



Absa Group Limited

Sustainability and
Climate Report 2025

Your story matters



The global sustainability and climate context in 2025

A world in transition

The global sustainability and climate landscape in 2025 reflects a growing shift in financial institutions, support of long-term resilience, inclusive growth, and climate action. Market sentiment has become more discerning, with stakeholders expecting credible transition plans, useful data, and evidence of real economic impact, rather than broad environmental, social and governance (ESG) positioning.

Recent developments in the Middle East have underscored vulnerabilities in global energy security and economic stability, reinforcing the focus on renewable energy and broader social and economic transformation.

Regulatory expectations rising

Regulatory momentum continues to embed climate as a systemic financial and prudential risk. In South Africa, the Climate Change Act of 2024 (Act 22 of 2024) introduced binding carbon budgets and emissions limits, raising expectations for transparency, governance, and transition readiness across sectors.

Africa's structural realities and potential

For Africa, global shifts intersect with certain risks and opportunities. Climate vulnerability, adaptation gaps and development constraints persist, as well as potential for renewable energy, sustainable agriculture, regional trade, and digitally enabled growth. For African banks, sustainability remains an important contributor for growth, resilience, inclusion, and long-term competitiveness.

Context for global engagement

South Africa's 2025 Group 20 Presidency (G20) provided a platform to elevate African priorities in global governance.



Absa's Business 20 (B20) leadership: Shaping a sustainable future for Africa and beyond

South Africa hosting the G20 Presidency for the first time was historic. As a sponsor, Absa Group Limited (the Group / Absa) was more than a participant, and could demonstrate **leadership, advocacy, and impact**. We leveraged the B20 and G20 platforms to position Africa as a key player in shaping global economic priorities.

Impact in Action

Setting the tone: Cape Town launch

The B20 launch event was held in Cape Town in February 2025, where Absa was a lead diamond sponsor. This positioned us as a strategic voice in global business, championing Africa's growth potential, inclusive digital transformation, and sustainable finance. We committed to building a constructive narrative that reflected Africa's priorities in global economic governance.

Driving gender equity and financial inclusion

Through the G20 Empower Alliance, Absa reinforced the urgency of closing gender gaps in leadership, finance, and skills. Hosting the Empower Alliance launch cemented our role as a strategic partner in South Africa's G20 Presidency. This event was followed by five additional Financial Alliance for Women (FAW) engagements, including the FAW Summit, which convened leading financial institutions to champion financial inclusion for women-led small- medium- and micro-sized enterprises (SMMEs) globally. These efforts aligned with the G20 Social Summit's focus on people-centred development and strengthened Absa's reputation as a private-sector leader bridging social priorities with economic transformation.

Advancing trade and investment

Through the B20 Trade and Investment Task Force, Absa advocated for reforms to strengthen multilateral trade systems, fast-track African Continental Free Trade Area implementation, and promote climate-responsive trade frameworks. We co-hosted a high-impact side event on trade and investment, featuring Absa leaders who showcased innovative trade finance solutions to empower small- and medium-sized enterprises (SMEs) and women-led businesses. These engagements amplified Africa's voice in global trade discussions and positioned Absa as a thought leader driving inclusive growth.

Policy influence and global advocacy

Our contributions culminated in Group Executive: Africa Regions, Charles Russon, handing over B20 policy recommendations to the G20 Presidency. These recommendations will shape G20 priorities on inclusive growth, sustainability, and innovation. Absa's involvement spanned eight B20 task forces, including Digital Transformation, Energy Mix and Just Transition, Sustainable Food Systems and Agriculture, Finance and Infrastructure, and six G20 working groups.

Thought leadership on the global stage

Absa's presence at the Bloomberg Business Summit and B20 Summit underscored our stature as a respected African voice in international business. Our Group Chief Executive Officer called for greater transparency and reforms in global capital markets to recalibrate perceptions of African risk and unlock funding for infrastructure and development.

Our legacy

As we close this historic chapter, one truth stands out: **collaboration, innovation, and inclusivity** are the cornerstones of a sustainable future. Through the G20 and B20 platforms, Absa has demonstrated its commitment to Africa's growth and global integration, empowering communities, influencing policy, and driving climate action.

Together, we are **Empowering Africa's tomorrow, together ... one story at a time**

To explore more about our G20 and B20 journey, visit the [Absa G20 and B20 Hub](#) or [follow our journey on LinkedIn](#).



Understanding the forces shaping our 2025 focus

From shifting global sustainability expectations to Africa's amplified voice through the G20 Presidency and B20 leadership, these developments highlight the importance of robust, decision useful sustainability disclosures. Therefore, this report outlines our material sustainability and climate-related matters.

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United Nations Sustainable Development Goals (SDGs)

We prioritise six SDGs where the Group makes the most significant contribution and impact:





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Our Group annual reporting suite

We apply double materiality (financial and impact)

Sustainability and Climate Report

Our Sustainability and Climate Report communicates our approach, performance and impact on material sustainability, including climate-related matters. It conveys our journey and progress in understanding and addressing sustainability and climate-related risks and challenges, while unlocking new opportunities.

The Principles for Responsible Banking Report (PRB) in annexure 2 aligns with the latest PRB disclosure guideline.

Dynamic thinking guides our materiality approach, with different materiality lenses applied to different reporting subsets.



Dynamic thinking¹



We apply financial materiality

We apply double materiality (financial and impact)

We apply financial materiality

Financial and risk disclosures

We report on matters that relate to financial performance and related risks, including assumptions and cash flow projections.



Annual Consolidated and Separate Financial Statements



Pillar 3 Disclosure



Financial Results Booklet



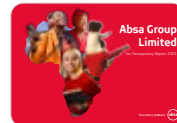
Results Presentation

Environmental, social and governance (ESG) disclosures

We report on matters that reflect Absa's significant impacts on the economy, environment and people.



Remuneration Report



Tax Transparency Report



Broad-Based Black Economic Empowerment Report



King V Disclosure Framework (King DF)



Notice of Annual General Meeting



Integrated Report

Our primary report to the market where we tell a holistic, forward-looking story about value creation and preservation. The report includes information on material sustainability impacts that influence enterprise value or affect our business model.

We welcome your input in shaping our sustainability journey. Suggestions can be sent to sustainabilitymatters@absa.africa

¹ Absa may have positive and/or negative impacts on prosperity, people and the planet. However, only a subset of these impacts affects our business model, thereby creating or eroding enterprise value and influencing returns to providers of financial capital (financial materiality).

About our Sustainability and Climate Report

Scope and boundary

This report communicates our material sustainability and climate-related matters through the lens of double materiality. It is a supplement to our 2025 Integrated Report.

The report covers the period from 1 January 2025 to 31 December 2025, but includes notable or material events after this period up to the report's approval date. The financial and non-financial data provided in this report pertains to the Group as the reporting entity, which includes all entities over which the Group has control or significant influence.

Our sustainability and climate reporting boundary extends to the Group, which includes our Africa Regions Personal and Private Banking and Business Banking (Africa Regions) markets. In some cases, environmental and social boundaries only encompass South African (SA) operations and are noted as such.



Materiality determination

This report uses double materiality (the union of financial materiality and impact materiality) to scope the matters that are significant for reporting and servicing the information needs of our stakeholders. Our approach to double materiality enables our business to identify the material sustainability factors, prioritise them and understand how we can integrate our response to financial and impact material matters.

Diving deeper: [Our sustainability-related material matters](#)



Currency, measurements and methodologies

All amounts in this report are in South African rand unless otherwise noted.

Measurements in this report are metric.

Our methodologies and terms are included in the annexures.

Diving deeper: [Methodologies and terms](#)

Reporting frameworks, standards and guidance we comply with, we align to and consider

Our approach to reporting focuses on the needs of our stakeholders.

We prioritise six United Nations Sustainable Development Goals (SDGs) where the Group makes the most significant contribution and impact.

We comply with:

- Companies Act, No. 71 of 2008 (as amended) (the Companies Act)
- Banks Act, No. 94 of 1990 (Banks Act)
- Johannesburg Stock Exchange (JSE) Listings Requirements
- JSE Sustainability and Climate Disclosure Guidance
- IoDSA King V™ Report on Corporate Governance for South Africa, 2025 (King V)*
- Principles of the Financial Sector Guidance
- United Nations Global Compact Principles.

