

# Absa Group Limited

**Pillar 3 Risk Management Report for  
the interim reporting period ended  
30 September 2025**

Your story matters



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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 directive D10/2025 on Pillar 3 disclosure requirements.

The Group's Board approved Pillar 3 policy defines the responsibilities and duties of senior management and the Board in preparation and review of the Pillar 3 disclosures. The primary objectives of the policy are to provide:

- The governance and management of the public disclosure requirements.
- An indication of the materiality, nature and extent of information that will be disclosed in line with the disclosure requirements of the regulations, standards and directives.
- The control mechanisms, including appropriate review, to ensure that disclosures are accurate and complete.

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. Introduction

The Group has implemented the Basel III finalisation in accordance with applicable regulatory standards, in effect from 1 July 2025. This implementation strengthens the Group's capital adequacy and liquidity position, introducing changes such as revised risk measurement approaches, output floors, and enhanced liquidity requirements.

As per directive D10/2025 on Pillar 3 disclosure requirements, the Pillar 3 disclosure requirements have been removed from regulation 43 of the Regulations Relating to Banks (the Regulations), issued in terms of the Banks Act, 1990 (Act No. 94 of 1990).

The following tables are not included:

- Under the fundamental review of the trading book (FRTB), the Bank is capitalised using the standardised approach (SA), while Absa Regional Operations (ARO) is capitalised under the simplified SA. The internal models' approach (IMA) under FRTB is not applicable to the Group. Therefore, table "MR2: Market risk for banks using the IMA" is omitted from this disclosure.
- Table "CCR7: RWA flow statements of counterparty credit risk (CCR) exposures under the internal models' method (IMM)" is not applicable to the Group as counterparty credit risk (CCR) is reported using the SA.

## 2. Key prudential metrics

### Capital risk

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).

### Liquidity risk

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.

## 3.1 KM1: Key metrics

Absa Group<sup>1,2</sup>

	a	b	c	d	e
	30 September 2025	30 June 2025 <sup>3</sup>	31 March 2025 <sup>3</sup>	31 December 2024 <sup>3</sup>	30 September 2024
<b>Available capital (Rm)</b>					
1 CET1	141 783	142 272	136 790	137 413	127 701
2 Tier 1	163 774	161 383	157 831	158 416	147 712
3 Total capital	180 453	175 672	174 995	174 847	162 931
<b>RWA (Rm)</b>					
4 Total RWA	1 219 498	1 221 944	1 171 001	1 161 658	1 119 698
4a Total RWA (pre-floor)	1 219 498				
<b>Risk-based capital ratios as a percentage of RWA (%)</b>					
5 CET1 ratio	11.6	11.6	11.7	11.8	11.4
5a CET1 ratio (pre-floor ratio)	11.6				
6 Tier 1 ratio	13.4	13.2	13.5	13.6	13.2
6a Tier 1 ratio (pre-floor ratio)	13.4				
7 Total capital ratio	14.8	14.4	14.9	15.1	14.6
7a Total capital ratio (pre-floor ratio)	14.8				
<b>Additional CET1 buffer requirements as a percentage of RWA (%)</b>					
8 Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9 Countercyclical buffer requirement <sup>4</sup>	-	-	-	-	-
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	3.1	3.1	3.2	3.3	2.9
<b>Basel III leverage ratio<sup>5</sup></b>					
13 Total Basel III leverage ratio exposure measure (Rm)	2 258 166	2 230 897	2 146 213	2 138 735	2 096 052
14 Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves)	7.3	7.2	7.4	7.4	7.0
14a Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	7.3				
14b Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for security financing transaction (SFT) assets	7.3				
14c Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	7.3				
<b>LCR</b>					
15 Total high-quality liquid assets (HQLA) (Rm)	306 498	287 295	278 258	271 798	275 365
16 Total net cash outflow (Rm)	241 165	222 708	215 588	214 531	210 623
17 LCR ratio (%)	127.1	129.0	129.1	126.7	130.7
<b>NSFR</b>					
18 Total available stable funding (ASF) (Rm)	1 324 443	1 300 624	1 276 652	1 305 870	1 266 611
19 Total required stable funding (RSF) (Rm)	1 138 219	1 110 029	1 077 535	1 073 219	1 063 714
20 NSFR ratio (%)	116.4	117.2	118.5	121.7	119.1

From June 2025 to September 2025:

