

Absa Group Limited

Pillar 3
risk management
report 31 March 2025

Your story matters



Contents

1.	Key prudential metrics	2
1.1	KM1: Key metrics (at consolidated group level)	3
1.2	LR1: Summary comparison of accounting assets versus leverage ratio exposure measure	5
1.3	LR2: Leverage ratio common disclosure template	6
1.4	LIQ1: Liquidity coverage ratio (LCR)	7
2.	Risk-weighted assets (RWA)	9
2.1	OV1: Overview of RWA	9
2.2	CR8: RWA flow statements of credit risk exposures under internal ratings-based (IRB) approach	10
2.3	MR2: RWA flow statements of market risk exposures under internal models approach (IMA)	10
3.	Abbreviations and acronyms	11

The Pillar 3 risk management report provides the quarterly view of Absa Group Limited (the Group) and Absa Bank Limited (the Bank) 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the Regulations relating to Banks (Regulations), issued in terms of the Banks Act, 1990 (Act No. 94 of 1990), where not superseded by the Pillar 3 disclosure requirements.

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

The information in this report is unaudited.

1. Key prudential metrics

The Capital and Liquidity Risk Management Framework sets out the overarching requirements and approach to the assessment and management of capital and liquidity risks.

The risk management approach is aligned to the principles defined in the ERMF. The second line of defence is responsible for independent oversight on the management of the risk profile and preparing the policies and guidelines that detail responsibilities, activities and governance arrangements for managing and mitigating capital and liquidity risk. Risk appetite is set annually and enables the monitoring of the capital and liquidity risk profile across the Group.

The Group / legal entity Treasury Committees review and approve the capital and liquidity risk appetite at least annually. In addition, capital and liquidity risk appetite statements classified as Board level are submitted to the Group GRMC for review and recommended to the Board for final approval. The ERC reviews and approves the cascading risk appetite to risk types, legal entities and business units.

Risk metrics are forecast as part of the annual integrated planning cycle or when necessary to ensure that the Group has adequate financial resources to support its strategic objectives and to meet minimum regulatory requirements. The metrics are monitored dynamically and in line with the nature of each of the underlying risks. Capital and liquidity buffers are informed by internal scenario analysis and stress testing exercises conducted by finance, treasury, and risk functions to test the resilience of business, capital and funding plans against adverse events and scenarios.

Risk management and mitigation activities are monitored by the appropriate executive oversight committees and include the proactive management of the amount, tenor and composition of capital and funding for strategy execution.

In line with regulatory and accounting requirements, the capital and leverage positions of the Group and the Bank in this document are reflected on a regulatory basis (which requires unappropriated profits to be excluded).

December 2024 to March 2025 movements:

Group common equity tier 1 capital supply decreased by R0.6bn primarily due to a decrease in the foreign currency translation reserve (R1.2bn) offset by an increase in the share-based payment reserve (R0.4bn) combined with an improvement in the available for sale reserve and other reserves.

Total RWA increased by R9.3bn mainly due to growth in client lending increasing credit risk (R9.4bn), combined with higher market risk (R4.5bn), offset by a reduction in operational risk including non-customer assets (R2.7bn), threshold risk (R1.4bn) and equity risk (R0.4bn).

Leverage exposure increased primarily due to an increase in securities financing transactions exposure, partially offset by a decrease in on-balance sheet exposures and a reduction in off-balance sheet activities. Derivative exposure declined slightly with no material impact on the ratio.

