of which: mortgage servicing rights	-			-	
25 of which: deferred tax assets arising from temporary differences	-			-	
26 National specific regulatory adjustments	1 668			1 397	
27 Regulatory adjustments applied to CET1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-			-	
<b>28 Total regulatory adjustment to CET1</b>	<b>15 118</b>			<b>14 950</b>	
<b>29 CET1 capital</b>	<b>114 080</b>			<b>107 437</b>	
<b>Additional Tier 1 capital: instruments</b>					
30 Directly issued qualifying additional Tier 1 instruments plus related stock surplus	14 964			14 136	
31 of which: classified as equity under applicable accounting standards	7 004	(h)		7 004	
32 of which: classified as liabilities under applicable accounting standards	7 960	(h)		7 132	
33 Directly issued capital instruments subject to phase out from additional Tier 1	-			-	
34 Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	1 407			1 384	

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.



## Composition of regulatory capital [CC1]

### Group (cont.)

	a		b	a	
	31 Dec 2021			30 Jun 2021	
	Amounts	Ref. <sup>1</sup>	Amounts		Amounts
	Rm		Rm		Rm
35 of which: instruments issued by subsidiaries subject to phase out	464	(h)	464		464
36 <b>Additional Tier 1 capital before regulatory adjustments</b>	<b>16 371</b>		<b>15 520</b>		<b>15 520</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>					
37 Investments in own additional Tier 1 instruments	-		-		-
38 Reciprocal cross-holdings in additional Tier 1 instruments	-		-		-
39 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-		-		-
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-		-		-
41 National specific regulatory adjustments	(608)		(551)		(551)
42 Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions	-		-		-
43 <b>Total regulatory adjustments to additional Tier 1 capital</b>	<b>(608)</b>		<b>(551)</b>		<b>(551)</b>
44 <b>Additional Tier 1 capital (AT1)</b>	<b>16 979</b>		<b>16 071</b>		<b>16 071</b>
45 <b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>131 059</b>		<b>123 508</b>		<b>123 508</b>
<b>Tier 2 capital instruments and provisions</b>					
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	15 945	(d)	17 670		17 670
47 Directly issued capital instruments subject to phase out from Tier 2	-		-		-
48 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	1 611	(i)	1 611		1 611
49 of which: instruments issued by subsidiaries subject to phase out	1 611		1 611		1 611
50 Provisions	4 812		4 978		4 978
51 <b>Tier 2 capital before regulatory adjustments</b>	<b>22 368</b>		<b>24 259</b>		<b>24 259</b>
<b>Tier 2 capital: regulatory adjustments</b>					
52 Investments in own Tier 2 instruments	-		-		-
53 Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-		-		-
54 Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-		-		-
54a Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for GSIBs only)	-		-		-
55 Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		-		-
56 National specific regulatory adjustments	(107)		(14)		(14)
57 <b>Total regulatory adjustments to Tier 2 capital</b>	<b>(107)</b>		<b>(14)</b>		<b>(14)</b>
58 <b>Tier 2 capital (T2)</b>	<b>22 475</b>		<b>24 273</b>		<b>24 273</b>
59 <b>Total capital (TC = T1 + T2)</b>	<b>153 534</b>		<b>147 781</b>		<b>147 781</b>
60 <b>Total RWA</b>	<b>931 524</b>		<b>891 769</b>		<b>891 769</b>
<b>Capital ratios and buffers</b>					
61 <b>CET1 (as a percentage of RWA)</b>	<b>12.2</b>		<b>12.1</b>		<b>12.1</b>
62 <b>Tier 1 (as a percentage of RWA)</b>	<b>14.1</b>		<b>13.9</b>		<b>13.9</b>
63 <b>Total capital (as a percentage of RWA)</b>	<b>16.5</b>		<b>16.6</b>		<b>16.6</b>

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.



## Composition of regulatory capital [CC1]

### Group (cont.)

	a		b	a	
	31 Dec 2021			30 Jun 2021	
	Amounts	Ref. <sup>1</sup>	Amounts	Ref. <sup>1</sup>	Amounts
	Rm		Rm		Rm
64 Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA <sup>2</sup> )	8.0		8.0		8.0
65 of which: capital conservation buffer requirement	2.5		2.5		2.5
66 of which: bank-specific countercyclical buffer requirement	-		-		-
67 of which: higher loss absorbency requirement	-		-		-
68 CET1 available to meet buffers (as a percentage of RWA) available after meeting the bank's minimum capital requirements	4.2		4.1		4.1
<b>National minima (if different from Basel III minimum)</b>					
69 National CET1 minimum ratio	8.0		8.0		8.0
70 National Tier 1 minimum ratio	9.5		9.5		9.5
71 National total capital minimum ratio	11.5		11.5		11.5
<b>Amounts below the thresholds for deduction (before risk weighting)</b>					
72 Non-significant investments in the capital and other TLAC liabilities of other financial entities	-		-		-
73 Significant investments in the common stock of financial entities	3 274		3 206		3 206
74 Mortgage servicing rights (net of related tax liability)	-		-		-
75 Deferred tax assets arising from temporary differences (net of related tax liability)	6 103		5 246		5 246
<b>Applicable caps on the inclusion of provisions in Tier 2</b>					
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2 475		2 197		2 197
77 Cap on inclusion of provisions in Tier 2 under standardised approach	2 481		2 233		2 233
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (IRBA) (prior to application of cap)	2 337		3 118		3 118
79 Cap for inclusion of provisions in Tier 2 under internal ratings based approach	2 867		2 780		2 780
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)</b>					
80 Current cap on CET1 instruments subject to phase out arrangements	-		-		-
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-		-		-
82 Current cap on AT1 instruments subject to phase out arrangements	464		464		464
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-		-		-
84 Current cap on T2 instruments subject to phase out arrangements	1 611		1 611		1 611
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-		-		-

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.

<sup>2</sup> SARB Directive 4/2020 requires the D-SIB add-on to be disclosed. Previously the disclosure of the D-SIB add-on was not a disclosure requirement. Comparatives have been restated to allow for better comparability with prior period disclosures.



## Composition of regulatory capital [CC1]

### Bank

	a		b	a	
	31 Dec 2021			30 Jun 2021	
	Amounts			Amounts	
	Rm	Ref. <sup>1</sup>		Rm	
<b>CET1 capital: instruments and reserves</b>					
1	Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	37 184	(e)		37 184
2	Retained earnings	45 858	(f)		42 974
3	Accumulated other comprehensive income (and other reserves)	4 047	(g)		4 880
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	-			-
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-			-
6	<b>CET1 capital before regulatory adjustments</b>	<b>87 089</b>			<b>85 038</b>
<b>CET1 capital: regulatory adjustments</b>					
7	Prudent valuation adjustments	667			718
8	Goodwill (net of related tax liability)	112	(b)		112
9	Other intangibles other than mortgage servicing rights (net of related tax liability)	9 737	(c)		9 025
10	Deferred tax assets that rely on future profitability, excluding those arising from temporary differences (net of related tax liability)	-			-
11	Cash-flow hedge reserve	1 264			2 168
12	Shortfall of provisions to expected losses	-			-
13	Securitisation gain on sale (as set out in paragraph 36 of Basel III securitisation framework)	-			-
14	Gains and losses due to changes in own credit risk on fair valued liabilities	(11)			(278)
15	Defined-benefit pension fund net assets	466			507
16	Investments in own shares (if not already subtracted from paid-in capital on reported balance sheet)	3			-
17	Reciprocal cross-holdings in common equity	-			-
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-			-
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-			-
20	Mortgage servicing rights (amount above 10% threshold)	-			-
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	-			-
22	Amount exceeding the 15% threshold	-			-
23	of which: significant investments in the common stock of financials	-			-
24	of which: mortgage servicing rights	-			-
25	of which: deferred tax assets arising from temporary differences	-			-
26	National specific regulatory adjustments	-			12
27	Regulatory adjustments applied to CET1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	-			-
28	<b>Total regulatory adjustment to CET1</b>	<b>12 238</b>			<b>12 264</b>
29	<b>CET1 capital</b>	<b>74 851</b>			<b>72 774</b>
<b>Additional Tier 1 capital: instruments</b>					
30	Directly issued qualifying additional Tier 1 instruments plus related stock surplus	15 428			14 600
31	of which: classified as equity under applicable accounting standards	7 468	(h)		7 468
32	of which: classified as liabilities under applicable accounting standards	7 960			7 132
33	Directly issued capital instruments subject to phase out from additional Tier 1	4 644			4 656
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group Additional Tier 1)	-			-

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.