- Common equity tier 1 (CET1) available capital decreased during the quarter mainly from the stronger Rand resulting in the foreign currency translation reserve moving R2.5bn, offset by a R1.2bn reduction in the intangible asset deduction.
- The Group's total capital position included the issuance of an additional tier 1 instrument of R3.0bn in July 2025 and the issuance of a tier 2 instrument of R2.5bn in September 2025.
- Leverage exposure increased R27.2bn during the quarter, due to higher off-balance sheet exposures, an increase in securities financing transactions, and an increase in derivative exposure. Refer to LR2 on page 7 for more information in the commentary.
- Refer to OV1 on page 10 for RWA commentary.
- The Group's regulatory capital and leverage positions remained well above the minimum regulatory requirements.
- The Group's liquidity risk position remained healthy and key liquidity metrics remained within risk appetite and above the minimum regulatory requirements.

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

<sup>2</sup> The numbers exclude unappropriated profits.

<sup>3</sup> The December 2024, March 2025 and June 2025 figures were revised to align with final regulatory submissions.

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

<sup>5</sup> The Basel III leverage ratio disclosed above reflects the inclusion of SFT exposures in the leverage exposure and in leverage exposure calculation, based on average of daily values over the quarter instead of quarter end values, in accordance with local regulatory requirements.

Absa Bank<sup>1, 2, 3</sup>

	a	b	c	d	e
	30 September 2025	30 June 2025 <sup>4</sup>	31 March 2025 <sup>4</sup>	31 December 2024 <sup>4</sup>	30 September 2024
<b>Available capital (Rm)</b>					
1 CET1	85 846	83 860	82 062	81 990	79 524
2 Tier 1	105 803	100 825	100 791	100 700	97 681
3 Total capital	118 173	111 292	114 219	113 418	109 571
<b>RWA (Rm)</b>					
4 Total RWA	764 215	725 762	703 216	700 253	701 300
4a Total RWA (pre-floor)	764 215				
<b>Risk-based capital ratios as a percentage of RWA (%)</b>					
5 CET1 ratio	11.2	11.6	11.7	11.7	11.3
5a CET1 ratio (pre-floor ratio)	11.2				
6 Tier 1 ratio	13.8	13.9	14.3	14.4	13.9
6a Tier 1 ratio (pre-floor ratio)	13.8				
7 Total capital ratio	15.5	15.3	16.2	16.2	15.6
7a Total capital ratio (pre-floor ratio)	15.5				
<b>Additional CET1 buffer requirements as a percentage of RWA (%)</b>					
8 Capital conservation buffer requirement	2.5	2.5	2.5	2.5	2.5
9 Countercyclical buffer requirement <sup>5</sup>	-	-	-	-	-
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	2.7	3.1	3.2	3.2	2.8
<b>Basel III leverage ratio<sup>6</sup></b>					
13 Total Basel III leverage ratio exposure measure (Rm)	1 847 421	1 824 500	1 741 780	1 747 792	1 750 377
14 Basel III leverage ratio (%) (row 2 / row 13)	5.7	5.5	5.8	5.8	5.6
14a Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves)	5.7				
14b Basel III leverage ratio (%) (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	5.7				
14c Basel III leverage ratio (%) (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values for SFT assets	5.7				
<b>LCR</b>					
15 Total HQLA (Rm)	264 462	252 342	256 910	239 592	243 074
16 Total net cash outflow (Rm)	199 129	187 755	194 240	182 326	178 332
17 LCR ratio (%)	132.8	134.4	132.3	131.4	136.3
<b>NSFR</b>					
18 Total ASF (Rm)	1 058 754	1 041 279	1 018 745	1 050 581	1 040 530
19 Total RSF (Rm)	971 271	942 994	917 885	915 273	909 743
20 NSFR ratio (%)	109.0	110.4	111.0	114.8	114.4

From June 2025 to September 2025:

- CET1 available capital increased during the quarter mainly due to movements in the available for sale reserve combined with a reduction in the intangible asset deduction.
- The total capital position included the issuance of an additional tier 1 instrument of R3.0bn in July 2025 and the issuance of a tier 2 instrument of R2.5bn in September 2025.
- Leverage exposure increased R22.9bn during the quarter due to higher off-balance sheet exposures and an increase in securities financing. Refer to LR2 on page 7 for more information in the commentary.
- Refer to OV1 on page 10 for RWA commentary.
- The Bank's regulatory capital and leverage positions remained well above the minimum regulatory requirements.
- The Bank's liquidity risk position remained healthy and key liquidity metrics remained within risk appetite and above the minimum regulatory requirements.