1.1 KM1: Key metrics

Absa Group^{1,2}

	a	b	c	d	e
	31 March 2025	31 December 2024 ³	30 September 2024	30 June 2024	31 March 2024
Available capital (Rm)					
1 CET1	136 790	137 413	127 701	128 107	129 841
2 Tier 1	157 831	158 416	147 712	148 387	148 970
3 Total capital	174 995	174 847	162 931	162 950	165 306
RWA (Rm)					
4 Total RWA	1 170 439	1 161 097	1 119 698	1 074 983	1 080 525
Risk-based capital ratios as a percentage of RWA (%)					
5 CET1 ratio	11.7	11.8	11.4	11.9	12.0
6 Tier 1 ratio	13.5	13.6	13.2	13.8	13.8
7 Total capital ratio	15.0	15.1	14.6	15.2	15.3
Additional CET1 buffer requirements as a percentage of RWA (%)					
8 Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9 Countercyclical buffer requirement ⁴	-	-	-	-	-
10 Global systemically important banks (G-SIB) and/or domestic systemically important banks (D-SIB) additional requirements	1.0	1.0	1.0	1.0	1.0
11 Total of bank CET1 specific buffer requirements (Row 8 + row 9 + row 10)	3.5	3.5	3.5	3.5	3.5
12 CET1 available after meeting the bank's minimum capital requirements	3.2	3.3	2.9	3.4	3.5
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure (Rm)	2 146 213	2 139 735	2 096 052	2 031 135	2 001 360
14 Basel III leverage ratio (%) (row 2 / row 13)	7.4	7.4	7.0	7.3	7.4
LCR					
15 Total high-quality liquid assets (HQLA) (Rm)	278 258	271 798	275 365	265 920	259 304
16 Total net cash outflow (Rm)	215 588	214 531	210 623	210 672	209 283
17 LCR (%)	129.1	126.7	130.7	126.2	123.9
NSFR					
18 Total available stable funding (ASF) (Rm)	1 276 652	1 305 870	1 266 611	1 242 819	1 211 706
19 Total required stable funding (RSF) (Rm)	1 077 535	1 073 219	1 063 714	1 042 073	1 034 357
20 NSFR (%)	118.5	121.7	119.1	119.3	117.1

¹ The fully loaded accounted expected credit loss (ECL) basis has been fully transitioned in.

² The numbers are excluding unappropriated profits.

³ The December 2024 figures were revised to align with final regulatory submissions.

⁴ The countercyclical buffer in South Africa is currently zero and will be phased in at 1% effective 1 January 2026.

Absa Bank^{1, 2, 3}

	a	b	c	d	e
	31 March 2025	31 December 2024 ⁴	30 September 2024	30 June 2024	31 March 2024
Available capital (Rm)					
1 CET1	82 062	81 990	79 524	78 758	79 064
2 Tier 1	100 791	100 700	97 681	97 006	96 240
3 Total capital	114 219	113 418	109 571	107 685	108 497
RWA (Rm)					
4 Total RWA	703 216	700 253	701 300	693 018	687 881
Risk-based capital ratios as a percentage of RWA (%)					
5 CET1 ratio	11.7	11.7	11.3	11.4	11.5
6 Tier 1 ratio	14.3	14.4	13.9	14.0	14.0
7 Total capital ratio	16.2	16.2	15.6	15.5	15.8
Additional CET1 buffer requirements as a percentage of RWA (%)					
8 Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9 Countercyclical buffer requirement ⁵	-	-	-	-	-
10 Global systemically important banks (G-SIB) and/or domestic systemically important banks (D-SIB) additional requirements	1.0	1.0	1.0	1.0	1.0
11 Total of bank CET1 specific buffer requirements (Row 8 + row 9 + row 10)	3.5	3.5	3.5	3.5	3.5
12 CET1 available after meeting the bank's minimum capital requirements	3.2	3.2	2.8	2.9	3.0
Basel III leverage ratio					
13 Total Basel III leverage ratio exposure measure (Rm)	1 741 780	1 746 715	1 750 377	1 669 957	1 645 860
14 Basel III leverage ratio (%) (row 2 / row 13)	5.8	5.8	5.6	5.8	5.9
LCR					
15 Total HQLA (Rm)	256 910	239 592	243 074	232 595	231 637
16 Total net cash outflow (Rm)	194 240	182 326	178 332	177 347	181 616
17 LCR (%)	132.3	131.4	136.3	131.2	127.5
NSFR					
18 Total ASF (Rm)	1 018 745	1 050 581	1 040 530	1 015 760	982 999
19 Total RSF (Rm)	917 885	915 273	909 743	894 390	886 261
20 NSFR (%)	111.0	114.8	114.4	113.6	110.9

December 2024 to March 2025 movements:

There were no material moves noted on CET1 supply.