## Composition of regulatory capital [CC1]

### Bank (cont.)

	a		b	a
	31 Dec 2021			30 Jun 2021
	Amounts			Amounts
	Rm	Ref. <sup>1</sup>		Rm
35 of which: instruments issued by subsidiaries subject to phase out	-			-
<b>36 Additional Tier 1 capital before regulatory adjustments</b>	<b>15 428</b>			<b>14 600</b>
<b>Additional Tier 1 capital: regulatory adjustments</b>				
37 Investments in own additional Tier 1 instruments	-			-
38 Reciprocal cross-holdings in additional Tier 1 instruments	-			-
39 Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-			-
40 Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation	-			-
41 National specific regulatory adjustments	-			-
42 Regulatory adjustments applied to additional Tier 1 due to insufficient Tier 2 to cover deductions	-			-
<b>43 Total regulatory adjustments to additional Tier 1 capital</b>	<b>-</b>			<b>-</b>
<b>44 Additional Tier 1 capital (AT1)</b>	<b>15 428</b>			<b>14 600</b>
<b>45 Tier 1 capital (T1 = CET1 + AT1)</b>	<b>90 279</b>			<b>87 374</b>
<b>Tier 2 capital instruments and provisions</b>				
46 Directly issued qualifying Tier 2 instruments plus related stock surplus	15 945	(d)		17 670
47 Directly issued capital instruments subject to phase out from Tier 2	1 611	(d)		1 611
48 Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-			-
49 of which: instruments issued by subsidiaries subject to phase out	-			-
50 Provisions	2 163			2 702
<b>51 Tier 2 capital before regulatory adjustments</b>	<b>19 719</b>			<b>21 983</b>
<b>Tier 2 capital: regulatory adjustments</b>				
52 Investments in own Tier 2 instruments	-			-
53 Reciprocal cross-holdings in Tier 2 instruments and other TLAC liabilities	-			-
54 Investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-			-
54a Investments in the other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation and where the bank does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions (for GSIBs only)	-			-
55 Significant investments in the capital and other TLAC liabilities of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-			-
56 National specific regulatory adjustments	-			-
<b>57 Total regulatory adjustments to Tier 2 capital</b>	<b>-</b>			<b>-</b>
<b>58 Tier 2 capital (T2)</b>	<b>19 719</b>			<b>21 983</b>
<b>59 Total capital (TC = T1 + T2)</b>	<b>109 998</b>			<b>109 357</b>
<b>60 Total RWA</b>	<b>629 980</b>			<b>619 779</b>
<b>Capital ratios and buffers</b>				
61 CET1 (as a percentage of RWA)	11.9			11.7
62 Tier 1 (as a percentage of RWA)	14.3			14.1
63 Total capital (as a percentage of RWA)	17.5			17.6

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.





## Composition of regulatory capital [CC1]

### Bank (cont.)

	a		b	a
	31 Dec 2021			30 Jun 2021
	Amounts			Amounts
	Rm	Ref. <sup>1</sup>		Rm
64 Institution-specific buffer requirement (capital conservation buffer plus countercyclical buffer requirements plus higher loss absorbency requirement, expressed as a percentage of RWA) <sup>2</sup>	8.0			8.0
65 of which: capital conservation buffer requirement	2.5			2.5
66 of which: bank-specific countercyclical buffer requirement	-			-
67 of which: higher loss absorbency requirement	-			-
68 CET1 available to meet buffers (as a percentage of RWA) available after meeting the bank's minimum capital requirements <sup>2</sup>	3.9			3.7
<b>National minima (if different from Basel III minimum)</b>				
69 National CET1 minimum ratio	8.0			8.0
70 National Tier 1 minimum ratio	9.5			9.5
71 National total capital minimum ratio	11.5			11.5
<b>Amounts below the thresholds for deduction (before risk weighting)</b>				
72 Non-significant investments in the capital and other TLAC liabilities of other financial entities	-			-
73 Significant investments in the common stock of financial entities	643			607
74 Mortgage servicing rights (net of related tax liability)	-			-
75 Deferred tax assets arising from temporary differences (net of related tax liability)	3 865			3 344
<b>Applicable caps on the inclusion of provisions in Tier 2</b>				
76 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	-			-
77 Cap on inclusion of provisions in Tier 2 under standardised approach	-			-
78 Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (IRBA) (prior to application of cap)	2 163			3 450
79 Cap for inclusion of provisions in Tier 2 under internal ratings based approach	2 881			2 807
<b>Capital instruments subject to phase-out arrangements (only applicable between 1 January 2018 and 1 January 2022)</b>				
80 Current cap on CET1 instruments subject to phase out arrangements	-			-
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-			-
82 Current cap on AT1 instruments subject to phase out arrangements	464			464
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-			-
84 Current cap on T2 instruments subject to phase out arrangements	1 611			1 611
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-			-

<sup>1</sup> References refer to the reconciliation of accounting capital to regulatory capital.

<sup>2</sup> SARB Directive 4/2020 requires the D-SIB add-on to be disclosed. Previously the disclosure of the D-SIB add-on was not a disclosure requirement. Comparatives have been restated to allow for better comparability with prior period disclosures.



## Reconciliation of regulatory capital to balance sheet [CC2]

### Group

	31 Dec 2021			30 Jun 2021	
	a	b	c	a	b
	Accounting balance sheet per published financial statements <sup>1</sup>	Balance sheet per regulatory scope of consolidation <sup>1</sup>	Ref. <sup>2</sup>	Accounting balance sheet per published financial statements <sup>1</sup>	Balance sheet per regulatory scope of consolidation <sup>1</sup>
	Rm	Rm		Rm	Rm
<b>Assets</b>					
Cash, cash balances and balances with central banks	66 041	63 237		56 610	53 727
Investment securities	188 898	182 844		182 623	176 983
Trading portfolio assets	203 079	203 079		206 163	206 162
Hedging portfolio assets	5 159	5 159		6 851	6 851
Other Assets	24 156	23 256		32 692	31 728
Current tax assets	665	438		514	305
Non-current assets held for sale	1 083	1 083		1 373	1 373
Loans and advances	1 092 257	1 091 913		1 036 603	1 035 817
Reinsurance assets	732	-		510	-
Investment linked to Investment contracts	22 979	-		22 190	-
Investments in associates and joint ventures	1 593	1 593		1 641	1 641
Goodwill and intangible assets	11 903	10 929		11 022	10 160
of which goodwill	754	640	(b)	789	677
of which other intangibles	11 149	10 846	(c)	10 233	10 003
net of deferred tax	-	(557)	(c)	-	(520)
Investment properties	421	233		487	257
Property and equipment	15 970	15 875		16 185	16 095
Deferred tax assets	5 897	5 724		5 071	4 821
<b>Total assets</b>	<b>1 640 833</b>			<b>1 580 535</b>	

<sup>1</sup> Relates to Absa Group Limited balance sheet, including insurance entities.

<sup>2</sup> References to composition of capital disclosure table.