<sup>1</sup> The fully loaded accounted ECL basis has been fully transitioned in.<sup>2</sup> The numbers exclude unappropriated profits.<sup>3</sup> Absa Bank Limited includes subsidiary undertakings, special-purpose entities, joint ventures, associates and offshore holdings.<sup>4</sup> The December 2024, March 2025 and June 2025 figures were revised to align with final regulatory submissions.<sup>5</sup> The countercyclical buffer in South Africa is currently zero and will be phased in at 1% effective 1 January 2026.<sup>6</sup> The Basel III leverage ratio disclosed above reflects the inclusion SFT exposures in the leverage exposure and in leverage exposure calculation, based on average of daily values over the quarter instead of quarter end values, in accordance with local regulatory requirements.

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

## Absa Group

	Group	
	30 September 2025	30 June 2025
	Rm	Rm
1 Total consolidated assets	2 219 332	2 158 881
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(41 776)	(39 978)
3 Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	
4 Adjustments for temporary exemption of central bank reserves	-	
5 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-
6 Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	(39 689)	
7 Adjustments for cash pooling transactions	-	
8 Adjustments for derivative financial instruments	13 896	(2 058)
9 Adjustments for securities financing transactions (i.e. repos and similar secured lending)	(21 364)	-
10 Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	153 258	130 618
11 Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(449)	
12 Other adjustments	(25 042)	(16 566)
13 <b>Leverage ratio exposure measure</b>	<b>2 258 166</b>	<b>2 230 897</b>

Absa Bank<sup>1</sup>

	Bank	
	30 September 2025	30 June 2025
	Rm	Rm
1 Total consolidated assets	1 804 364	1 744 207
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(461)	(483)
3 Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference	-	
4 Adjustments for temporary exemption of central bank reserves	-	
5 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-
6 Adjustments for regular-way purchases and sales of financial assets subject to trade date accounting	(35 213)	
7 Adjustments for cash pooling transactions	-	
8 Adjustments for derivative financial instruments	12 201	(5 052)
9 Adjustments for securities financing transactions (i.e. repos and similar secured lending)	(20 330)	-
10 Adjustments for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	110 565	100 606
11 Adjustments for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital	(306)	
12 Other adjustments	(23 399)	(14 778)
13 <b>Leverage ratio exposure measure</b>	<b>1 847 421</b>	<b>1 824 500</b>