We align with:

- Global Reporting Initiative Standards
- Greenhouse Gas (GHG) Protocol.

We consider:

- IFRS® Sustainability Disclosure Standards S1 (IFRS S1)
- IFRS® Sustainability Disclosure Standards S2 (IFRS S2)
- Corporate Sustainability Reporting Directive.

Assurance

We apply a risk-based, combined assurance approach to the Group's operations. Internal controls, management assurance, compliance and internal audit reviews, supported by independent external service providers, ensure the accuracy of disclosures within our published reports. In line with their respective mandates, specific reports are reviewed and recommended to the Board of Directors (Board) for approval by the Disclosure, Social Sustainability and Ethics, Remuneration, Directors' Affairs, Group Audit and Compliance, and Group Risk and Capital Management Committees.

Deloitte & Touche conducted limited assurance on selected information included in this report in accordance with the International Standards on Assurance Engagements (ISAE) issued by the International Auditing and Assurance Standards Board:

- ISAE 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information
- ISAE 3410, Assurance Engagements on Greenhouse Gas Statements.

The full scope of work, procedures, responsibilities and assurance conclusion is outlined in the **assurance certificate section**.

Oversight and approval of the report

The accountability for our sustainability and reporting is part of the Social, Sustainability and Ethics Committee's (SSEC) mandate. On behalf of the Board, the committee is of the opinion that this report presents a fair and balanced view of our sustainability and climate disclosures.

The SSEC approved the report on 23 March 2026.

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Group Chief Executive Officer's message



We aim to drive resilient growth, create long-term value, and respond to Africa's societal and climate priorities in ways that are relevant to our customers and our business.

Kenny Fihla,
Group CEO

Repositioning sustainability as a driver of value creation

2025 marked a period of consolidation as we refreshed our Group strategy, and subsequently our Sustainability Framework, to respond to an evolving global sustainability landscape and Africa's development realities. Rising regulatory expectations, changing market conditions, and the need to mobilise credible climate solutions highlighted the importance of coordinated sustainability efforts.

Through this focus, we aim to drive resilient growth, create long-term value, and respond to Africa's societal and climate priorities in ways that are relevant to our customers and our business. Our sustainability efforts are customer-led and informed by our refreshed Group strategy, integrating sustainability across our strategic pillars as an enabler of value creation over time.

Key sustainability highlights

Mobilising sustainable finance

We mobilised R53.5 billion in sustainable finance during the year, marking our highest contribution to date. These funds were channelled into renewable energy, climate-resilient infrastructure, and transition-aligned sectors. This achievement includes R15.9 billion raised through social finance initiatives across our markets. Our sustainable finance drive is creating broad value by supporting customer transitions, reinforcing Absa's role in financing Africa's green economy.

We set a new ambition to mobilise between R350 billion and R400 billion in sustainable finance by 2030 from 2021. This reflects the momentum gained since 2021 and the scale of investment required to support Africa's transition in line with rising demand for sustainable financing solutions.

Advancing financed emissions and decarbonisation

We advanced our decarbonisation efforts by refining financed emissions calculations in road transport and real estate. This improved our understanding of sector-level emissions drivers, enabling conditions, and technology readiness dynamics.

Reducing operational emissions

We refined our operational emissions footprint, including Africa Regions, improving baseline accuracy and methodological consistency. This enabled clearer tracking against our net zero pathway and more targeted operational interventions. As a result, we achieved a 45% reduction in operational emissions, supported by improved data inputs, energy efficiency measures, and increased use of renewable energy.

Strengthening ESG data and governance

We continued to strengthen the quality, consistency, and governance of our ESG data to support sustainability disclosures and decision-making. This is underpinned by the continued deployment of a Group-wide ESG data programme, focused on standardising definitions, improving data collection processes, and strengthening accountability across businesses and geographies.

Enhancing disclosure credibility and assurance

Refinements to methodologies, including improved coverage across our markets and enhanced assurance processes, have strengthened the credibility and comparability of our disclosures. This supports alignment with evolving global reporting and regulatory expectations and provides a foundation for tracking progress against our priorities and integrating sustainability into business decisions.

Looking ahead

- **Ongoing monitoring of financed emissions:** We continue to acknowledge data quality gaps where emissions are indirect and outside the Group's control, while improving our methodologies over time to support transition planning and decision-making.
- **Customer-led decarbonisation:** Decarbonisation remains a priority, with a focus on customer-led transition delivery. We will continue working with customers to support transition pathways aligned with Africa's development needs.
- **Mobilising capital for development and social impact:** We will continue to mobilise capital in support of Africa's development priorities, balancing climate considerations with social impact to support inclusive growth, resilience, and long-term value creation.
- **Strengthening data quality and disclosure:** We will continue embedding our ESG data programme to improve coverage, consistency, and comparability of ESG data across our markets and portfolios.



Absa at a glance

We are a purpose-led financial services provider that has operated in Africa for over 130 years. We are present in 12 countries across Africa and four countries beyond the continent. We play an integral role in the economic life of individuals, businesses, and nations. We help create, grow, and protect wealth through partnerships in economic development while playing a shaping role in Africa's growth and sustainability.

Our purpose

Empowering Africa's tomorrow, together ...
one story at a time

Our ambition

To be a leading pan-African bank

Our values

Our values help shape our culture and guide our behaviour, influencing how our employees, customers and stakeholders feel about interacting with us.



Trust

We believe in ourselves and each other



Resourceful

We innovate for our colleagues, customers and communities



Stewardship

We take actions today that sustain tomorrow



Inclusion

We are stronger together



Courage

We show up as our authentic selves and own our story

Advancing our sustainable journey: From foundation to impact across the Group



Africa Regions

Botswana

Ghana

Kenya

Representative
offices

Namibia

Nigeria

Mauritius

Mozambique

Seychelles

Securities
entities

United Kingdom

United States
of America

South Africa

Tanzania

Technology support
operations

Czech Republic

Uganda

Zambia

General advisory
support

People's Republic
of China

Sustainability snapshot

**37 033**

employees (2024: 36 779)

**13.1 million**

customers (2024: 12.6 million)

**61%³**AIC¹ Board members (2024: 50%)**54%³**

Women on the Board (2024: 50%)

**39.9%^{LA-EA}**Women in senior leadership
(2024: 39.7%)**B-BBEE Level 1****R53.5 billion**Sustainable finance² (2024: R49.2 billion)**45%**Own carbon emissions reduction
(2024: 43.6% restated)**R15.9 billion**

ESG bonds (2024: R10.9 billion)

**CDP rating: B**

CDP Disclosure (2024: B rating)