## Reconciliation of regulatory capital to balance sheet [cc2]

### Group (cont.)

Group	31 Dec 2021			30 Jun 2021	
	Accounting balance sheet per published financial statements <sup>1</sup> Rm	Balance sheet per regulatory scope of consolidation <sup>1</sup> Rm	Ref. <sup>2</sup>	Accounting balance sheet per published financial statements <sup>1</sup> Rm	Balance sheet per regulatory scope of consolidation <sup>1</sup> Rm
<b>Liabilities</b>					
Trading portfolio liabilities	72 819	72 819		82 839	82 839
Hedging portfolio liabilities	3 659	3 659		3 804	3 804
Other liabilities	48 410	47 072		57 213	56 026
Provisions	5 396	5 289		3 712	3 619
Current tax liabilities	1 091	1 080		686	670
Non-current liabilities held for sale	289	289		542	542
Deposits	1 173 766	1 173 766		1 105 237	1 105 237
Debt securities in issue	131 076	131 076		129 601	129 601
Liabilities under investment contracts	24 031	3 634		25 258	518
Policyholder liabilities under insurance contracts	5 731	-		5 297	-
Borrowed funds	26 600	25 516		27 426	26 413
of which directly qualifying AT1 instruments		7 960	(h)		7 132
of which directly issued qualifying Tier 2 instruments		15 945	(d)		17 670
of which relates to subsidiaries		1 611	(i)		1 611
Deferred tax liabilities	386	129		422	168
<b>Total liabilities</b>	<b>1 493 524</b>			<b>1 442 037</b>	
<b>Equity</b>					
<b>Capital and reserves</b>					
Attributable to ordinary equity holders:					
Paid-in share capital	12 304	12 304	(e)	12 296	12 296
Retained earnings including unappropriated profits	110 859	110 859		103 952	103 952
of which amount eligible for CET1	-	105 676	(f)	-	100 790
of which unappropriated profits	-	5 183		-	3 162
Accumulated other comprehensive income	6 700	6 699	(g)	5 408	5 398
Non-controlling Interest - Ordinary shares	5 798	5 461		5 194	4 823
of which relate to eligible CET1	-	4 519	(a)	-	3 903
of which relates to eligible AT1	-	942		-	920
Non-controlling Interest - Preference shares	4 644	464	(h)	4 644	464
Non-controlling Interest - Additional Tier 1 Capital	7 004	7 004	(h)	7 004	7 004
<b>Total equity</b>	<b>147 309</b>			<b>138 498</b>	
<b>Total liabilities and equity</b>	<b>1 640 833</b>			<b>1 580 535</b>	

<sup>1</sup> Relates to Absa Group Limited balance sheet, including insurance entities.

<sup>2</sup> References to composition of capital disclosure table.



## Reconciliation of regulatory capital to balance sheet [CC2]

### Bank

	31 Dec 2021			30 Jun 2021	
	a	b	c	a	b
	Accounting balance sheet per published financial statements	Balance sheet per regulatory scope of consolidation	Ref. <sup>2</sup>	Accounting balance sheet per published financial statements	Balance sheet per regulatory scope of consolidation
Bank <sup>1</sup>	Rm	Rm		Rm	Rm
<b>Assets</b>					
Cash, cash balances and balances with central banks	33 751	33 751		33 779	33 779
Investment securities	116 265	116 265		118 640	118 640
Trading portfolio assets	141 815	141 815		150 544	150 544
Hedging portfolio assets	5 157	5 157		6 849	6 849
Other Assets	16 737	16 737		24 399	24 399
Current tax assets	66	66		32	32
Non-current assets held for sale	57	57		82	82
Loans and advances	932 775	932 775		897 790	897 790
Loans to Abs Group companies	76 733	76 733		62 782	62 782
Investment linked to Investment contracts	-	-		-	-
Investments in associates and joint ventures	1 593	1 593		1 641	1 641
Goodwill and intangible assets	10 406	9 849		9 657	9 137
of which goodwill	112	112	(b)	112	112
of which other intangibles	9 897	10 294	(c)	9 545	9 545
net of deferred tax	-	(557)	(c)	-	(520)
Investment properties	-	-		-	-
Property and equipment	12 382	12 382		13 009	13 009
Deferred tax assets	3 261	3 261		2 767	2 767
<b>Total assets</b>	<b>1 350 988</b>			<b>1 320 971</b>	

<sup>1</sup> Absa Bank Limited includes subsidiary undertakings, special-purpose entities, joint ventures, associates, and offshore holdings.

<sup>2</sup> References to composition of capital disclosure table.



## Reconciliation of regulatory capital to balance sheet [cc2]

### Bank (cont.)

Bank	31 Dec 2021			30 Jun 2021	
	a Accounting balance sheet per published financial statements Rm	b Balance sheet per regulatory scope of consolidation Rm	c Ref. <sup>1</sup>	a Accounting balance sheet per published financial statements Rm	b Balance sheet per regulatory scope of consolidation Rm
<b>Liabilities</b>					
Trading portfolio liabilities	67 354	67 354		79 260	79 260
Hedging portfolio liabilities	3 659	3 659		3 804	3 804
Other liabilities	35 833	35 833		43 225	43 225
Provisions	3 947	3 947		2 727	2 727
Current tax liabilities	102	102		52	52
Non-current liabilities held for sale	-	-		-	-
Deposits	974 121	974 121		938 959	938 959
Debt securities in issue	128 571	128 571		127 454	127 454
Borrowed funds	26 459	26 459	(d)	27 293	27 293
Deferred tax liabilities	19	19		16	16
Loans from Absa Group companies	9 214	9 214		892	892
<b>Total liabilities</b>	<b>1 249 279</b>			<b>1 223 682</b>	
<b>Equity</b>					
<b>Capital and reserves</b>					
Attributable to ordinary equity holders:					
Paid-in share capital	37 184	37 184	(e)	37 184	37 184
Retained earnings including unappropriated profits	48 841	48 554		43 575	43 575
of which amount eligible for CET1	-	45 858	(f)	-	42 974
of which unappropriated profits	-	2 983		-	601
Accumulated other comprehensive income	4 047	4 047	(g)	4 880	4 880
Non-controlling Interest - Ordinary shares	-	-		3	-
Non-controlling Interest - Preference shares	4 643	464	(h)	4 643	464
Non-controlling interest – Additional Tier 1 capital	7 004	7 004	(h)	7 004	7 004
<b>Total equity</b>	<b>101 719</b>			<b>97 289</b>	
<b>Total liabilities and equity</b>	<b>1 350 988</b>			<b>1 320 971</b>	

<sup>1</sup> References to composition of capital disclosure table.



## Leverage ratio common disclosure template and summary [LR1, LR2]

### LR1: Summary comparison of accounting assets versus leverage ratio exposure measure

	Group		Bank	
	a	b	a	b
	31 Dec 2021	30 Sep 2021	31 Dec 2021	30 Sep 2021
	Rm	Rm	Rm	Rm
1 Total consolidated assets	1 640 833	1 626 330	1 350 988	1 336 072
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(33 081)	(31 575)	-	-
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-	-
4 Adjustments for derivative financial instruments	(2 569)	(12 556)	(2 526)	(11 334)
5 Adjustments for securities financing transactions (i.e. repos and similar secured lending)	-	-	-	-
6 Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	123 674	126 869	99 170	102 023
7 Other adjustments	(12 568)	(11 652)	(11 819)	(10 475)
<b>8 Leverage ratio exposure measure</b>	<b>1 716 289</b>	<b>1 697 416</b>	<b>1 435 823</b>	<b>1 416 286</b>



## Leverage ratio common disclosure template and summary [LR1, LR2]

### LR2: Leverage ratio common disclosure template

	Group		Bank		
	a	b	a	b	
	31 Dec 2021	30 Sep 2021	31 Dec 2021	30 Sep 2021	
	Rm	Rm	Rm	Rm	
<b>On-balance sheet exposures</b>					
1	On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1 455 194	1 428 298	1 206 261	1 176 980
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(12 568)	(11 652)	(11 819)	(10 475)
3	<b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)</b>	<b>1 442 626</b>	<b>1 416 646</b>	<b>1 194 442</b>	<b>1 166 505</b>
<b>Derivative exposures</b>					
4	Replacement cost associated with all derivative transactions (where applicable net of eligible cash variation margin and/ or with bilateral netting)	26 071	22 645	25 428	22 645
5	Add-on amounts for potential future exposure (PFE) associated with all derivative transactions	32 639	23 242	31 834	23 242
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-	-
7	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	-	-	-	-
8	(Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-	-	-
9	Adjusted effective notional amount of written credit derivative	5 287	5 314	5 287	5 314
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-
11	<b>Total derivative exposures (sum of rows 4 to 10)</b>	<b>63 997</b>	<b>51 201</b>	<b>62 549</b>	<b>51 201</b>
<b>Security financing transaction exposures</b>					
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	85 992	102 700	79 661	96 557
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
14	CCR exposure for SFT assets	-	-	-	-
15	Agent transaction exposures	-	-	-	-
16	<b>Total securities financing transaction exposures (sum of rows 12 to 15)</b>	<b>85 992</b>	<b>102 700</b>	<b>79 661</b>	<b>96 557</b>
<b>Other off-balance sheet exposures</b>					
17	Off-balance sheet exposures at gross notional amount	374 839	377 624	315 079	318 927
18	(Adjustments for conversion to credit equivalent amounts)	(251 165)	(250 755)	(215 909)	(216 904)
19	<b>Off-balance sheet items (sum of rows 17 and 18)</b>	<b>123 674</b>	<b>126 869</b>	<b>99 170</b>	<b>102 023</b>
<b>Capital and total exposures</b>					
20	Tier 1 capital (excluding unappropriated profits)	131 059	125 163	90 279	87 528
21	<b>Total exposures excluding IFRS 9 adjustment (sum of lines 3, 11, 16 and 19)</b>	<b>1 716 289</b>	<b>1 697 416</b>	<b>1 435 823</b>	<b>1 416 286</b>
<b>Leverage ratio</b>					
22	Basel III leverage ratio	7.6	7.4	6.3	6.2