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



## 3.3 LR2: Leverage ratio common disclosure template

	Group		Bank <sup>1</sup>	
	a	b	a	b
	30 September 2025	30 June 2025	30 September 2025	30 June 2025
	Rm	Rm	Rm	Rm
<b>On-balance sheet exposures</b>				
1 On-balance sheet exposures (excluding derivatives and SFTs, but including collateral)	1 965 320	1 975 755	1 566 777	1 572 711
2 Gross up for derivatives collateral provided where deducted from balance sheet assets pursuant to the operative	-		-	
3 Deductions of receivable assets for cash variation margin provided in derivative transactions	-		-	
4 Adjustment for securities received under securities financing transactions that are recognised as an asset	(8 923)		(9 231)	
5 Specific and general provisions associated with on-balance sheet exposures that are deducted from Tier 1 capital	-		-	
6 (Asset amounts deducted in determining Basel III tier 1 capital)	(57 895)	(56 532)	(14 629)	(15 261)
7 <b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of rows 1 to 6)</b>	<b>1 898 503</b>	<b>1 919 223</b>	<b>1 542 917</b>	<b>1 557 449</b>
<b>Derivative exposures</b>				
8 Replacement cost associated with all derivative transactions (where applicable net of eligible cash variation margin and/ or with bilateral netting) <sup>2</sup>	30 096	15 855	28 853	12 166
9 Add-on amounts for potential future exposure (PFE) associated with all derivative transactions	32 662	35 441	31 808	34 755
10 Exempted central counterparty (CCP) leg of client-cleared trade exposures	-	-	-	-
11 Adjusted effective notional amount of written credit derivative	18 151	7 083	18 151	7 083
12 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	(2 962)	-	(2 962)	-
13 <b>Total derivative exposures (sum of rows 8 to 12)</b>	<b>77 946</b>	<b>58 379</b>	<b>75 850</b>	<b>54 004</b>
<b>Security financing transaction exposures</b>				
14 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions <sup>3</sup>	126 901	122 677	116 774	112 440
15 (Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-	-
16 Counterparty credit risk (CCR) exposure for SFT assets	1 559	-	1 315	-
17 Agent transaction exposures	-	-	-	-
18 <b>Total securities financing transaction exposures (sum of rows 14 to 17)</b>	<b>128 460</b>	<b>122 677</b>	<b>118 089</b>	<b>112 440</b>
<b>Other off-balance sheet exposures</b>				
19 Off-balance sheet exposures at gross notional amount	494 608	469 876	397 728	395 517
20 (Adjustments for conversion to credit equivalent amounts)	(340 455)	(339 258)	(286 560)	(294 911)
21 (Specific and general provisions associated with off-balance sheet exposures deducted in determining Tier1 capital)	(896)		(603)	
22 <b>Off-balance sheet items (sum of rows 19 to 21)</b>	<b>153 258</b>	<b>130 618</b>	<b>110 565</b>	<b>100 606</b>
<b>Capital and total exposures</b>				
23 <b>Tier 1 capital (excluding unappropriated profits)</b>	<b>163 774</b>	<b>161 383</b>	<b>105 803</b>	<b>100 825</b>
24 <b>Total exposures (sum of lines 7, 13, 18 and 22)</b>	<b>2 258 166</b>	<b>2 230 897</b>	<b>1 847 421</b>	<b>1 824 500</b>
<b>Leverage ratio</b>				
25 <b>Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves)</b>	<b>7.3</b>	<b>7.2</b>	<b>5.7</b>	<b>5.5</b>
25a <b>Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)</b>	<b>7.3</b>		<b>5.7</b>	
26 <b>National minimum leverage ratio requirement</b>	<b>4.5</b>	<b>4.0</b>	<b>4.5</b>	<b>4.0</b>
27 <b>Applicable leverage buffers</b>	<b>0.5</b>		<b>0.5</b>	
<b>Disclosure of mean values</b>				
28 Mean value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	126 901		116 774	
29 Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	149 824		138 418	

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

<sup>2</sup> Row 8 Replacement cost associated with all derivative transactions has been reported net of deduction of cash variation margin provided in derivatives which was previously disclosed under derivatives exposure and has been moved to on-balance sheet exposure in row 3.

<sup>3</sup> Gross SFT assets are included based on average of daily values over the quarter instead of quarter end values, in accordance with local regulatory requirements.

	Group		Bank <sup>1</sup>	
	a	b	a	b
	30 September 2025	30 June 2025	30 September 2025	30 June 2025
	Rm	Rm	Rm	Rm
30 Total exposures (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 23 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	2 258 166		1 847 421	
30a Total exposures (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 23 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	2 258 166		1 847 421	
31 Basel III leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.3		5.7	
31a Basel III leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	7.3		5.7	

From June 2025 to September 2025:

- Leverage ratio exposure measure increased by R27.2bn due to a R22.6bn increase in off-balance sheet exposure, mainly due to the implementation of the revised standardised credit conversion factors, the inclusion of deductions for off-balance sheet general and specific provisions combined with growth in the underlying client activity.
- Total derivative exposures grew by R19.5bn, due to an increase in replacement cost (R14.2bn), of which R5.7bn was the cash variation margin provided which is now reported in on-balance sheet exposure in line 3, while credit derivatives increased by R11bn mainly as a result of the inclusion of total return swaps (TRS) referencing an underlying debt instrument.
- SFTs reported in line 18 of LR2 has grown by a net R5.8bn. The Bank implemented the calculation of mean values attributable to SFT exposures which is now reported on the average of daily values over the quarter rather than spot quarter end values which resulted in a new adjustment for SFT's reported in line 9 of LR1.
- The on-balance sheet exposure reported in line 1 of LR2 now includes a R39.7bn adjustment for regular-way purchases and sales of financial assets subject to trade date accounting which is also separately reported in line 6 of LR1.
- The deduction of temporary exemption of central bank reserves in line 25 is a national discretion item for use in exceptional macroeconomic circumstances and has not been implemented.
- Directive D3 of 2025, issued by the Prudential Authority, introduced a leverage ratio buffer for Domestic Systemically Important Banks (D-SIBs). This buffer was set at 50% of the Bank's higher loss absorbency (HLA) requirement (100bps HLA for the bank) and must be held in CET1 capital. This raised the minimum leverage ratio from 4% to 4.5%.