**91st percentile**

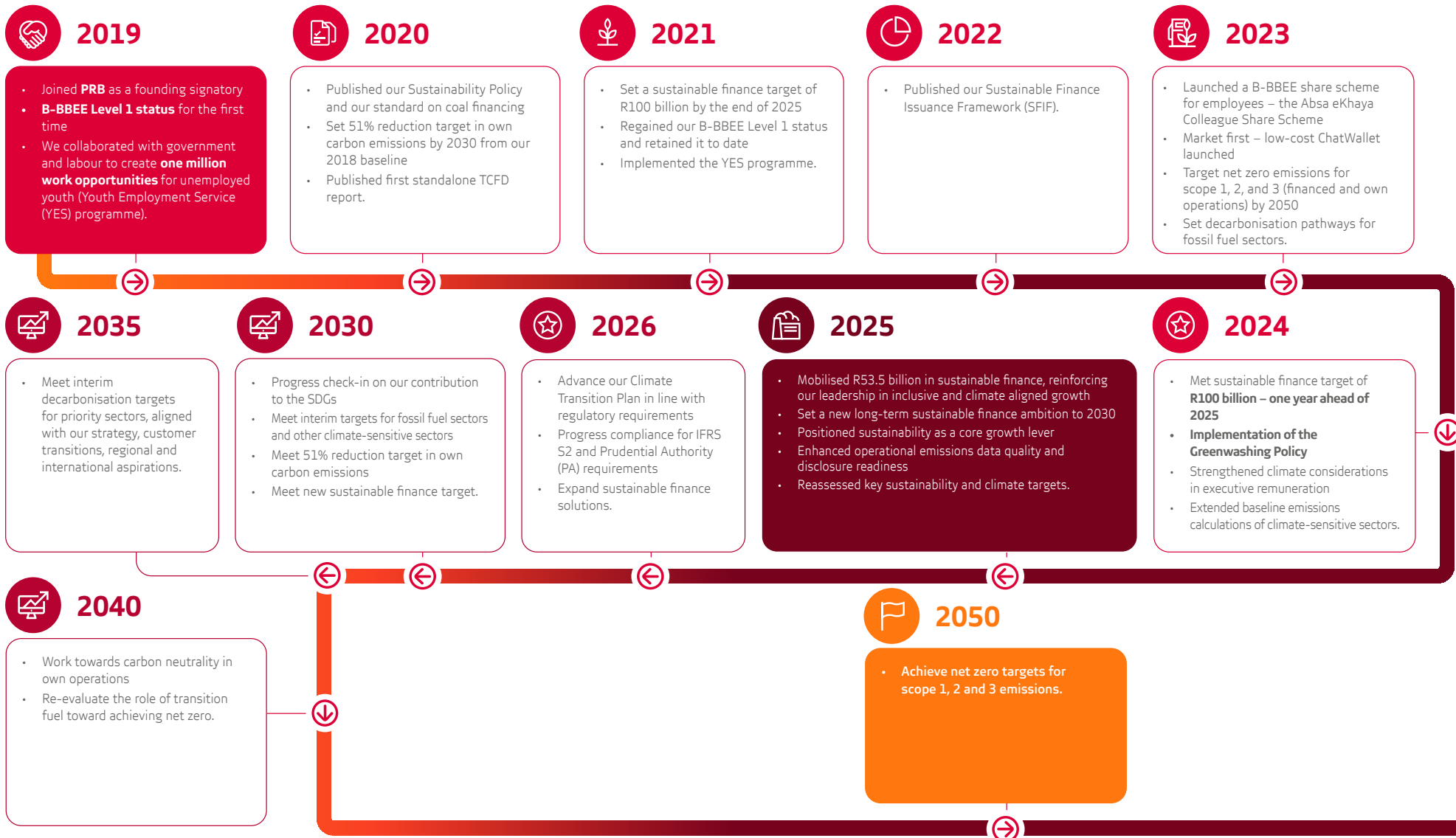
S&P Global rating (2024: 90th)

¹ African, Indian and Coloured.

² Climate = R37.5 billion, social = R15.9 billion.

³ Board diversity as at 31 December 2025.

Our sustainability and climate action journey



Sustainability progress in 2025

The Group continued to embed sustainability into core business and risk processes. We focused on improving data quality, refining methodologies, responding to customer needs and expectations, and aligning actions with regulatory and stakeholder requirements. These elements strengthen the foundation for future delivery and the link between sustainability and customer outcomes.

Environmental and climate action

2024 commitments carried forward

Expand baseline emissions calculations across climate-sensitive sectors.

Enhance climate risk assessment in line with IFRS S2 and Prudential Authority guidance.

- Progress sector-level transition planning
- Maintain renewable energy financing leadership
- Strengthen sustainability data systems
- Provide transparent updates on fossil-fuel pathways and expected decarbonisation.

2025 update

- **Sector baselines:** Baseline work for road transport and real estate advanced, improving representation of sector starting points. We were unable to initiate interim targets for the transport sector as planned, due to limitations in emissions data availability, industry-wide data challenges, and the absence of clear regulatory guidance.
- **Operational emissions:** The operational baseline was updated using higher-quality inputs.
- **Agriculture emissions:** Methodology development progressed, but data constraints prevented completing emissions calculations.
- **Climate risk:** Scenario analysis and stress testing were aligned with regulatory expectations. Exploratory analysis was conducted for South Africa. Heatmaps for physical and transition risk impacts were produced.
- **Sustainable finance:** The Group met the R100 billion by 2025 target ahead of schedule and set a new ambition of between R350 billion and R400 billion by 2030, from 2021.
- **Fossil fuels:** Oil and gas targets were updated using refined methodologies and improved data inputs.



Cross-cutting enablers

2024 commitments carried forward

- Advance ESG data and digital integration
- Strengthen partnerships that support sustainability outcomes
- Improve transparency and performance measurement.

2025 update

- **Data and insights:** Ongoing improvements in sustainability and risk insights continue to strengthen understanding of customer needs, opportunities and emerging exposures.
- **Digital enablement:** Continued rollout of ESG-related digital tools supporting integration and more consistent execution across the Group.
- **Partnerships:** Engagements with Development Finance Institutions (DFI), regulators and industry bodies supported more consistent sustainability practices across our markets.

Social impact (financial inclusion, corporate citizenship and diversity, equity, inclusion and belonging (DEIB))

2024 commitments carried forward

Expand access for underserved customer groups, including youth, women and small-medium enterprises (SMEs).

- Strengthen supplier inclusion and ESG-aligned procurement
- Support enterprise growth and local economic resilience
- Progress DEIB and citizenship commitments.

2025 update

- **Inclusive access:** Digital channels, simplified products and targeted propositions expanded access, including for youth and women entrepreneurs.
- **Enterprise support:** Supplier and enterprise development progressed through capability-building and more consistent integration of sustainability considerations in procurement.
- **Community programmes:** Initiatives in inclusive agriculture, entrepreneurship and local participation continued, with early indications of improved resilience in certain communities.
- **Housing access:** Affordable housing remained a focus. Affordability constraints influenced origination volumes and required prudent risk alignment.
- **Financial inclusion:** Digital onboarding and simplified journeys supported continued expansion of access across customer segments.
- **SME inclusion:** ESG-aligned SME solutions continued linking capability support with access to funding.
- **DEIB and citizenship:** DEIB principles were further embedded across workforce initiatives, supplier inclusion and community partnerships.



Governance and risk management

Focus on standards and framework alignment, data governance and structured engagement

2024 commitments carried forward

- Advance IFRS S1/S2 readiness
- Strengthen ESG data governance and traceability
- Embed sustainability in risk oversight
- Refine sustainability-linked incentives
- Maintain structured stakeholder engagement.

2025 update

- **Disclosure readiness:** IFRS S1/S2 work progressed through roadmap execution, with improvements in modelling and supporting data processes.
- **Data governance:** Traceability and reliability improved through continued enhancements to ESG-related data governance.
- **Incentives:** Sustainability components of the Organisational Health metrics continued evolving.
- **Stakeholder engagement:** Engagement with civil society, industry bodies and regulators supported a clearer understanding of methodologies and transition planning.

Sustainability progress in 2025 continued

Sustainability recognition and awards

We continue to be recognised for the meaningful progress we make and the tangible pan-African impacts we deliver to shape the next phase of the continent's growth. These awards are a testament to our leading role in sustainability as demand for sustainable finance and impact-led capital solutions accelerates.

Global Finance: Sustainable Finance Awards 2026



- Best Bank for Sustainable Finance in Africa: Overall Regional Winner
- Best Impact Investing Solution in Africa
- Best Bank for Sustainable Infrastructure/Project Finance in Africa
- Best Bank for Green Bonds in Africa
- Best Bank for Sustainable Finance in South Africa.

World Economic Awards 2026



- Best Investment Bank in South Africa and Ghana
- Most Innovative Bank in Kenya and Mauritius.

Impact Awards 2025



- Environmental Project/Investment of the Year: Renewables – Red Sands Battery Energy Storage System (BESS).