Total RWA increased by R3.0bn mainly due to growth in client lending increasing credit risk (R2.7bn), combined with higher market risk (R1.5bn), offset by a reduction in threshold risk (R0.8bn) and equity risk (R0.4bn).

Leverage exposure decreased, primarily due to a decrease in on-balance and off-balance sheet exposures, offset by an increase in securities financing exposures.

¹ The fully loaded accounted ECL basis has been fully transitioned in.

² The numbers are excluding unappropriated profits.

³ Absa Bank Limited includes subsidiary undertakings, special-purpose entities, joint ventures, associates and offshore holdings.

⁴ The December 2024 figures were revised to align with final regulatory submissions.

⁵ The countercyclical buffer in South Africa is currently zero and will be phased in at 1% effective 1 January 2026.

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

Absa Group

		Group	
		31 March 2025	31 December 2024 ¹
		Rm	
1	Total consolidated assets	2 065 754	2 068 006
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(40 485)	(39 394)
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	11 389	(2 407)
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)	125 094	128 194
7	Other adjustments	(15 539)	(15 664)
8	Leverage ratio exposure measure	2 146 213	2 138 735

Absa Bank²

		Bank	
		31 March 2025	31 December 2024 ¹
		Rm	
1	Total consolidated assets	1 648 577	1 667 249
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(509)	(533)
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	10 508	(4 260)
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)	96 996	98 192
7	Other adjustments	(13 792)	(13 934)
8	Leverage ratio exposure measure	1 741 780	1 746 715

¹ The December 2024 figures were revised to align with final regulatory submissions.

² Absa Bank Limited includes subsidiary undertakings, special-purpose entities, joint ventures, associates and offshore holdings.

1.3 LR2: Leverage ratio common disclosure template

	Group		Bank ¹	
	a	b	a	b
	31 March 2025	31 December 2024 ²	31 March 2025	31 December 2024 ²
	Rm	Rm	Rm	Rm
On-balance sheet exposures				
1 On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	1 917 720	1 920 995	1 510 149	1 523 918
2 (Asset amounts deducted in determining Basel III tier 1 capital)	(56 024)	(55 058)	(14 301)	(14 466)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 and 2)	1 861 696	1 865 937	1 495 848	1 509 452
Derivative exposures				
4 Replacement cost associated with all derivative transactions (where applicable net of eligible cash variation margin and/ or with bilateral netting)	20 085	21 184	19 436	20 013
5 Add-on amounts for potential future exposure (PFE) associated with all derivative transactions	33 616	34 681	33 157	34 187
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)	(3 343)	(4 555)	(3 545)	(5 055)
8 (Exempted central counterparty (CCP) leg of client-cleared trade exposures)	-	-	-	-
9 Adjusted effective notional amount of written credit derivative	8 771	7 897	8 771	7 897
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-	-
11 Total derivative exposures (sum of rows 4 to 10)	59 129	59 207	57 819	57 042
Security financing transaction exposures				
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	100 294	85 397	91 117	82 029
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
14 Counterparty credit risk (CCR) exposure for SFT assets	-	-	-	-
15 Agent transaction exposures	-	-	-	-
16 Total securities financing transaction exposures (sum of rows 12 to 15)	100 294	85 397	91 117	82 029
Other off-balance sheet exposures				
17 Off-balance sheet exposures at gross notional amount	462 111	472 319	390 645	397 397
18 (Adjustments for conversion to credit equivalent amounts)	(337 017)	(344 125)	(293 649)	(299 205)
19 Off-balance sheet items (sum of rows 17 and 18)	125 094	128 194	96 996	98 192
Capital and total exposures				
20 Tier 1 capital (excluding unappropriated profits)	157 831	158 416	100 791	100 700
21 Total exposures (sum of lines 3, 11, 16 and 19)	2 146 213	2 138 735	1 741 780	1 746 715
Leverage ratio				
22 Basel III leverage ratio	7.4	7.4	5.8	5.8

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

² The December 2024 figures were revised to align with final regulatory submissions.