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## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

### Group

	1	2	3	4	5	6	7	8	9	10
1 Issuer	Absa Group Limited	Absa Bank Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Bank Limited	Absa Group Limited
2 Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ZAE000255915	ZAE000079810	ZAG000146531	ZAG000154527	ZAG000159476	ZAG000164906	ZAG000171893	XS233910287	ZAG000073669	ZAG000129388
3 Governing law(s) of the instrument	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	United Kingdom (except certain provisions under South African law)	South Africa	South Africa
3a Means by which enforceability requirement of Section 13 of the TLAC term sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	-	-	-	-	-	-	-	-	-	-
<b>Regulatory treatment</b>										
4 Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2
5 Post-transitional Basel III rules	Common Equity Tier 1	Ineligible	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Ineligible	Tier 2
6 Eligible at solo/Group /Group and solo	Group	Solo and Group	Group	Group	Group	Group	Group	Group	Solo and Group	Group
7 Instrument type (types to be specified by each jurisdiction)	Ordinary share capital and premium	Preference share capital and premium	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
8 Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	R12 295	R464	R1 500	R1 241	R1 678	R1 376	R1 209	USD500	R1 611	R831
9 Par value of instrument	R1 694	R2	R1 500	R1 241	R1 678	R1 376	R1 209	USD500	R845	R737
10 Accounting classification	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11 Original date of issuance	1986	2006 and 2007	11 Sep 2017	09 Oct 2018	28 May 2019	05 Dec 2019	26 Oct 2020	27 May 2021	10 Dec 2009	03 Sep 2015
12 Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated
13 Original maturity date	NA	NA	NA	NA	NA	NA	NA	NA	07 Dec 2028	03 Sep 2027
14 Issuer call subject to prior supervisory approval	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	NA	NA	12 Sep 2022, R1 500	10 Oct 2023, R1 241	28 Nov 2024, R1 678	05 Jun 2025, R1 376	27 Oct 2025, R1 209	28 May 2026, USD500	07 Dec 2023, R845	03 Sep 2022, R737
16 Subsequent call dates, if applicable	NA	NA	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi annually after the first optional call date until maturity	NA	Semi annually after the first optional call date until maturity
<b>Coupons / dividends</b>										
17 Fixed or floating dividend/ coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Fixed





## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

11	12	13	14	15	16	17	18	19	20	21	22	23
Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited	Absa Group Limited
ZAG000 129396	ZAG000 142746	ZAG000 144254	ZAG000 146002	ZAG000 147018	ZAG000 147026	X51799 058174	ZAG000 155615	ZAG000 158452	ZAG000 166125	ZAG000 129396	ZAG000 142746	ZAG000 144254
South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	United Kingdom (except certain provisions under South African law)	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
-	-	-	-	-	-	-	-	-	-	-	-	-
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group	Group
Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
R30	R644	R504	R394	R295	R1 014	USD400	R1 509	R1 607	R2 697	R30	R644	R504
R30	R642	R500	R390	R295	R1 014	USD400	R1 500	R1 580	R2 676	R30	R642	R500
Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
03 Sep 2015	16 Mar 2017	24 May 2017	14 Aug 2017	29 Sep 2017	29 Sep 2017	25 April 2018	28 Nov 2018	10 Apr 2019	17 Feb 2020	03 Sep 2015	16 Mar 2017	24 May 2017
Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
03 Sep 2027	17 Mar 2027	25 May 2027	14 Aug 2029	30 Sep 2027	29 Sep 2029	25 April 2028	29 Nov 2028	11 Apr 2029	17 May 2030	03 Sep 2027	17 Mar 2027	25 May 2027
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
03 Sep 2022, R30	17 Mar 2022, R642	25 May 2022, R500	14 Aug 2024, R390	30 Sep 2022, R295	29 Sep 2024, R1 014	25 April 2023, USD400	29 Nov 2023, R1 500	11 Apr 2024, R1 580	17 May 2025, R2 676	03 Sep 2022, R30	17 Mar 2022, R642	25 May 2022, R500
Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity
Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Floating	Floating	Floating	Floating	Floating



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## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

### Group (cont.)

	1	2	3	4	5	6	7	8	9	10
18 Coupon rate and any related index	Coupon rate and any related index	NA	70% of the prime overdraft lending rate	3M JIBAR +565bps	3M JIBAR +475bps	3M JIBAR +450bps	3M JIBAR +425bps	3M JIBAR +455bps	6.375%	5.5 % indexed to ZAR revised CPI
19 Existence of a dividend stopper	Existence of a dividend stopper	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	Existence of step up or other incentive to redeem	NA	No	No	No	No	No	No	No	Yes
22 Non-cumulative or cumulative	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger (s)	If convertible, conversion trigger (s)	NA	NA	NA	NA	NA	NA	NA	NA	NA
25 If convertible, fully or partially	If convertible, fully or partially	NA	NA	NA	NA	NA	NA	NA	NA	NA
26 If convertible, conversion rate	If convertible, conversion rate	NA	NA	NA	NA	NA	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA	NA	NA	NA
28 If convertible, specify instrument type convertible into	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA	NA	NA	NA
29 If convertible, specify issuer of instrument it converts into	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA	NA	NA	NA
30 Write-down feature	Write-down feature	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No
31 If write-down, write-down trigger(s)	If write-down, write-down trigger(s)	NA	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	NA
32 If write-down, full or partial	If write-down, full or partial	NA	NA	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	NA
33 If write-down, permanent or temporary	If write-down, permanent or temporary	NA	NA	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	NA
34 If temporary write-down, description of write-up mechanism	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA	N/A	NA
34a Type of subordination	Type of subordination	-	-	-	-	-	-	-	-	-
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Columns 9 to 21, then Columns 2 to 8	Columns 9 to 21	Columns 9 to 23	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Deposits and other general debits of the bank including non-ordinated notes	Deposits and other general debits of the bank including non-ordinated notes
36 Non-compliant transitioned features	Non-compliant transitioned features	NA	Yes	NA	NA	NA	NA	NA	NA	Yes
37 If yes, specify non-compliant features	If yes, specify non-compliant features	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	NA	NA	NA	Loss absorbency criteria and point of non-viability



## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

11	12	13	14	15	16	17	18	19	20	21	22	23
3M JIBAR +360bps	3M JIBAR +378bps	3M JIBAR +385bps	3M JIBAR +385bps	3M JIBAR +315bps	3M JIBAR +345bps	6.250%	3M JIBAR +245bps	3M JIBAR +240bps	3M JIBAR +213bps	3M JIBAR +360bps	3M JIBAR +378bps	3M JIBAR +385bps
No	No	No	No	No	No	No	No	No	No	No	No	No
Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
No	No	No	No	No	No	No	No	No	No	No	No	No
Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
NA	NA	NA	NA	NA	NA	N/A	N/A	NA	NA	NA	NA	NA
-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



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## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