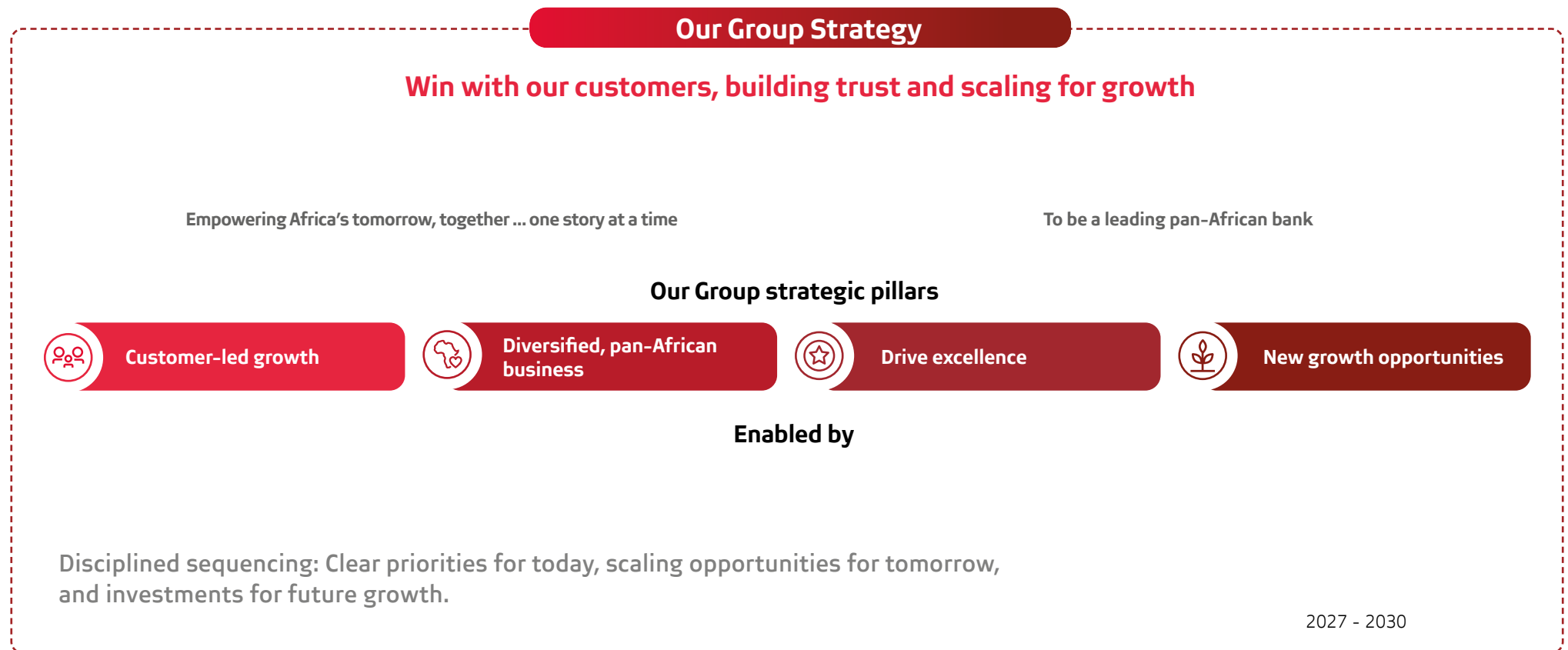
Strategy

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Our strategic context

In a year marked by geopolitical shifts, evolving regulatory requirements and intensifying competition, Absa introduced a refreshed, future-fit Group strategy. The Group strategy is anchored on four strategic pillars that guide our decisions and shape our capital allocation. We are simplifying the Group, strengthening cost and capital discipline, and prioritising investment in businesses with sustainable competitive advantage.

Our Sustainability Framework reinforces the Group strategy by supporting long-term value creation, inclusive finance and environmental and climate action. The refreshed Group strategy and Sustainability Framework redefine how we assess risk, identify opportunities and manage our broader environmental and social impact.



Diving deeper: **Integrated Report**

Our sustainability approach

We approach sustainability based on global and African market shifts, stakeholder expectations, and our commitment to long-term value creation. We prioritise areas where we can deliver the greatest impact and that align with the UN SDGs.

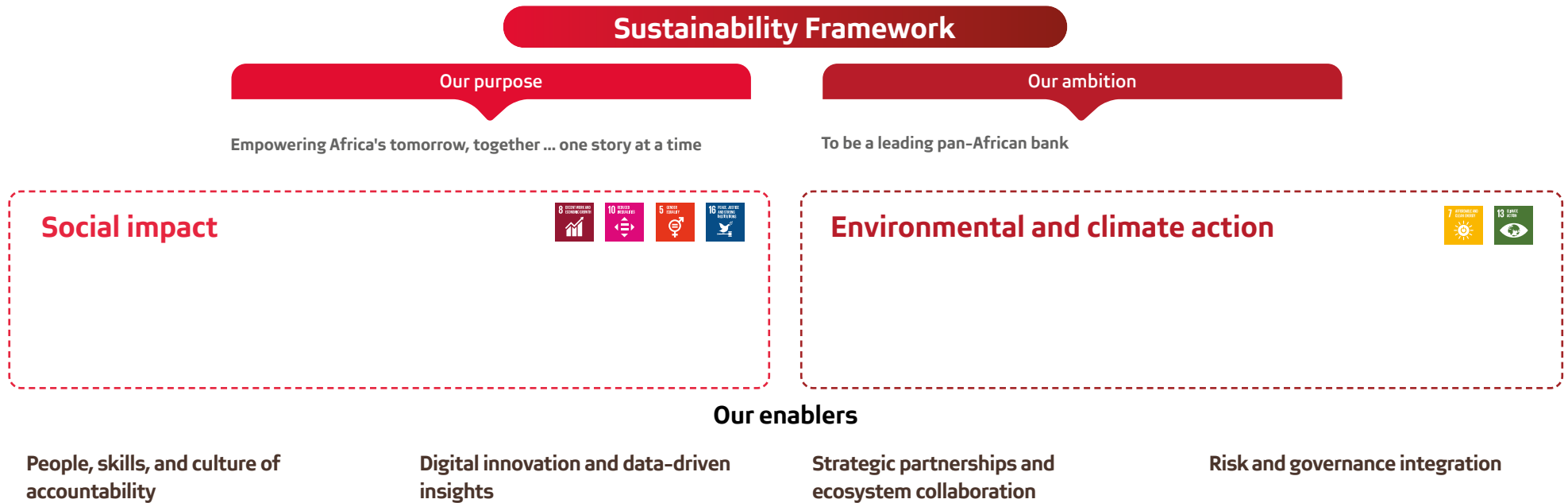
During 2025, we directed R53.5 billion towards sustainable financing, reflecting our commitment to mobilising capital at scale to support inclusive growth and a just transition.

We have transitioned from a three-pillar model to a focused, integrated two-pillar Sustainability Framework:

Social impact – Advancing inclusive finance, socio-economic development, and equitable access to financial services across our markets, including support for transformation, broad-based black economic empowerment, and community investment.

Environmental and climate action – Supporting a just transition to a low-carbon economy through sustainable finance, climate risk management, and operational decarbonisation.

This shift strengthens our focus on value creation, aligning sustainability with our commercial strategy, capital allocation decisions, customer engagement and long-term risk management. It brings greater clarity to our priorities, enhances reporting consistency, and supports scalable delivery.



Our Sustainability Framework aligns with the Group's enterprise risk management approach and supports the refreshed Group strategy. We use scenario analysis and stress testing to assess resilience under a range of plausible future conditions. This enables us to evaluate the potential impacts of climate-related, macroeconomic and transition risks on the Group's strategy, risk profile and business model, and to inform strategic choices, including risk appetite considerations and capital allocation. This approach ensures the Group's strategy remains resilient across different operating environments, reflecting African market realities.

Diving deeper: [Risk management: Scenario analysis and stress testing](#)

Sustainability as a driver of the Group strategy

We tailor sustainability solutions to customer needs, informed by sector-specific dynamics and opportunities for impact. Sustainability contributes directly to execution across all Group strategic pillars.



Customer-led growth

Inclusive solutions, sustainability-linked products, and customer transition support enhance trust, relevance and customer experience.



Diversified pan-African business

We finance renewable energy, resilient infrastructure and sustainable agriculture; expand financial inclusion; and support communities across African markets.



Drive excellence

We integrate sustainability within governance, risk management, operations, and conduct; strengthen ESG data; and improve own-operations emissions accuracy.



New growth opportunities

We develop climate-smart, nature-positive and ESG-enabled solutions, leveraging digital innovation to unlock new business pathways.