1.4 LIQ1: Liquidity coverage ratio (LCR)

Group ¹	a 31 March 2025		b 31 December 2024	
	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
HQLA				
1 Total HQLA		278 258		271 798
Cash outflows				
2 Retail deposits and deposits from small business customers of which:	531 868	40 929	528 898	40 574
3 Stable deposits	87 810	4 391	87 001	4 350
4 Less stable deposits	444 058	36 538	441 897	36 224
5 Unsecured wholesale funding of which:	627 458	292 613	592 196	274 459
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	178 777	42 788	174 745	41 743
7 Non-operational deposits (all counterparties)	437 222	238 366	408 980	224 245
8 Unsecured debt	11 459	11 459	8 471	8 471
9 Secured wholesale funding		3 518		3 943
10 Additional requirements of which:	398 538	48 888	399 965	47 634
11 Outflows related to derivative exposures and other collateral requirements	17 916	17 916	16 708	16 708
12 Outflows related to loss of funding on debt products	-	-	-	-
13 Credit and liquidity facilities	380 622	30 972	383 257	30 926
14 Other contractual funding obligations	49	49	-	-
15 Other contingent funding obligations	246 456	10 502	258 642	11 058
16 Total cash outflows (Sum of lines 2+5+9+10+14+15)		396 499		377 668
Cash inflows				
17 Secured lending (e.g., reverse repos)	69 103	17 016	57 787	13 045
18 Inflows from fully performing exposures	171 164	135 585	166 502	133 087
19 Other cash inflows	28 507	28 310	17 763	17 005
20 Total cash inflows (Sum of lines 17-19)	268 774	180 911	242 052	163 137
	Total weighted value		Total weighted value	
HQLA				
21 Total HQLA (Rm)		278 258		271 798
22 Total net cash outflows (Rm)		215 588		214 531
23 LCR (%)		129.1		126.7

¹ The Group LCR reflects an aggregation of the Bank LCR and the LCR of ARO. For this purpose, a simple average of the relevant three month-end data points is used for ARO, noting that ARO LCR is capped at 100% per the minimum regulatory requirements. For the Bank, the LCR was calculated as a simple average of 90 calendar-day LCR observations.

	a		b	
	31 March 2025		31 December 2024	
Bank ¹	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
HQLA)				
1 Total HQLA		256 910		239 592
Cash outflows				
2 Retail deposits and deposits from small business customers of which:	411 442	30 411	411 301	30 314
3 Stable deposits	87 810	4 391	87 001	4 350
4 Less stable deposits	323 632	26 020	324 300	25 964
5 Unsecured wholesale funding of which:	495 639	232 326	474 658	221 049
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	178 777	42 788	174 744	41 742
7 Non-operational deposits (all counterparties)	307 579	180 255	293 872	173 265
8 Unsecured debt	9 283	9 283	6 042	6 042
9 Secured wholesale funding		3 518		3 944
10 Additional requirements of which:	357 955	43 231	360 353	42 354
11 Outflows related to derivative exposures and other collateral requirements	15 540	15 540	14 721	14 721
12 Outflows related to loss of funding on debt products	-	-	-	-
13 Credit and liquidity facilities	342 415	27 691	345 632	27 633
14 Other contractual funding obligations	49	49	-	-
15 Other contingent funding obligations	212 667	9 036	223 923	9 600
16 Total cash outflows (Sum of lines 2+5+9+10+14+15)		318 571		307 261
Cash inflows				
17 Secured lending (e.g. reverse repos)	69 103	17 016	57 787	13 045
18 Inflows from fully performing exposures	127 266	102 245	126 513	103 466
19 Other cash inflows	5 267	5 070	9 183	8 424
20 Total cash inflows (Sum of lines 17-19)	201 636	124 331	193 483	124 935
	Total weighted value		Total weighted value	
HQLA				
21 Total HQLA (Rm)		256 910		239 592
22 Total net cash outflows (Rm)		194 240		182 326
23 LCR (%)		132.3		131.4