### Bank

	1	2	3	4	5	6	7	8	9	10	11
1 Issuer	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited
2 Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ZAE000 079810	ZAE000 079810	ZAG000 146465	ZAG000 154519	ZAG000 159484	ZAG000 164955	ZAG000 171976	NA	ZAG000 073669	ZAG000 129438	ZAG000 129446
3 Governing law(s) of the instrument	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
3a Means by which enforceability requirement of Section 13 of the TLAC term sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	Means by which enforceability requirement of Section 13 of the TLAC Term Sheet is achieved (for other TLAC-eligible instruments governed by foreign law)	-	-	-	-	-	-	-	-	-	-
<b>Regulatory treatment</b>											
4 Transitional Basel III rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Tier 2	Tier 2	Tier 2
5 Post-transitional Basel III rules	Common Equity Tier 1	Ineligible	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Additional Tier 1	Ineligible	Tier 2	Tier 2
6 Eligible at Solo/Group/Group & Solo	Solo	Solo and Group	Solo	Solo	Solo	solo	Solo	Solo	Solo and Group	Solo	Solo
7 Instrument type (types to be specified by each jurisdiction)	Ordinary share capital and premium	Preference share capital and premium	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Additional Tier 1 Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
8 Amount recognised in regulatory capital (Currency in million, as of most recent reporting date)	R37 184	R 464	R1 500	R1 241	R1 678	R1 376	R1 209	USD500	R1 611	R831	R30
9 Par value of instrument	R304	R2	R1 500	R1 241	R1 678	R1 376	R1 209	USD500	R845	R737	R30
10 Accounting classification	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Share holders' equity	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
11 Original date of issuance	1986	2006 and 2007	11 Sep 2017	09 Oct 2018	28 May 2019	05 Dec 2019	26 Oct 2020	27 May 2021	10 Dec 2009	03 Sep 2015	03 Sep 2015
12 Perpetual or dated	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Perpetual	Dated	Dated	Dated
13 Original maturity date	NA	NA	NA	NA	NA	NA	NA	NA	07 Dec 2028	03 Sep 2027	03 Sep 2027
14 Issuer call subject to prior supervisory approval	NA	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15 Optional call date, contingent call dates and redemption amount	NA	NA	12 Sep 2022, R1 500	10 Oct 2023, R1 241	28 Nov 2024, R1 678	05 Jun 2025, R1 376	27 Oct 2025, R1 209	28 May 2026, USD500	07 Dec 2023, R845	03 Sep 2022, R737	03 Sep 2022, R30
16 Subsequent call dates, if applicable	NA	NA	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi annually after the first optional call date until maturity	NA	Semi annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity
<b>Coupons / dividends</b>											
17	Fixed or floating dividend/ coupon	Fixed or floating dividend/ coupon	Floating	Floating	Floating	Floating	Floating	Floating	Floating	Fixed	Floating



## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

12	13	14	15	16	17	18	19	20	21	22	23
Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited	Absa Bank Limited
ZAG000 142753	ZAG000 144247	ZAG000 146010	ZAG000 147042	ZAG000 147034	NA	ZAG000 155722	ZAG000 158494	ZAG000 166174	ZAG000 142753	ZAG000 144247	ZAG000 146010
South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa	South Africa
-	-	-	-	-	-	-	-	-	-	-	-
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2	Tier 2
Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo	Solo
Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Loan	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes	Subordinated Callable Notes
R644	R504	R394	R295	R1 014	USD400	R1 509	R1 607	R2 697	R644	R504	R394
R642	R500	R390	R295	R1 014	USD400	R1 500	R1 580	R2 676	R642	R500	R390
Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost	Liability – amortised cost
16 Mar 2017	24 May 2017	14 Aug 2017	29 Sep 2017	29 Sep 2017	25 April 2018	28 Nov 2018	10 Apr 2019	17 Feb 2020	16 Mar 2017	24 May 2017	14 Aug 2017
Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated	Dated
17 Mar 2027	25 May 2027	14 Aug 2029	30 Sep 2027	29 Sep 2029	25 April 2028	29 Nov 2028	11 Apr 2029	17 May 2030	17 Mar 2027	25 May 2027	14 Aug 2029
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
17 Mar 2022, R642	25 May 2022, R500	14 Aug 2024, R390	30 Sep 2022, R295	29 Sep 2024, R1 014	25 April 2023, USD400	29 Nov 2023, R1 500	11 Apr 2024, R1 580	17 May 2025, R2 676	17 Mar 2022, R642	25 May 2022, R500	14 Aug 2024, R390
Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Semi annually after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity	Quarterly after the first optional call date until maturity
Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Floating	Floating	Floating	Floating	Floating



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## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

### Group (cont.)

	1	2	3	4	5	6	7	8	9	10	11
18 Coupon rate and any related index	Coupon rate and any related index	NA	70% of the prime overdraft lending rate	3M JIBAR +565bps	3M JIBAR +475bps	3M JIBAR +450bps	3M JIBAR +425bps	3M JIBAR +455bps	6.375%	5.5 % indexed to ZAR revised CPI	11.810%
19 Existence of a dividend stopper	Existence of a dividend stopper	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No
20 Fully discretionary, partially discretionary or mandatory	Fully discretionary, partially discretionary or mandatory	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Fully discretionary	Mandatory	Mandatory	Mandatory
21 Existence of step up or other incentive to redeem	Existence of step up or other incentive to redeem	NA	No	No	No	No	No	No	No	Yes	No
22 Non-cumulative or cumulative	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23 Convertible or non-convertible	Convertible or non-convertible	NA	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
24 If convertible, conversion trigger(s)	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
25 If convertible, fully or partially	If convertible, fully or partially	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
26 If convertible, conversion rate	If convertible, conversion rate	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
27 If convertible, mandatory or optional conversion	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
28 If convertible, specify instrument type convertible into	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
29 If convertible, specify issuer of instrument it converts into	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
30 Write-down feature	Write-down feature	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
31 If write-down, write-down trigger(s)	If write-down, write-down trigger(s)	NA	NA	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	NA	At SARB's discretion
32 If write-down, full or partial	If write-down, full or partial	NA	NA	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	NA	Full or partial
33 If write-down, permanent or temporary	If write-down, permanent or temporary	NA	NA	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	NA	Permanent
34 If temporary write-own, description of write-up mechanism	If temporary write-own, description of write-up mechanism	NA	NA	NA	NA	NA	NA	NA	N/A	NA	NA
34a Type of subordination	Type of subordination	-	-	-	-	-	-	-	-	-	-
35 Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument in the insolvency creditor hierarchy of the legal entity concerned)	Columns 9 to 21, then Columns 2 to 8	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Columns 9 to 21	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
36 Non-compliant transitioned features	Non-compliant transitioned features	NA	Yes	NA	NA	NA	NA	NA	NA	Yes	NA
37 If yes, specify non-compliant features	If yes, specify non-compliant features	NA	Loss absorbency criteria and point of non-viability	NA	NA	NA	NA	NA	NA	Loss absorbency criteria and point of non-viability	NA



## Main features of regulatory capital instruments and of other TLAC-eligible instruments [CCA]

12	13	14	15	16	17	18	19	20	21	22	23
3M JIBAR +378bps	3M JIBAR +385bps	3M JIBAR +385bps	3M JIBAR +315bps	3M JIBAR +345bps	6.250%	3M JIBAR +245bps	3M JIBAR +240bps	3M JIBAR +213bps	3M JIBAR +378bps	3M JIBAR +385bps	3M JIBAR +385bps
No	No	No	No	No	No	No	No	No	No	No	No
Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
No	No	No	No	No	No	No	No	No	No	No	No
Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative	Non-cumulative
Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible	Non-convertible
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion	At SARB's discretion
Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial	Full or partial
Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent	Permanent
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes	Deposits and other general debits of the bank including non-subordinated notes
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