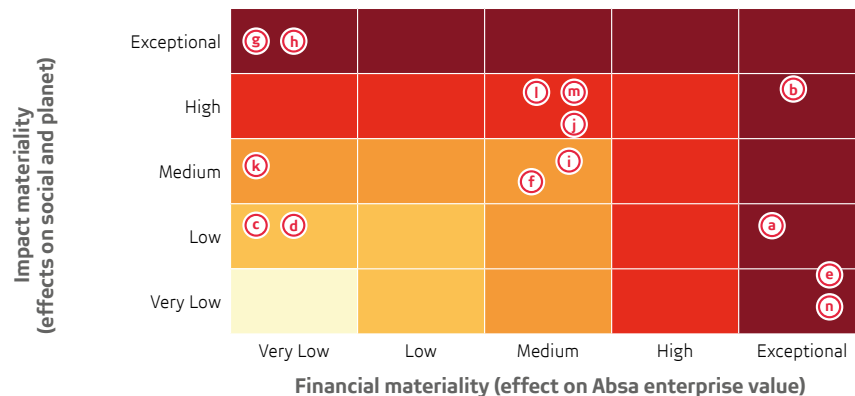
Our sustainability-related material matters

Our approach to materiality is anchored in the principle of double materiality, recognising that sustainability issues affect our enterprise value and shape our broader social and environmental impact.

Each year, we reassess our material matters, guided by global standards, regulatory developments, stakeholder expectations and African market realities. Our materiality determination aligns with the Group's double materiality methodology and governance process. For the full process, criteria, oversight and prioritised material matters, refer to the material matters section of the Integrated Report.

These material matters directly inform our Sustainability Framework, and ensure our priorities respond to what is most significant to our stakeholders and our long-term value creation ambitions and support our prioritised SDGs.

Medium- to long-term view, pre-management actions



ESG Impacts

- | | |
|---|--|
| (a) Climate change physical impacts | (h) Social/political unrest and polarisation |
| (b) Climate transition impacts | (i) Supply chain disruption |
| (c) Biodiversity loss and ecosystem collapse | (j) Household and SME distress |
| (d) Water scarcity and resource depletion | (k) Misinformation |
| (e) Fossil fuel reliance | (l) Cyber- and data security |
| (f) Energy crises | (m) Ethical AI use |
| (g) Rising inequality, unemployment, social exclusion | (n) Debt crises |

Rank	Material matters	Link to specific ESG impacts
①	Geopolitical and sovereign risk exposure	(d) (h) (i) (l) (n)
②	Earnings momentum and customer-led trust	(d) (f) (j) (g) (h) (k)
③	Evolving regulation and compliance requirements	(b) (c) (e) (g) (j) (k) (l) (m) (n)
④	Digital advances, disruption and stewardship	(k) (l) (m)
⑤	Culture transformation and talent care	
⑥	Climate change and a just transition	(a) (b) (c) (d) (e) (f)

The material matters are integrated into our risk management, strategy and governance processes, with relevant metrics and targets reflected on our balanced scorecard.

Balancing multiple priorities

Delivering our sustainability ambition across a diverse African footprint requires thoughtful choices and disciplined trade offs. We focus on initiatives that align with the Group strategy and create value over the short and long term. This includes scaling sustainable and transition finance in sectors central to Africa's development and expanding inclusive finance solutions for underserved communities.

We recognise the need to progress our transition agenda while supporting energy security and economic stability in our markets. Real-world constraints, such as capital and data limitations and differing regulatory environments, need a measured and pragmatic approach. We continue to embed sustainability into strategic decision-making to strengthen value creation, support customers and enhance long-term resilience.

Diving deeper: **Integrated Report**

Our stakeholders

We adopt a stakeholder-inclusive approach that turns insight into meaningful action and value creation. Stakeholder expectations shape our priorities and guide delivery, while our sustainability governance model ensures priority issues reach the right leadership levels for timely, accountable decisions. Our engagements are purposeful, transparent and outcome-focused, enabling us to anticipate risks, strengthen trust and advance our sustainability ambition.

We prioritise ongoing, meaningful dialogue with customers, colleagues, industry partners and broader stakeholders to identify shared priorities and translate them into practical action.

Stakeholder group	Why they matter	How we engaged	Outcomes
Customers	Their trust, financial wellbeing and transition readiness enables long-term resilience.	Relationship engagement, advisory dialogues and customer-service solutions that support fair outcomes.	Improved insight into customer transition needs and ESG priorities through targeted survey questions on financing and working capital, complemented by open-ended questions on emerging business needs, enabling informed customer support.
Regulators and policymakers	They define prudential regulatory and conduct expectations that enable responsible financing, ethical business practices, trust, and sustainable long-term value creation.	We have a structured regulatory stakeholder engagement framework to identify, escalate and resolve critical issues impacting responsible financing, market stability and financial sector growth.	We continue to play a leading role at industry engagements hosted by the PA to influence policy positions.
Investors and analysts	Their confidence influences capital access, valuation and perceptions of sustainability performance.	Supported investor confidence and ESG evaluations through transparent sustainability data, with sustainability performance embedded in Group results narratives.	We engaged investors through a targeted investor booklet showcasing progress against priority areas and reinforcing confidence in execution and long-term value creation.
Colleagues (employees)	Our people drive culture, innovation and delivery of sustainability priorities.	Targeted communication, sustainability learning and capability-building initiatives that build awareness and shared ownership.	Engaged close to 4 800 colleagues through sustainability townhalls and a further 8 000–10 000 colleagues monthly through interactive campaigns, strengthening sustainability awareness and capacity building.

Our stakeholders continued

Stakeholder group	Why they matter	How we engaged	Outcomes
Communities and society	They shape the social, economic and environmental conditions within which Absa operates.	Community partnerships, social-impact programmes, youth development initiatives and financial-education efforts.	Advanced financial inclusion and community development by reaching over 200 young professionals and entrepreneurs (72% women, 68% youth), strengthening financial literacy, governance capability and entrepreneurship readiness, with additional indirect reach through community platforms, including Seat At the Table.
Civil society, media and advocacy groups	They shape public expectations, strengthen accountability and influence trust.	Senior-level media roundtables and structured civil society engagements on sustainability disclosures and transition priorities.	Civil society and media engagements shifted external dialogue toward greater understanding and credibility, contributing to clearer sustainability narratives, positive media sentiment and a successful Annual General Meeting (AGM)..
Suppliers, Small, medium, micro enterprises (SMMEs) and value-chain partners	They enable transformation, enterprise development and supply-chain resilience.	We engaged SMMEs through platforms such as WECONA, creating structured dialogue to understand enterprise needs, barriers to growth, and opportunities for inclusive participation in the value chain.	Improved SMME bankability through closer relationship-based engagement, informing more responsive support, stronger market access, and increased participation in Absa-enabled value chains.
Development finance institutions and global partners	They unlock capital, expertise and partnerships essential for climate and development outcomes.	We engaged through active participation in United Nations Environment Programme Finance Initiative (UNEP FI), International Finance Corporation (IFC) and World Economic Forum (WEF) platforms, including side events, webinars and working discussions, contributing perspectives to shape global social and sustainability initiatives relevant to emerging-market banking.	Expanded access to development capital while strengthening Absa's credibility and influence in global sustainability forums, enabling the Group to help shape social and sustainability priorities and reinforce its role as an enabler of sustainable finance.

By collaborating with these stakeholders, we can align our commitments with societal expectations and address emerging risks and opportunities.

Our stakeholders continued

2025 stakeholder highlights

Absa partnered with Business Unity South Africa and the Banking Association of South Africa as an associate sponsor and contributor to the Sustaining Progress Conference 2025, a national platform focused on translating global climate and biodiversity commitments into practical, inclusive action. Senior Absa leaders participated in a dialogue with entrepreneurs, SMMEs, and women-owned businesses. The engagement positioned Absa at the centre of business-led sustainability dialogue in South Africa, linking sustainability and inclusive growth to real-economy outcomes.

We have deepened engagement with SMMEs and entrepreneurs, informing more inclusive transition and enterprise-development approaches. Below are some of our 2025 key stakeholders engagement highlights.

Industry engagement

Real Estate Industry Summit: Strengthened sector readiness for sustainable property finance by aligning on climate resilient standards.



Government and policymaker engagement

WEF 2025: Strategic dialogues on inclusive growth and climate innovation reinforced Absa's voice in Africa's transition agenda.



Colleague engagement

Sustainability Immersion and Innovation Challenge generated over 170 sustainability ideas, deepening ESG awareness and collaboration.