## 3.4 LIQ1: Liquidity coverage ratio (LCR)

Group <sup>1</sup>	a		b	
	30 September 2025		30 June 2025	
	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
<b>HQLA</b>				
1 Total HQLA		306 498		287 295
<b>Cash outflows</b>				
2 Retail deposits and deposits from small business customers of which:	544 319	42 169	542 257	41 815
3 Stable deposits	87 449	4 373	87 650	4 383
4 Less stable deposits	456 870	37 796	454 607	37 432
5 Unsecured wholesale funding of which:	657 327	305 262	634 250	294 880
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	188 704	44 751	187 788	44 572
7 Non-operational deposits (all counterparties)	461 531	253 419	435 434	239 280
8 Unsecured debt	7 092	7 092	11 028	11 028
9 Secured wholesale funding		3 233		3 114
10 Additional requirements of which:	405 357	53 919	395 714	48 886
11 Outflows related to derivative exposures and other collateral requirements	20 380	20 380	17 485	17 485
12 Outflows related to loss of funding on debt products	-	-	-	-
13 Credit and liquidity facilities	384 977	33 539	378 229	31 401
14 Other contractual funding obligations	1 367	1 367	1 321	1 321
15 Other contingent funding obligations	256 460	10 797	238 048	9 979
16 Total cash outflows (Sum of lines 2+5+9+10+14+15)		416 747		399 995
<b>Cash inflows</b>				
17 Secured lending (e.g., reverse repos)	75 057	15 740	66 602	15 209
18 Inflows from fully performing exposures	175 163	141 198	173 129	137 688
19 Other cash inflows	19 424	18 644	24 978	24 390
20 Total cash inflows (Sum of lines 17-19)	269 644	175 582	264 709	177 287
	Total weighted value		Total weighted value	
<b>HQLA</b>				
21 Total HQLA (Rm)		306 498		287 295
22 Total net cash outflows (Rm)		241 165		222 708
23 LCR (%)		127.1		129.0

<sup>1</sup> 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	
	30 September 2025		30 June 2025	
Bank <sup>1</sup>	Total unweighted value (average) Rm	Total weighted value (average) Rm	Total unweighted value (average) Rm	Total weighted value (average) Rm
<b>HQLA)</b>				
1 Total HQLA		264 462		252 342
<b>Cash outflows</b>				
2 Retail deposits and deposits from small business customers of which:	421 113	31 404	416 280	30 799
3 Stable deposits	87 449	4 373	87 650	4 383
4 Less stable deposits	333 664	27 031	328 630	26 416
5 Unsecured wholesale funding of which:	513 837	238 422	493 512	228 566
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks	188 705	44 751	187 788	44 572
7 Non-operational deposits (all counterparties)	319 825	188 364	297 095	175 365
8 Unsecured debt	5 307	5 307	8 629	8 629
9 Secured wholesale funding		3 233		3 114
10 Additional requirements of which:	361 843	47 042	353 417	42 801
11 Outflows related to derivative exposures and other collateral requirements	17 171	17 171	14 880	14 880
12 Outflows related to loss of funding on debt products	-	-	-	-
13 Credit and liquidity facilities	344 672	29 871	338 537	27 921
14 Other contractual funding obligations	1 367	1 367	1 321	1 321
15 Other contingent funding obligations	220 207	9 168	205 028	8 527
16 Total cash outflows (Sum of lines 2+5+9+10+14+15)		330 636		315 128
<b>Cash inflows</b>				
17 Secured lending (e.g. reverse repos)	75 057	15 740	66 602	15 209
18 Inflows from fully performing exposures	136 288	111 482	134 390	108 248
19 Other cash inflows	5 065	4 285	4 503	3 916
20 Total cash inflows (Sum of lines 17-19)	216 410	131 507	205 495	127 373
	Total weighted value		Total weighted value	
<b>HQLA</b>				
21 Total HQLA (Rm)		264 462		252 342
22 Total net cash outflows (Rm)		199 129		187 755
23 LCR (%)		132.8		134.4