## Liquidity coverage ratio common disclosure template and summary [LIQ1]

Group	31 Dec 2021		30 Sep 2021	
	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
<b>High-quality liquid assets (HQLA)</b>				
1 Total HQLA		206 880		196 248
<b>Cash outflows</b>				
2 Retail deposits and deposits from small business customers of which:	435 400	33 448	417 250	32 040
3 Stable deposits	-	-	-	-
4 Less stable deposits	435 400	33 448	417 250	32 040
5 Unsecured wholesale funding of which:	495 655	246 822	485 891	240 326
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	147 790	36 947	150 647	37 662
7 Non-operational deposits (all counterparties)	345 235	207 245	332 453	199 873
8 Unsecured debt	2 630	2 630	2 791	2 791
9 Secured wholesale funding		743		308
10 Additional requirements of which:	310 293	35 881	311 536	37 185
11 Outflows related to derivative exposures and other collateral requirements	12 418	12 418	13 555	13 555
12 Outflows related to loss of funding on debt products	-	-	-	-
13 Credit and liquidity facilities	297 875	23 463	297 981	23 630
14 Other contractual funding obligations	-	-	-	-
15 Other contingent funding obligations	149 080	6 425	151 465	6 278
16 Total cash outflows (Sum of lines 2+5+9+10+14+15)		323 319		316 137
<b>Cash inflows</b>				
17 Secured lending (e.g. reverse repos)	41 836	6 560	51 202	11 273
18 Inflows from fully performing exposures	147 266	123 336	147 219	124 597
19 Other cash inflows	17 987	16 348	14 795	14 257
20 Total cash inflows (Sum of lines 17-19)	207 089	146 244	213 216	150 127
		<b>Total weighted value</b>		<b>Total weighted value</b>
High-quality liquid assets (HQLA)				
21 Total HQLA (Rm)		206 880		196 248
22 Total net cash outflows (Rm)		177 075		166 010
23 LCR (%) <sup>1</sup>		116.8		118.2

<sup>1</sup> The Group LCR reflects an aggregation of the Bank LCR and the ARO LCR. For this purpose, a simple average of the relevant three month-end data points is used in ARO, noting that the ARO LCR is capped at 80% per the minimum regulatory requirements. For the Bank, the LCR was calculated as a simple average of 90 calendar-day LCR observations.





## Liquidity coverage ratio common disclosure template and summary [LIQ1]

Bank <sup>1</sup>	a		b		a		b	
	31 Dec 2021		30 Sep 2021		31 Dec 2021		30 Sep 2021	
	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)	Total unweighted value (average)	Total weighted value (average)
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
<b>High-quality liquid assets (HQLA)</b>								
1 <b>Total HQLA</b>		182 584		175 931				
<b>Cash outflows</b>								
2 Retail deposits and deposits from small business customers of which:	350 282	26 214	337 237	25 281				
3 Stable deposits	-	-	-	-				
4 Less stable deposits	350 282	26 214	337 237	25 281				
5 Unsecured wholesale funding of which:	396 408	202 705	393 968	199 667				
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	147 790	36 947	150 647	37 662				
7 Non-operational deposits (all counterparties)	246 572	163 712	241 189	159 873				
8 Unsecured debt	2 046	2 046	2 132	2 132				
9 Secured wholesale funding		743		308				
10 Additional requirements of which:	282 112	32 843	281 824	34 673				
11 Outflows related to derivative exposures and other collateral requirements	11 854	11 854	13 553	13 553				
12 Outflows related to loss of funding on debt products	-	-	-	-				
13 Credit and liquidity facilities	270 258	20 989	268 271	21 120				
14 Other contractual funding obligations	-	-	-	-				
15 Other contingent funding obligations	122 430	5 298	126 821	5 284				
16 <b>Total cash outflows (Sum of lines 2+5+9+10+14+15)</b>		267 803		265 213				
<b>Cash inflows</b>								
17 Secured lending (e.g. reverse repos)	41 836	6 560	51 202	11 273				
18 Inflows from fully performing exposures	126 054	106 874	121 072	104 133				
19 Other cash inflows	9 303	7 664	9 730	9 191				
20 <b>Total cash inflows (Sum of lines 17-19)</b>	177 193	121 098	182 004	124 597				
		<b>Total weighted value</b>		<b>Total weighted value</b>				
<b>High-quality liquid assets (HQLA)</b>								
21 <b>Total HQLA (Rm)</b>		182 584		175 931				
22 <b>Total net cash outflows (Rm)</b>		146 705		140 616				
23 <b>LCR (%)</b>		124.5		125.1				

<sup>1</sup> The Bank LCR was calculated as a simple average of 90 calendar-day LCR observations.



## Net stable funding ratio [LIQ2]

Group	a	b	c	d	e
	31 Dec 2021				
	Unweighted value by residual maturity				Weighted Value Rm
No maturity Rm	<6 months Rm	6 months to <1 year Rm	≥1 year Rm		
<b>Available stable funding (ASF) item</b>					
1 <b>Capital</b>	<b>134 824</b>	-	-	<b>22 402</b>	<b>157 226</b>
2 Regulatory capital	127 917	-	-	20 902	148 819
3 Other capital instruments	6 907	-	-	1 500	8 407
4 <b>Retail deposits and deposits from small business customers:</b>	<b>249 432</b>	<b>143 198</b>	<b>23 183</b>	<b>24 744</b>	<b>398 975</b>
5 Stable deposits	-	-	-	-	-
6 Less stable deposits	249 432	143 198	23 183	24 744	398 975
7 <b>Wholesale funding:</b>	<b>208 450</b>	<b>532 168</b>	<b>52 743</b>	<b>136 111</b>	<b>435 691</b>
8 Operational deposits	138 813	29 401	-	2 226	86 333
9 Other wholesale funding	69 637	502 767	52 743	133 885	349 358
10 Liabilities with matching interdependent assets	-	<b>2 282</b>	-	-	-
11 <b>Other liabilities:</b>	<b>22 978</b>	<b>31 059</b>	-	<b>32 757</b>	<b>11 188</b>
12 NSFR derivative liabilities		-	-	23 400	
13 All other liabilities and equity not included in the above categories	22 978	31 059	-	9 357	11 188
14 <b>Total ASF</b>					<b>1 003 080</b>
<b>Required stable funding (RSF) item</b>					
15 Total NSFR high-quality liquid assets (HQLA)					<b>18 808</b>
16 Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17 <b>Performing loans and securities:</b>	<b>5 015</b>	<b>337 822</b>	<b>91 303</b>	<b>713 146</b>	<b>731 715</b>
18 Performing loans to financial institutions secured by Level 1 HQLA	-	47 762	478	1 152	6 167
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	157 638	30 950	105 422	144 543
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	128 080	54 601	440 756	463 291
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	13 456	8 746
22 Performing residential mortgages, of which:	-	3 834	3 775	161 362	108 690
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	3 834	3 775	161 362	108 690
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	5 015	508	1 499	4 454	9 024
25 Assets with matching interdependent liabilities	-	<b>2 282</b>	-	-	-
26 <b>Other assets:</b>	<b>3 767</b>	<b>10 775</b>	-	<b>114 055</b>	<b>94 857</b>
27 Physical traded commodities, including gold	642				574
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	6 544	5 563
29 NSFR derivative assets		-	-	21 317	162
30 NSFR derivative liabilities before deduction of variation margin posted		-	-	2 561	2 561
31 All other assets not included in the above categories	3 125	10 775	-	83 633	85 997
32 <b>Off-balance sheet items</b>		-	-	<b>365 191</b>	<b>18 260</b>
33 <b>Total RSF</b>					<b>863 640</b>
34 <b>Net stable funding ratio (%)</b>					<b>116.1</b>



## Net stable funding ratio [LIQ2]

Group	30 Sep 2021				Weighted Value Rm
	Unweighted value by residual maturity				
	No maturity Rm	<6 months Rm	6 months to <1 year Rm	≥1 year Rm	
Available stable funding (ASF) item					
1 Capital	129 092	-	-	23 383	152 475
2 Regulatory capital	122 175	-	-	21 883	144 058
3 Other capital instruments	6 917	-	-	1 500	8 417
4 Retail deposits and deposits from small business customers:	242 727	152 467	22 013	25 823	401 309
5 Stable deposits	-	-	-	-	-
6 Less stable deposits	242 727	152 467	22 013	25 823	401 309
7 Wholesale funding:	194 106	508 827	51 008	127 836	410 884
8 Operational deposits	122 113	27 649	169	-	74 965
9 Other wholesale funding	71 993	481 178	50 839	127 836	335 919
10 Liabilities with matching interdependent assets	-	2 045	-	-	-
11 Other liabilities:	20 380	31 562	3 712	27 670	22 460
12 NSFR derivative liabilities	-	-	-	8 884	-
13 All other liabilities and equity not included in the above categories	20 380	31 562	3 712	18 786	22 460
14 Total ASF					987 128
Required stable funding (RSF) item					
15 Total NSFR high-quality liquid assets (HQLA)					17 509
16 Deposits held at other financial institutions for operational purposes	-	-	-	-	-
17 Performing loans and securities:	5 500	372 196	72 168	677 694	699 935
18 Performing loans to financial institutions secured by Level 1 HQLA	-	61 103	-	1 167	7 277
19 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	171 692	16 869	101 636	135 824
20 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	134 238	50 184	418 607	445 210
21 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	-	-	14 084	9 155
22 Performing residential mortgages, of which:	-	3 883	3 800	153 091	103 350
23 With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk	-	3 883	3 800	153 091	103 350
24 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	5 500	1 280	1 315	3 193	8 274
25 Assets with matching interdependent liabilities	-	2 045	-	-	-
26 Other assets:	2 130	13 180	-	100 633	92 964
27 Physical traded commodities, including gold	675	-	-	-	574
28 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	7 754	6 591
29 NSFR derivative assets	-	-	-	7 988	170
30 NSFR derivative liabilities before deduction of variation margin posted	-	-	-	888	888
31 All other assets not included in the above categories	1 455	13 180	-	84 003	84 741
32 Off-balance sheet items	-	-	-	368 894	18 445
33 Total RSF					828 853
34 Net stable funding ratio (%)					119.1