Looking ahead

Building our foundation in 2026

In 2026, we aim to further embed sustainability across the Group, strengthening its contribution to customer-led growth, trust and resilience. Our focus includes reinforcing core capabilities, continuing to explore customer-centric climate and social solutions, and enhancing digital and ESG data capabilities to improve transparency and decision-making. We also expect to deepen customer transition support through sector-led engagement and sustainable finance, alongside inclusive finance solutions for SMEs, youth and women.

Preparing for scaled delivery beyond 2027

Beyond 2027, we anticipate a period where delivery can scale more meaningfully. As our capabilities further mature, sustainability-linked offerings may expand across markets, supported by stronger impact and value creation enabled by digital platforms and strategic partnerships. We also expect to progressively advance sector-specific capabilities, supporting more consistent execution and impact across our markets.

Enabling long-term value and customer impact

We aim to support sustainable value creation across the continent by deepening our service and partnerships with customers. Therefore, we are strengthening internal and external alignment around clear acceleration points, piloting customer-centric sustainability products, deepening sector-specific capabilities, and elevating customer experience as a core enabler of growth. Existing stakeholder relationships and partnerships, will enable us to focus on where we can create the greatest impact for customers and the broader ecosystem.

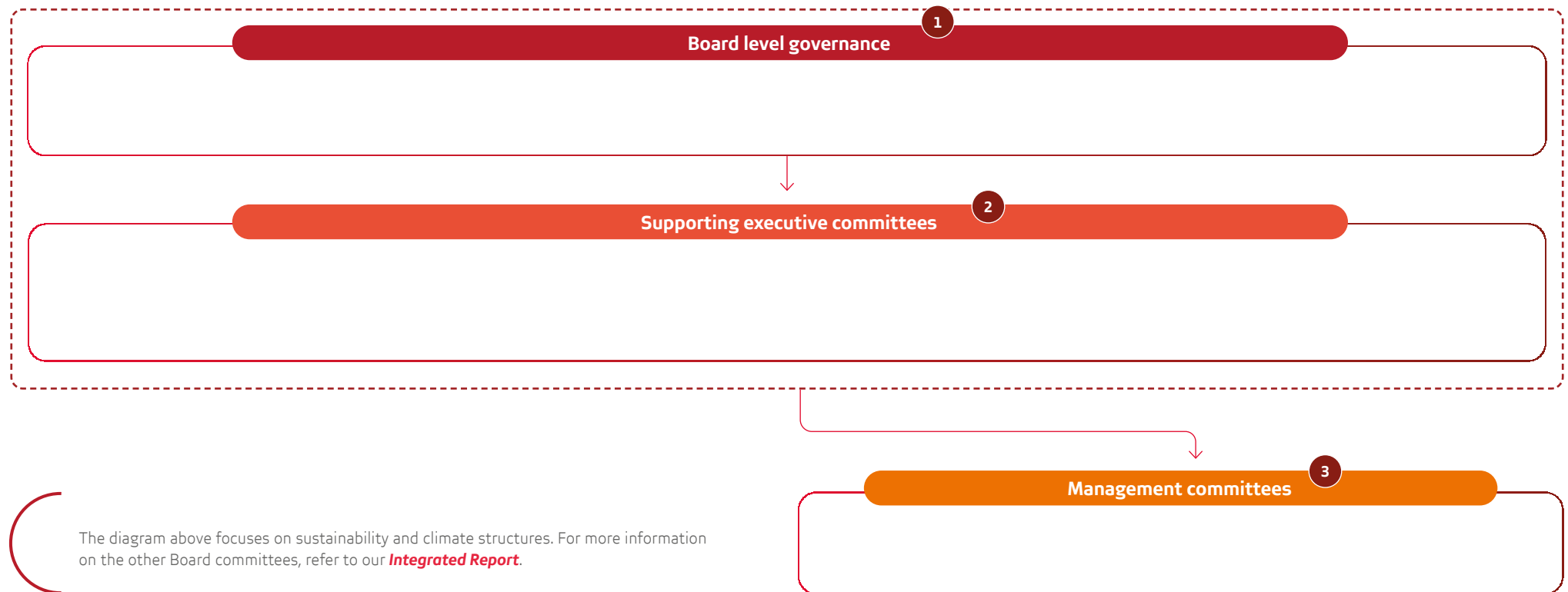


Governance

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Our sustainability and climate governance structure

The Absa Board of Directors holds the ultimate responsibility for overseeing the Group's approach to governance and comprehensive risk management frameworks and practices, including the management and integration of sustainability and climate-related risks and opportunities into business operations.



Board governance and oversight of sustainability and climate-related risks and opportunities

Oversight and alignment

The Board oversight embeds sustainability and climate risk considerations in strategic decision-making across the Group. It reinforces our commitment to responsible banking, ensuring that sustainability considerations are not just an add-on but an integral part of how we operate.

The Board upholds our purpose of *Empowering Africa's tomorrow, together ... one story at a time*. This commitment encompasses monitoring the Group's role regarding ESG matters focusing on:

- Inclusive finance
- Environmental and climate actions
- A just society
- The Group's contribution to a just transition
- Education and skills development.

These contribute more broadly to shaping Africa's growth and sustainability.

Committee responsibilities

The SSEC, Group Risk and Capital Management Committee, Group Remuneration Committee, Group Audit and Compliance Committee (RemCo), and Group Credit Risk Committee are actively involved in offering targeted oversight and guidance on sustainability and climate-related risks and opportunities. The Board annually reviews and approves the Group's Enterprise Risk Management Framework (ERMF). This framework identifies, evaluates and manages key risks to manage the business within the Group's defined risk appetite.

The Board is supported by several executive and management committees, whose roles and functions are to implement the approved policies and to check and challenge the rollout of products to our customers. They also ensure that sustainability initiatives support strategic goals and our risk management practices.

Diversity and balance of power

Our Board Governance Framework is designed to maintain a clear balance of power with decision-making that is inclusive, well-regulated, and aligned with best practices. We strive to achieve appropriate diversity to ensure robust governance, keen commercial decision-making, and strong technical inputs.

We have a diverse Board, ranging broadly in age, race, gender, ethnicity, country of origin, culture, educational background, skills, experience, knowledge and independence, in alignment with King V recommendations. This provides a fertile environment for discussion, debate, input, challenge and thoughtful outcomes. The Board is committed to ensuring that we meet our governance, social and regulatory obligations regarding race and gender diversity, taking into consideration the environment and geographies in which we operate. The Board also recognises the benefits of having members who are from countries outside of South Africa.

We regularly set and review the targets for our policy on race and gender, in alignment with JSE requirements. The target for representation of women on the Board is 30% and the target for African, Indian and Coloured (AIC) representation on the Board is 40% for 2026.

Other diversity measures, including skills, educational qualifications and age, continue to be tracked and reported. The Board also takes measures to achieve greater race and gender diversity among colleagues at all levels across the business.

The Board considers various factors when selecting candidates. These include, skills, knowledge, professional experience, the ability to provide strong technical input, and educational background, gender, race, and age.

The composition review considers rotation plans, tenure, succession, retirement, resignation, skills, and the outcomes of Board evaluations. We have policies in place to comply with the JSE Debt Listings Requirements including evaluation, nominations, and conflicts of interest.

Our Directors' Affairs Committee (DAC) formally facilitates and recommends director appointments for final approval by the Board, after considering various factors, including the director's fitness and propriety. The election or re-election of Board members is recommended to shareholders for voting at the annual general meeting.

We recognise that governance is not just about compliance, but about driving meaningful, long-term and sustainable impact.

Board gender 2025 (%)



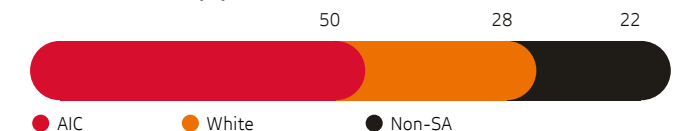
Board gender 2024 (%)



Board race 2025 (%)



Board race 2024 (%)



Board diversity as at 31 December 2025.