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

2. Risk-weighted assets (RWAs)

2.1 OV1: Overview of RWA

	Group			Bank ¹		
	a	b	c	a	b	c
	31 March 2025	31 December 2024	31 March 2025	31 March 2025	31 December 2024	31 March 2025
	RWA Rm	RWA ² Rm	MRC ³ Rm	RWA Rm	RWA ² Rm	MRC ³ Rm
1 Credit risk (excluding CCR)	857 160	846 685	107 146	515 541	512 233	64 442
2 Of which: standardised approach (SA)	327 676	319 239	40 960	786	934	98
3 Of which: foundation internal ratings based (FIRB) approach	-	-	-	-	-	-
4 Of which: supervisory slotting approach	-	-	-	-	-	-
5 Of which: advanced internal ratings based (AIRB) approach	529 484	527 446	66 186	514 755	511 299	64 344
6 CCR	20 658	21 382	2 582	19 479	18 492	2 435
7 Of which: standardised approach for CCR (SA-CCR)	20 658	21 382	2 582	19 479	18 492	2 435
8 Of which: internal model method (IMM)	-	-	-	-	-	-
9 Of which: other CCR	-	-	-	-	-	-
10 Credit valuation adjustment (CVA)	9 983	10 364	1 248	8 586	10 207	1 073
11 Equity positions under the simple risk weight approach	4 833	5 330	604	2 804	3 315	351
12 Equity investments in funds – look-through approach	1 275	1 213	159	627	548	78
13 Equity investments in funds – mandate-based approach	2 280	2 280	285	2 280	2 280	285
14 Equity investments in funds – fall-back approach	430	429	54	376	376	47
15 Settlement risk	1 330	1 262	166	1 273	1 222	159
16 Securitisation exposures in banking book	121	124	15	121	124	15
17 Of which: IRB ratings-based approach (SEC-IRBA)	-	-	-	-	-	-
18 Of which: securitisation external ratings-based approach (RBA) (SEC-ERBA), including internal assessment approach (IAA)	-	-	-	-	-	-
19 Of which: securitisation SA (SEC-SA)	121	124	15	121	124	15
20 Traded market risk	44 881	40 371	5 610	26 115	24 650	3 264
21 Of which: SA	30 350	25 410	3 794	11 584	9 689	1 448
22 Of which: internal model approach (IMA)	14 531	14 961	1 816	14 531	14 961	1 816
23 Capital charge for switch between trading book and banking book	-	-	-	-	-	-
24 Operational risk	134 021	135 536	16 753	73 528	73 528	9 191
Non-customer assets	27 511	28 456	3 439	16 691	16 644	2 086
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	23 337	24 695	2 917	11 543	12 382	1 443
26 Floor adjustment (after application of transitional cap) ⁴	42 619	42 970	5 327	24 252	24 252	3 032
27 Total (1+6+10+11+12+13+14+15+16+20+23+24+25+26+non-customer assets)	1 170 439	1 161 097	146 305	703 216	700 253	87 901

Total Group RWAs increased by R9.3bn during the reporting period primarily due to:

- Credit risk RWAs increased by R10.5bn primarily due to a R8.4bn increase in standardised approach RWA, driven by increased exposure to sovereigns and banks in certain ARO markets, partially offset by ZAR appreciation. This increase was further supported by growth in specialised lending and residential mortgages, as well as higher non-performing RWA for single name defaults in small and medium enterprises (SME) corporate and corporate asset classes.
- Traded market risk RWAs increased by R4.5bn driven by an increase in Sub-Saharan Africa sovereign exposures.

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

² The December 2024 figures were revised to align with final regulatory submissions.

³ The 2025 minimum total regulatory capital adequacy requirement of 12.5% includes the capital conservation buffer, Pillar 2A and the D-SIB add-on but excludes the bank specific individual capital requirement (Pillar 2B add-on) as required by regulatory guidance.

⁴ Includes the operational risk floor.

2.2 CR8: RWA flow statements of credit risk exposures under IRB

	a	a
	31 March 2025	31 December 2024
	RWA amounts	RWA amounts ¹
	Rm	Rm
1 RWA as at end of previous quarter	527 446	530 564
2 Asset size	(8 166)	3 065
3 Asset quality	14 357	(10 956)
4 Model updates	(500)	(2 671)
5 Methodology and policy	-	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	(525)	3 116
8 Other ²	(3 128)	4 328
9 RWA as at end of reporting period	529 484	527 446

RWA increased due to changes in asset quality arising from new inflows into default and additional RWA held on existing defaulted names in corporate and SME corporate asset classes, together with balance sheet growth in specialised lending asset classes. This was partially offset by corporate term loans repayments, reduced exposure to banks and improved coverage on defaulted exposures in vehicle asset finance (VAF) portfolio.