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## Remuneration

### Basel Pillar 3 remuneration disclosures [REMA]

The Group's Remuneration Policy, which describes the key features of the remuneration framework, will be outlined in the 2021 Remuneration Report. This will be published with the Group's Integrated Reporting Suite on 31 March 2022.

The salient features are set out below:

#### Oversight of remuneration

The Group Remuneration Committee (RemCo), a committee of the Board, oversees the Group remuneration policy and its implementation. The remuneration policy and the RemCo's mandate cover all elements of remuneration and benefits, including for all subsidiaries, and with a specific focus on executive and senior management remuneration.

Deloitte is the independent advisor to the RemCo and provided advice on the remuneration frameworks and executive remuneration.

Other firms are engaged by management to provide remuneration advisory services and market benchmarking data, including Vasdex Associates, RemChannel, McLagan, Mercer and KornFerry.

In the following tables, senior managers are defined as members of the Executive Committee (Exco) and other individuals with management responsibility for a material portion of the Group's business. Other material risk takers are identified in accordance with the Group's material risk taker methodology, which is approved by the RemCo. Material risk takers are those who:

- Define the Group's strategy.
- Define the strategy of the individual material businesses.
- Provide oversight on the Group's risk profile.
- Approve significant transactions or recommend these to the Board for approval.

In 2021, a total of 13 individuals were classified as senior managers and 36 individuals as other material risk takers (December 2020:12 senior managers and 39 material risk takers). There were no material changes in 2021 to the methodology to classify material risk takers. Included in the disclosures are individuals who were senior managers or material risk takers for part of the year.

It is noted that 2020 was an atypical year for many reasons, which had particular impact on variable remuneration. The outcomes in 2021 reflect a more stable basis, in the context of the Group's outperformance.

#### Design and structure of remuneration processes

The Group's remuneration principles, which guide the development and implementation of remuneration practices are consistent with those applied in 2020. These are:

- Attract, retain and engage high calibre individuals.
- Support the realisation of the Group's shareholder aspirations.
- Align the long-term interests of executives and shareholders.
- Pay for performance.
- Drive the Group's culture.
- Build confidence and trust in remuneration outcomes.
- Deliver fair and responsible remuneration.

Remuneration for most employees consists of fixed remuneration (salary and benefits) and eligibility for a short-term incentive based on performance. Senior managers, executives and those who are regarded as key to the future performance of the organisation may be eligible to receive a long-term incentive, with allocations in this regard remaining highly selective.

The RemCo conducts reviews of the remuneration policy at least annually. Key changes in 2021 included:

- Our on-target short-term incentive pool was enhanced for market competitiveness, following extensive benchmarking in this regard. Details of the enhancement, and the final pool approved by the RemCo based on the Group's performance and application of the RemCo's discretion will be included in our 2021 Remuneration Report.
- Enhancements to our long-term incentive arrangements to include broader participation among our senior management. The details of the long-term incentives (LTI) framework will be set out in the 2021 Remuneration Report, with the salient features as follows:
  - As in 2020, for executives and senior managers (including all executive directors, prescribed officers and members of the Group Executive Committee) who are in strategic impact roles, as defined in terms of our organisation design principles, awards are made subject to Group performance targets on 100% of the award. The award vests subject to the fulfilment of these Group Performance targets, which apply over three years.
  - In September 2021, the RemCo approved an enhancement to the long-term incentive framework to improve market-relatedness, to increase alignment of the interests of a broader group of individuals at senior levels with those of shareholders and to support attraction, retention and motivation of those regarded as talent or holders of critical skills. Awards are subject to Group performance targets on 50% of the award, and the balance is subject to time-based vesting only. Executive directors, prescribed officers and members of the Group Exco are not eligible to receive awards under this arrangement.
  - All LTI awards vest on the 3rd anniversary of the date of award.

Further detail regarding our Remuneration Policy and its implementation will be set out in the 2021 Remuneration Report.

In terms of remuneration of control function employees and material risk takers:

- Remuneration of Compliance, Internal Audit, Risk and Legal employees is considered independently by the head of the function and is based on the employee's performance and the performance of the function.
- Board committees assess the control functions' performance, particularly evaluating the performance of the Chief Internal Auditor, the Chief Compliance Officer, and the GCRO.
- Final performance and remuneration outcomes for control function heads are subject to RemCo approval.
- Remuneration outcomes for senior control function employees in the population subject to RemCo oversight are reviewed and approved by the RemCo.
- Remuneration of all material risk takers is subject to RemCo approval.



## Remuneration

### Risk and remuneration

The RemCo considers the Group short-term performance pool in the context of the quality of the Group's earnings (with inputs from the GACC) and whether any further risk adjustment was required. No adjustments were deemed necessary for 2021 performance.

The RemCo conducted an assessment in terms of the Banks Act Regulation 39(16)(a) confirming that effective governance was in place in respect of compensation/remuneration policies, processes, practices, procedures; and that these were aligned with approved tolerance for risk or risk appetite and appropriate capital management.

### Linking performance and reward

The Group performance short-term incentive pool is determined by the RemCo based on a scorecard of measures aligned to the Board-approved short- and medium-term business plan. This takes account of the Group's performance and relative market performance. This will be described in more detail in our 2021 Remuneration Report.

The pool is distributed to the various businesses and functions based on performance relative to scorecards and contribution to Group performance. Individual awards are differentiated in favour of higher performers, aligned with our pay for performance philosophy.

### Adjustment to reward taking account of longer-term performance

LTIs vest subject to achievement of Group performance targets which are set over a three-year performance period, for awards that are subject to performance conditions. Vesting of performance awards may occur in a range of 0% of the value of the award for underperformance to 150% for significant outperformance. Time based awards vest at 100% of the award, subject to continued employment. Long-term incentives are awarded in Absa Group shares, thus linking the awards to the Group share price, and vest over three years for all participants.

Share-based short-term incentive deferrals do not have future performance conditions, but outcomes are linked to the performance of the Absa Group share price over the vesting period. Vesting occurs on a pro-rata basis over three years.

Deferred remuneration (short-term and long-term) is subject to malus and clawback provisions. Details of these arrangements will be set out in the 2021 Remuneration Report.

### Variable remuneration

Variable remuneration arrangements include:

- Cash short-term incentives (all employees).
- Deferred short-term incentives for employees, for a portion of the award above the deferral threshold of R1m. Short-term incentive deferrals vest pro-rata over 3 years.
- Long-term incentives, for eligible employees.
- Employees in specifically-designated sales roles may participate in formulaic incentive schemes, which may include pay-out frequencies of monthly, quarterly, half-yearly or annual.

The proportion of the total remuneration mix that is variable and therefore subject to performance generally increases for more senior employees, with a substantial proportion of total remuneration being "at risk" for the most senior employees. At bargaining unit levels, variable remuneration will typically be a small component of total remuneration.