Diving deeper: *Integrated Report* and *Sustainability Data Sheet*

Social, Sustainability and Ethics Committee

The SSEC plays a key role in our governance structure, with Board-delegated authority to oversee and guide the Group's Sustainability Framework. It monitors responses to global and local sustainability challenges to align with strategic goals and effective implementation. The SSEC meets at least four times a year and reviews and steers the Group's sustainability and climate-related strategies and initiatives, promoting integration with best practices and broader sustainability objectives, while also considering the competing interests of stakeholder groupings.

Main responsibilities and oversight

- 1 Stakeholder relationship management and public relations
- 2 People, culture and labour/employment matters
- 3 Social and economic development
- 4 Corporate citizenship activities of the Group
- 5 Responsible marketing (including sponsorships and advertising)
- 6 Conduct and ethics of our employees and other stakeholders
- 7 Customer health and experiences as well as the design of financial products and services
- 8 Sustainability, environment, health and safety of the Group
- 9 ESG performance and reporting

Focus for the year

The committee adhered to the governance tenets set forth by the Companies Act and King V, and prioritised initiatives that strengthen the Group's sustainability practice. This included oversight of sustainability integration (including sustainability risk), progress on net zero alignment and commitments, sensitive sector targets, stakeholder engagement, consumer relationships and customer experience (including the brand promise), human capital and employment practices, transformation (B-BBEE), culture transformation, thought leadership, reporting, monitoring and trends.

Climate sensitive sectors

- Approved the revised fossil fuel emissions targets and related disclosures
- Approved the baseline emissions calculations for road transport
- Received updates on the coal policy, fossil fuel scorecard, sustainable finance, transport logistics baseline compliance roadmap, Organisation for Economic Co-operation and Development recommendations and UN Global Compact principles
- Noted the sustainability and climate roadmap beyond 2025.

Sustainable finance and relevant mandate oversight

- Monitoring of progress made by the banking business on sustainable finance targets
- Monitored the activities of insurance business in relation to its sustainability, social and ethics mandate.

Diving deeper: **Pillar 3 Disclosure, Insurance risk**



Social, Sustainability and Ethics Committee continued

Governance, ethics and conduct management

- Approved the revised Absa Way Code of Ethics Policy, Conflict of Interest Policy, Customer Complaints Standard, the Conduct Risk Management Framework and Conduct Risk key indicators.
- Monitored the Group's adherence to its ethics standards through an ethics survey and various assurance initiatives
- Monitored the rollout of the ethics-related supplier sourcing processes
- Received updates on the development and implementation of relevant policies, including the new Greenwashing Policy
- Received data privacy and whistleblowing updates
- Received updates on notable audit issues within the remit of the SSEC and internal audit perspectives on ethics management.

Stakeholder engagement and corporate citizenship

- Approved the Stakeholder Engagement Framework and monitored its execution
- Received stakeholder engagement updates, including with business forums, industry bodies and G20 and B20 participation
- Monitored reputation and brand management updates, corporate citizenship activities and stakeholder engagement
- Continued monitoring of the activities of the Absa Africa Foundation Advisory Board which oversees the Group's community and corporate citizenship activities across all presence markets, including those of the Absa Corporate Social Investment Trust in South Africa
- Monitored performance of citizenship initiatives across the Group.

Diving deeper: **Integrated Report**

Customer outcomes and fair treatment

- Received updates on the Treating Customers Fairly agenda
- Received updates on the implementation and governance of financial product design and services in relation to the fair treatment of customers
- Monitored the Group's customer health across all businesses, including customer experience metrics, net promoter score, voice-of-customer score, complaints index, and escalations to the ombudsman.

People, culture and organisational health

- Approved short- and long-term Organisational Health metrics and targets, in support of the Group Remuneration Committee.

Diving deeper: **Remuneration Report**

- Received human capital strategy updates, including culture transformation, employment equity, wellness, talent initiatives and matters pertaining to the eKaya Colleague Share Scheme
- Received updates on the colleague experience survey results.

Diversity, equity, inclusion and belonging

- Received updates on the DEIB strategy
- Monitored the financial inclusion and gender diversity initiatives.

Diving deeper: **Diversity, equity, inclusion and belonging**

- Monitored the Group's transformation performance and achievements against the Financial Sector Transformation Scorecard and Department of Employment and Labour's commitments.

Operational sustainability and workplace environment

- Received Occupational Health and Safety (OHS) and Corporate Real Estate environmental updates.

Reporting, communications and capability building

- Received updates on internal communications, and Board training on media and reputation crisis management.

SSEC challenges



The SSEC manages complexities arising from evolving regulations across certain African Regions offices, along with business dynamics and trade-offs involved in embedding sustainability.



The committee focused on balancing climate risk considerations, social expectations, and business priorities while ensuring the consistent application of frameworks, standards, and policies across diverse regional contexts.

Social, Sustainability and Ethics Committee continued

Board performance evaluations

The Group evaluates the performance and effectiveness of the Board, its committees and individual directors, including the Chairman, in line with section 64(B)(b)(iv) of the Banks Act, 1990. The performance evaluation process is overseen by the DAC. The methodology may differ year-on-year, but it generally takes the form of a detailed questionnaire, covering areas such as independence, ethical management and conflicts of interest. The evaluations are supplemented every second cycle with individual interviews with each director. The Board, through the DAC, approves the methodology applied in that particular year.

The Board also appraises the extent to which the Board committees have delivered on the mandate and supported the Board in so doing.

Following the governance review and a comprehensive Board effectiveness process conducted by Korn Ferry in 2024, the Group deferred its 2025 Board evaluation process to 2026. This deferral was granted by the PA.

We also undertook an externally facilitated Board culture and dynamics review to strengthen effectiveness. There is an ongoing cultural shift from collaborative and consensus-driven, toward more decisive, outcome-oriented decision-making.

The 2024 evaluation assessed the Board, its committees, the Chairman and individual directors against eight dimensions of effectiveness:

- Board and committee processes
- Composition and structure
- Culture and dynamics
- Partnership with management
- Leadership
- Individual contributions
- Strategic alignment
- Strategic value-add and agility.

These dimensions, aligned with King V competencies, ensure that directors maintain sufficient working knowledge of the organisation and its context, act with due care, skill and diligence in informed decision-making, and continually develop the capabilities required to lead ethically and effectively.

The review confirmed that the Board collectively holds the appropriate balance of knowledge, skills, diversity, and experience. Four dimensions were rated "meets expectations" and four "above average", with overall scores ranging from 3.47 to 4.07 (out of 5) and an aggregate score of 3.78. Committees were found to be effective, skilled and committed to their mandates.

Diving deeper: **Integrated Report**

Board training

The 2025 training covered directors' ESG responsibilities and decision-making, the business case for sustainability, the commercial importance of sustainability, Absa's sustainability, and the identification of critical risks and opportunities.

The Group roles and responsibilities are outlined in the **Additional sustainability disclosures on governance**

Diving deeper: **Board and management**



Social, Sustainability and Ethics Committee continued

SSEC composition

Nonhlanhla Mjoli-Mncube, 67 Chair of the SSEC



PgCert (Engineering Business Management), Fellowship in Urban Development, Masters in Regional and Urban Planning

Planner for the KwaZulu-Natal Planning Commission evaluating and approving built environment plans, including assessing environmental impacts for new developments in KwaZulu-Natal.

Worked with Zutari (Aurecon) for more than 10 years and part of the work was environment advisory. Zutari was instrumental in driving the green building certification as a leading consultancy.

Board member at the National Urban Housing and Reconstruction Agency (NURCHA), an organisation focused on funding low-income housing and affordable housing. Board member at RAFAD, a Swiss organisation focused on funding women enterprises in Africa and Latin America.

Currently on the board of Digital Frontiers – conducting online training on inclusive finance with students from Africa and Asia. Member of the board of listed and unlisted Non-Government Organisation and state-owned boards with extensive experience in governance.

Other committee membership:

- Directors' Affairs Committee
- Group Credit Risk Committee.



Rose Keanly, 67 Member of the SSEC

BCom (Hons), BSc

Chair of the Board of Absa Financial Services Insurance Group. Continues to develop experience across all aspects of ESG.

Spent increased time over the past years on sustainability, together with a specific focus in insurance on climate risk and several training sessions.

Extensive experience in social and governance dimensions of ESG, through HR executive experience, broader Board and Foundation trustee roles and as Chair of the Remuneration Committee.