2.3 MR2: RWA flow statements of market risk exposures under IMA

	a	b	c	d	e	f
			31 March 2025			
	Value at risk (VaR)	Stressed value at risk (sVaR)	Incremental risk charge (IRC) ¹	Credit risk mitigation (CRM)	Other	Total RWA
	Rm	Rm	Rm	Rm	Rm	Rm
1 RWA at previous quarter end	6 041	8 919	-	-	-	14 961
2 Movements in risk levels	84	(514)	-	-	-	(430)
3 Model updates/changes	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-
5 Acquisitions and (disposals)	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-
7 Other	-	-	-	-	-	-
8 RWA at end of reporting period	6 125	8 405	-	-	-	14 531

The decrease in IMA capital is driven by a decline in the 60-day average sVaR, due to lower interest rate risk from reduced rate cut expectations. As of 31 March 2025, IMA constitutes 55.64% of South Africa total traded market risk charge and 32.38% of the Group total traded market risk charge.

	a	b	c	d	e	f
			31 December 2024			
	Value at risk (VaR)	Stressed value at risk (sVaR)	Incremental risk charge (IRC) ¹	Credit risk mitigation (CRM)	Other	Total RWA
	Rm	Rm	Rm	Rm	Rm	Rm
1 RWA at previous quarter end	6 177	9 454	-	-	-	15 631
2 Movements in risk levels	(136)	(534)	-	-	-	(671)
3 Model updates/changes	-	-	-	-	-	-
4 Methodology and policy	-	-	-	-	-	-
5 Acquisitions and (disposals)	-	-	-	-	-	-
6 Foreign exchange movements	-	-	-	-	-	-
7 Other	-	-	-	-	-	-
8 RWA at end of reporting period	6 041	8 919	-	-	-	14 961

¹ The December 2024 figures were revised to align with final regulatory submissions.

² Other reflects RWA movements on non-performing loans due to differences in the definition of default between IFRS 9 impairment and regulatory capital models.

3. Abbreviations and acronyms

A

AIRB	advanced internal ratings-based approach
ARO	Absa Regional Operations
ASF	available stable funding

B

Bank	Absa Bank Limited
Basel	Basel Capital Accord
BCBS	Basel Committee on Banking Supervision

C

CCP	central counterparty
CCR	counterparty credit risk
CET1	common equity tier 1
CRM	credit risk mitigation
CVA	credit valuation adjustment

D

D-SIBs	domestic systemically important banks
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E

ECL	expected credit loss
ERC	Group Executive Risk Committee
ERMF	Enterprise Risk Management Framework

F

FIRB	foundation internal ratings-based
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G

GRCMC	Group Risk and Capital Management Committee
Group	Absa Group Limited
G-SIBs	global systemically important banks

H

HQLA	high quality liquid assets
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I

IAA	internal assessment approach
IFRS	International Financial Reporting Standard(s)
IMA	internal models approach
IMM	internal model method
IRB	internal ratings-based
IRBA	internal ratings-based approach
IRC	incremental risk charge

L

LCR	liquidity coverage ratio
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N

NSFR	net stable funding ratio
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P

PFE	potential future exposure
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R

RBA	ratings-based approach
RSF	required stable funding
RWA	risk-weighted assets

S

SA	standardised approach
SA-CCR	standardised approach for counterparty credit risk
SEC	securitisation
SFTs	securities financing transactions
SME	small and medium enterprises
sVaR	stressed value at risk

V

VAF	vehicle asset finance
VaR	value at risk

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Contact information

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Incorporated in the Republic of South Africa
Registration number: 1986/003934/06
JSE share code: ABG
ISIN: ZAE000255915

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Sponsors

Lead independent sponsor
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