## Remuneration

### Remuneration awarded during the financial year [REM1]

			a	b
			2021	
Aggregate remuneration for senior managers and material risk takers			Senior managers Rm	Other material risk takers Rm
1	Fixed remuneration	Number of employees	13	36
2		Total fixed remuneration	94	220
3		Of which: cash based <sup>1</sup>	94	220
4		Of which: deferred	-	-
5		Of which: shares or other share linked instruments	-	-
6		Of which: deferred	-	-
7		Of which: other forms	-	-
8		Of which: deferred	-	-
9	Variable remuneration	Number of employees	13	36
10		Total variable remuneration	151	259
11		Of which: cash based <sup>2</sup>	46	93
12		Of which: deferred	-	-
13		Of which: shares or other share linked instruments <sup>3</sup>	105	166
14		Of which: deferred	105	166
15		Of which: other forms	-	-
16		Of which: deferred	-	-
17	<b>Total</b>		<b>245</b>	<b>479</b>

  

			a	b
			2020	
Aggregate remuneration for senior managers and material risk takers			Senior managers Rm	Other material risk takers Rm
1	Fixed remuneration	Number of employees	12	39
2		Total fixed remuneration	69	195
3		Of which: cash based	69	195
4		Of which: deferred	-	-
5		Of which: shares or other share linked instruments	-	-
6		Of which: deferred	-	-
7		Of which: other forms	-	-
8		Of which: deferred	-	-
9	Variable remuneration	Number of employees	12	39
10		Total variable remuneration	91	184
11		Of which: cash based <sup>4</sup>	3	50
12		Of which: deferred <sup>5</sup>	-	49
13		Of which: shares or other share linked instruments <sup>6</sup>	88	134
14		Of which: deferred	88	134
15		Of which: other forms	-	-
16		Of which: deferred	-	-
17	<b>Total</b>		<b>160</b>	<b>379</b>

<sup>1</sup> Total fixed remuneration includes the full value of leave encashments (which were at a higher level in 2021 due to changes in our leave policy) and separation payments during the year.

<sup>2</sup> This includes the cash bonus payable in March 2022 in respect of performance for the 2021 financial year.

<sup>3</sup> Includes the Share Incentive Plan awards made during the 2021 financial year and deferred short term incentives in respect of the 2021 financial year made in April 2022. All awards are subject to continued service and malus and clawback provisions.

<sup>4</sup> Includes the cash bonus paid in March 2021 in respect of performance for the 2020 financial year.

<sup>5</sup> This includes the cash bonus payable in March 2021 in respect of performance for the 2020 financial year. Senior managers did not receive cash bonuses, except for Peter Matlare due to death in service. The cash portion of the bonus for material risk takers was deferred for a period of one year into the cash value plan.

<sup>6</sup> Includes the share incentive plan awards made in respect of deferred bonuses for the 2020 financial year awarded in April 2021 and the Share Incentive Plan awards made in 2020.



## Remuneration

### Special payments [REM2]

	a	b	c	d	e	f
	2021					
	Guaranteed bonus		Sign – on awards		Severance payments <sup>1</sup>	
	Number of employees	Total amounts Rm	Number of employees	Total amount Rm	Number of employees	Total amount Rm
1 Senior management	-	-	-	-	1	25
2 Other material risk-takers	-	-	-	-	2	8

	a	b	c	d	e	f
	2020					
	Guaranteed bonus		Sign – on awards		Severance payments <sup>1</sup>	
	Number of employees	Total amounts Rm	Number of employees	Total amount Rm	Number of employees	Total amount Rm
1 Senior management	-	-	-	-	2	4
2 Other material risk-takers	-	-	-	-	-	-

### Deferred remuneration [REM3]

	a	b	c	d	e
	2021				
Deferred and retained remuneration	Total amount of outstanding deferred remuneration as at the end December 2021 Rm	Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and / or implicit adjustment Rm	Total amount of amendment during the year due to ex post explicit adjustments <sup>2</sup> Rm	Total amount of amendment during the year due to ex post implicit adjustments <sup>3</sup> Rm	Total amount of deferred remuneration paid out in the financial year Rm
1 Senior management					
2 Cash <sup>4</sup>	9	9	0,6	-	7
3 Shares <sup>5</sup>	254	254	4	(9)	38
4 Cash linked instruments	-	-	-	-	-
5 Other	-	-	-	-	-
6 Other material risk takers					
7 Cash <sup>4</sup>	47	47	1.1	-	11
8 Shares <sup>5</sup>	448	448	5	-	44
9 Cash linked instruments	-	-	-	-	-
10 Other	-	-	-	-	-
11 Total	758	758	11	(9)	100

<sup>1</sup> This includes only amounts paid in excess of contractual entitlements

<sup>2</sup> Ex post explicit adjustments reflect service credits and dividend equivalents determined and paid on vesting for the cash value plan, share value plan and long-term incentive plan respectively.

<sup>3</sup> Ex post implicit adjustments were determined using each individual's award dates, award values and vesting dates. For Peter Matlare, the 2019 long-term incentive plan awards vested during the 2021 financial year due to death in service on 7 March 2021. The amount reflected represents the value of awards lapsed due to partial fulfilment of the 2019 long-term incentive plan performance conditions.

<sup>4</sup> Includes the last tranche of the cash value plan vesting in March 2022 as well as the cash portion of the 2020 short-term incentive (paid in March 2021) which was deferred into the cash value plan and is due to vest in April 2022, subject to continued service, malus and clawback (for all material risk takers, including executive directors and prescribed officers) provisions.

<sup>5</sup> Includes the share incentive plan, share value plan, and long-term incentive plan awards.



## Remuneration

	a	b	c	d	e
	2020				
Deferred and retained remuneration	Total amount of outstanding deferred remuneration as at the end December 2020	Of which: Total amount of outstanding deferred and retained remuneration exposed to ex post explicit and / or implicit adjustment	Total amount of amendment during the year due to ex post explicit adjustments <sup>1</sup>	Total amount of amendment during the year due to ex post implicit adjustments <sup>2</sup>	Total amount of deferred remuneration paid out in the financial year
	Rm	Rm	Rm	Rm	Rm
1 Senior management					
2 Cash <sup>3</sup>	8	8	1	-	9
3 Shares <sup>4</sup>	187	187	12	(19)	64
4 Cash linked instruments	-	-	-	-	-
5 Other	-	-	-	-	-
6 Other material risk takers					
7 Cash <sup>3</sup>	28	28	2	-	27
8 Shares <sup>4</sup>	377	377	25	(42)	130
9 Cash linked instruments	-	-	-	-	-
10 Other	-	-	-	-	-
11 Total	600	600	40	(61)	230

Ex post implicit adjustments are comprised as follows:

	2021		
	Senior Management (Rm)	Other Material Risk Takers (Rm)	Total Rm
Long term incentive plan (LTIP) <sup>5</sup>	(9)	-	(9)
Restricted shares and share value plan <sup>6</sup>	-	-	-
Other share instruments	-	-	-

	2020		
	Senior Management (Rm)	Other Material Risk Takers (Rm)	Total Rm
LTIP <sup>2</sup>	(19)	(42)	(61)
Restricted shares and share value plan <sup>6</sup>	-	-	-
Other share instruments	-	-	-

<sup>1</sup> Ex post explicit adjustments reflect service credits and dividend equivalents determined and paid on vesting for the cash value plan, share value plan and long term incentive plan.

<sup>2</sup> Ex post implicit adjustments were determined using each individual's award dates, award values and vesting dates. The 2017 long term incentive plan awards vested during the 2020 financial year. Amounts reflected represent the value of awards lapsed due to partial fulfilment of the 2017 long term incentive plan performance conditions.

<sup>3</sup> Includes the cash value plan, which is deferred over three years in equal tranches, subject to continued employment, malus and clawback (for all material risk takers, including executive directors and prescribed officers) provisions.

<sup>4</sup> Shares include share incentive plan, share value plan, restricted shares and the long-term incentive plan awards.

<sup>5</sup> Ex post implicit adjustments were determined using each individual's award dates, award values and vesting dates. For Peter Matlare, the 2019 long term incentive plan award vested during the 2021 financial year due to death in service. The amount reflected represents the value of awards lapsed due to partial fulfilment of the 2019 long term incentive plan performance conditions, estimated at date of death.

<sup>6</sup> Share value plan awards and share incentive plan (deferred awards) are not subject to Group performance conditions, however, are subject to a continued employment condition. Restricted shares are only subject to individual performance conditions and continued employment.





[www.absa.africa](http://www.absa.africa)

## Administration and contact details

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