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

## 4. Risk-weighted assets (RWAs)

### 4.1 OV1: Overview of RWA

	Group			Bank <sup>1</sup>		
	a 30 September 2025	b 30 June 2025 <sup>2</sup>	c 30 September 2025	a 30 September 2025	b 30 June 2025 <sup>2</sup>	c 30 September 2025
	RWA Rm	RWA Rm	MCR <sup>3</sup> Rm	RWA Rm	RWA Rm	MCR <sup>3</sup> Rm
1 Credit risk (excluding CCR)	870 092	884 931	108 762	552 643	530 739	69 081
2 Of which: standardised approach (SA) <sup>4</sup>	303 382	340 018	37 923	1 149	1 293	144
3 Of which: foundation internal ratings-based (FIRB) approach	122 238	-	15 280	121 815	-	15 227
4 Of which: supervisory slotting approach	-	-	-	-	-	-
5 Of which: advanced internal ratings based (AIRB) approach	444 472	544 913	55 559	429 679	529 446	53 710
6 CCR	41 429	19 862	5 179	22 471	17 546	2 809
7 Of which: standardised approach for CCR (SA-CCR) <sup>4</sup>	41 429	19 862	5 179	22 471	17 546	2 809
8 Of which: internal model method (IMM)	-	-	-	-	-	-
9 Of which: other CCR	-	-	-	-	-	-
10 Credit valuation adjustment (CVA)	11 014	11 644	1 377	10 137	9 167	1 267
11 Equity positions under the simple risk weight approach and the internal model method during the five-year linear phase-in period	4 366	4 256	546	2 353	2 213	294
12 Equity investments in funds – look-through approach	1 728	1 241	216	1 358	744	170
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	427	426	53	376	376	47
15 Settlement risk	1 198	1 503	150	1 138	1 429	142
16 Securitisation exposures in banking book	118	102	15	118	102	15
17 Of which: securitisation IRB ratings-based approach (SEC-IRBA)	-	-	-	-	-	-
18 Of which: securitisation external ratings-based approach (SEC-ERBA), including internal assessment approach (IAA)	-	-	-	-	-	-
19 Of which: securitisation SA (SEC-SA)	118	102	15	118	102	15
20 Market risk	60 741	57 108	7 593	32 263	35 671	4 033
21 Of which: SA <sup>5</sup>	60 741	35 853	7 593	32 263	14 416	4 033
22 Of which: internal model approach (IMA)	-	21 255	-	-	21 255	-
23 Capital charge for switch between trading book and banking book	-	-	-	-	-	-
24 Operational risk	175 652	141 496	21 957	111 609	74 902	13 951
Non-customer assets	29 281	30 408	3 660	17 286	16 642	2 161
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	21 172	22 045	2 647	10 183	10 506	1 273
26 Output floor applied (%) <sup>6</sup>	60%			60%		
27 Floor adjustment (before application of transitional cap)	-		-	-		-
28 Floor adjustment (after application of transitional cap)	-	44 642 <sup>7</sup>	-	-	23 445 <sup>7</sup>	-
29 <b>Total (1+6+10+11+12+13+14+15+16+20+23+24+25+28+non-customer assets)</b>	<b>1 219 498</b>	<b>1 221 944</b>	<b>152 440</b>	<b>764 215</b>	<b>725 762</b>	<b>95 528</b>

Group RWAs decreased by R2.4bn from June 2025 to September 2025, reflecting portfolio movements and impacts from the finalisation of the Basel III framework:

- Credit risk, including CCR, increased by R6.7bn, as a result of a change in portfolio mix as well as some wholesale exposures migrating to the FIRB approach. This was partially offset by the removal of the sovereign floor for unrated exposures and the 6% scalar.
- Market risk increased by R3.6bn due to the adoption of the revised regulatory approaches and change in risk positioning.
- Operational risk decreased by R10.5bn due to the adoption of the revised regulatory approaches and reduced operational risk requirements.

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

<sup>2</sup> The June 2025 figures were revised to align with final regulatory submissions.

<sup>3</sup> 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.

<sup>4</sup> In June 2025, ARO SFTs (R14.4bn) were reported as part of credit risk (SA). September 2025, ARO SFTs (R17.2bn) were reported as part of CCR.

<sup>5</sup> Includes RWAs under the simplified standardised approach.

<sup>6</sup> Per Circular 4 of 2025, the output floor will be phased-in as follows: 60.0% in 2025, 65.0% in 2026, 70.0% in 2027 and 72.5% in 2028.

<sup>7</sup> Includes the operational risk floor for June 2025.

Bank RWAs increased by R38.5bn from June 2025 to September 2025, reflecting portfolio movements and impacts from the finalisation of the Basel III framework.

- Credit risk increased due to changes in portfolio mix, while the migration to FIRB for some wholesale exposures was largely offset by the removal of the 6% scalar and a lower loss given default (LGD) floor for Home Loans.
- Market risk decreased by R3.4bn due to the adoption of the revised regulatory approaches.
- Operational risk increased by R13.3bn due to the adoption of the revised regulatory approaches.

#### 4.2 CMS1: Comparison of modelled and standardised RWA at risk level

	30 September 2025			
	a	b	c	d
	RWA			
	RWA for modelled approaches that banks have supervisory approval to use	RWA for portfolios where standardised approaches are used	Total Actual RWA (a + b) (ie RWA which banks report as current requirements)	RWA calculated using full standardised approach (ie used in the base of the output floor)
	Rm	Rm	Rm	Rm
1 Credit risk (excluding counterparty credit risk)	566 710	303 382	870 092	1 252 110
2 Counterparty credit risk	22 472	18 957	41 429	66 213
3 Credit valuation adjustment		11 014	11 014	11 014
4 Securitisation exposures in the banking book	-	118	118	118
5 Market risk	-	60 741	60 741	60 741
6 Operational risk		175 652	175 652	175 652
7 Residual RWA		60 452	60 452	60 452
8 <b>Total</b>	<b>589 182</b>	<b>630 316</b>	<b>1 219 498</b>	<b>1 626 300</b>

The difference between the modelled and standardised (non-modelled) approaches reflects the different methodologies under each framework. The modelled approaches incorporate internal estimates of key risk parameters such as probability of default (PD), LGD, exposure at default (EAD) and maturity, based on historical experience and risk management practices. In contrast, the standardised approach applies regulatory-prescribed parameters and risk weights. The asset classes where the difference is most notable are financial institutions, corporates, specialised lending, residential mortgages and retail other.

#### 4.3 CR8: RWA flow statements of credit risk exposures under IRB

	a	a
	30 September 2025 RWA amounts Rm	30 June 2025 RWA amounts Rm
1 <b>RWA as at end of previous quarter</b>	<b>544 913</b>	529 484
2 Asset size	(2 480)	13 560
3 Asset quality	19 677	(2 183)
4 Model updates	-	-
5 Methodology and policy	3 058	-
6 Acquisitions and disposals	-	-
7 Foreign exchange movements	(1 546)	(990)
8 Other <sup>1</sup>	3 088	5 042
9 <b>RWA as at end of reporting period</b>	<b>566 710</b>	544 913

RWAs increased mainly driven by a shift in the portfolio mix, with increased exposure to emerging market banks, corporates, and small and medium enterprises (SME) corporate clients; partially offset by maturities in government security investments.

The implementation of the Basel III finalisation reforms further contributed to higher RWA, driven by the migration of exposures from the AIRB to the FIRB approach, which applies more conservative prescribed LGD parameters for some wholesale asset classes. The overall increase was, however, partially offset by the removal of the 6% scalar and the reduction in the LGD floor for retail mortgages.

#### CVA4: RWA flow statements of CVA risk exposures

	a
	30 September 2025 RWA amount Rm
1 <b>Total RWA for CVA at previous quarter-end</b>	<b>11 644</b>
2 <b>Total RWA for CVA at end of reporting period</b>	<b>11 014</b>

The Group applies the Basic Approach for CVA. CVA decreased primarily due to risk position changes and the adoption of the revised regulatory approach.

<sup>1</sup> Other reflects RWA movements on non-performing loans due to differences in the definition of default between IFRS 9 impairment and regulatory capital models.

## 5. 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

EAD	exposure at default
ECL	expected credit loss
ERC	Group Executive Risk Committee
ERMF	Enterprise Risk Management Framework

### F

FIRB	foundation internal ratings-based
FRTB	fundamental review of the trading book

### G

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

### H

HLA	high loss absorbency
HQLA	high quality liquid assets

### I

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

### L

LCR	liquidity coverage ratio
LGD	loss given default

### M

MCR	minimum capital requirements
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### N

NSFR	net stable funding ratio
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### P

PD	probability of default
PFE	potential future exposure

### 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
SFT	securities financing transaction
SME	small and medium enterprises

### T

TRS	total return swap
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### V

VAF	vehicle asset finance
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# Contact information

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