Other committee membership:

- Remuneration Committee (Chair)
- Information Technology Committee
- Directors' Affairs Committee.

Diving deeper: For more detail on Absa SSEC composition, refer to the **Integrated Report**

Sindi Zilwa, 58 Member of the SSEC



BCom (Hons), CA (SA), Advanced Diploma in Financial Planning, Advanced Tax Certificate, Advanced Diploma in Banking

Sindi Zilwa joined the Board as an independent non-executive director on 1 April 2025. She brings deep governance expertise and a strong commitment to responsible leadership. Her current board roles and Harvard certification in cybersecurity support her focus on sustainable governance and risk management.

Other committee membership:

- Group Risk and Capital Management Committee
- Group Audit and Compliance Committee
- Information Technology Committee.



Kenny Fihla, 59 Group Chief Executive Officer Member of the SSEC

MSc in Financial Economics (University of London) and an MBA (University of the Witwatersrand)

Kenny Fihla was appointed Group CEO and executive director of Absa Group and Absa Bank on 17 June 2025. He brings nearly 20 years of leadership experience in banking, with a strong track record in sustainability-linked financing and renewable energy initiatives across Africa. At Standard Bank, he led efforts to mobilise up to R300 billion for energy transition projects, promoting access to clean, affordable energy and supporting climate resilience across the continent.

Broader sustainability expertise across the Board

In addition to members of the SSEC, other directors also bring valuable sustainability-related experience, strengthening Board oversight across ESG matters.



Alpheus Mangale, 50 Independent non-executive director

National Diploma in Computer Systems Engineering, Post Graduate Certificate in Management, AMP

Fulvio Tonelli, 66 Member of the SSEC



B Com (Hons), CA (SA)

Fulvio joined the Absa Group Limited in July 2020. He is currently a non-executive director of Life Healthcare, Equites Property Fund Limited and The Ethics Institute of South Africa. He is also the chairperson of the Independent Regulatory Board for Auditors (IRBA).

In his previous role at PwC (as Chief Operating Officer and a member of the firm's leadership), his role covered a number of areas including people/Human Resources, conduct, marketing/brand, Broad-Based Black Economic Empowerment/transformation, information technology and risk management.

Equites Property Fund Limited is focused on being a market leader in ESG and Sustainability in the development of their logistics sites. Fulvio serves as a member of the Social, Ethics and Transformation Committee, among others.

Other committee memberships:

- Interim Chairman of the Group Credit Risk Committee
- Interim Chairman of the Group Risk and Capital Management Committee
- Group Audit and Compliance Committee
- Directors' Affairs Committee.

Completed Harvard Advance Management Program (AMP) in 2017 with a focus on ESG and sustainability content to enhance executive leadership awareness of global ESG impacts.

He was previously part of a financial services group's executive committee, responsible for creating awareness of the impact of ESG/sustainability and the investment decisions the company made in areas that had sustainability impact.

He is currently a board member and Chief Executive Officer of Seacom Limited, accountable for ensuring the company adheres to ESG and sustainability measures in the way technology infrastructure is built and utilises power in computing and processing environments. The company also has to adhere to ESG/sustainability measures as part of compliance requirements from global funders and Development Finance Corporations partners.

Other committee membership:

- Information Technology Committee
- Group Risk and Capital Management Committee
- Remuneration Committee.

Regulatory compliance: Strengthening governance and risk management

Regulatory compliance remains a cornerstone of our risk management strategy, ensuring operational resilience within a stable financial system while advancing our sustainability objectives. In an environment of evolving standards and heightened stakeholder expectations, we remain committed to transparency, accountability, and responsible banking practices.



Our approach to regulatory alignment

To maintain regulatory readiness and support sustainable growth, we focus on:

- **Close collaboration with regulators** to contribute to a stable and resilient financial system
- **Regular assessments of emerging regulations** across key markets to anticipate compliance requirements and mitigate risks proactively
- **Alignment with global and local standards** to enhance customer trust and meet stakeholder expectations.

Our efforts are underpinned by a **compliance roadmap**, informed by our ESG data programme, which enables accurate, timely, and auditable reporting.

Evolving regulations and developments

We actively monitor regulatory changes to ensure compliance with global sustainability standards. Several key developments shaped our approach to governance, disclosure, and risk management:

- **South African Reserve Bank (SARB) PA Guidance**
This guidance requires banks to integrate climate-related risks into governance and risk management frameworks. It emphasises Board oversight and the inclusion of climate risk in capital adequacy assessments. The objective is to strengthen the financial system's resilience by addressing physical and transition risks linked to climate change.
- **International Sustainability Standards Board (ISSB) – IFRS S1 and IFRS S2**
IFRS S1 sets out general requirements for sustainability-related financial disclosures, ensuring companies report on sustainability risks and opportunities comprehensively. IFRS S2 focuses specifically on climate-related disclosures, requiring companies to report on governance, strategy, risk management, and key metrics and targets. These standards aim to enhance transparency and help investors understand how sustainability factors impact financial performance.
- **Basel Committee on Banking Supervision (BCBS) – Pillar 3 Disclosure Framework**
BCBS launched consultations on a Pillar 3 Disclosure Framework for climate-related financial risks. This initiative aligns global banking regulations with ISSB standards, shaping future climate risk disclosure requirements.
- **Global Reporting Initiative Banking Standards**
The Global Sustainability Standards Board is developing sector-specific sustainability standards for banking, capital markets, and insurance. A draft work programme was open for public comment in 2025, with finalised standards expected by quarter 2 2026.
- **South Africa's Climate Change Act, 2024 (Act 22 of 2024)**
It establishes a national framework for a just transition to a low-carbon, climate-resilient economy, aligning all government policies with the country's climate-response objectives. It introduces legally mandated adaptation planning, sectoral emissions targets, and carbon budgets, requiring government spheres to assess climate risks and implement response plans on a five-year cycle. The Act, which came into effect in March 2025, marks South Africa's shift from largely voluntary climate measures to a binding, enforceable system for reducing greenhouse-gas emissions across key sectors.

Our compliance roadmap is supported by the ESG data programme, which focuses on data centralisation and automation for reporting and decision-making purposes. This approach enhances traceability, transparency, and auditability across all sustainability disclosures.

Protecting value through strong governance

Guided by our purpose of *Empowering Africa's tomorrow, together ... one story at a time*, our Board prioritises strong corporate governance. This is essential for sustaining shareholder value, ensuring ethical and transparent behaviour, minimising value erosion, and laying a foundation for a sustainable future. The Board continuously enhances our governance principles and practices by staying up to date on regulations and best practices.

Engagement with regulators, industry bodies, and stakeholders fosters a healthy environment and unlocks new long-term business opportunities.

Our core values of Trust, Resourceful, Stewardship, Inclusion, and Courage, guide us in achieving our goals with the highest standards of governance, ethics, and accountability. It is supported by a robust control environment and a culture that inspires integrity.

Through our three-line approach, the Group ensures a comprehensive and accountable framework for managing sustainability and climate risks. This enables us to meet our objectives while contributing positively to global and local environmental and social goals.



First line of defence: Operational management

The first line includes the teams and individuals directly involved in operational activities, and divisional or sector sustainability teams. These units are at the forefront of defining and implementing the Group's Sustainability Framework. They develop and execute plans, initiatives, and products that align with our commitment to environmental and social sustainability. Their hands-on approach integrates sustainability into daily operations and decision-making processes, while managing the risk profile within the risk appetite.



Second line of defence: Risk management and compliance functions

The second line consists of functions that oversee and facilitate risk management and compliance, such as the Group Compliance and Risk Management teams. These teams monitor and report that climate and sustainability risks are appropriately identified, assessed, and integrated into the overall compliance and Risk Management Framework. They provide guidance, establish risk appetites, and monitor that the first line's activities align with the Group's strategic objectives and regulatory requirements. If the first line breaches limits, or contravenes rules, the second line may direct the activities of the first line to bring it within compliance.



Third line of defence: Independent assurance

The third line, represented by Group Internal Audit, provides independent assurance by reviewing and verifying the effectiveness of risk management practices across the Group. This team monitors and reports whether the first and second lines are operating effectively and that the Group's sustainability efforts are robust, comprehensive, and in line with both internal standards and external regulations. Furthermore, the incorporation of external assurance contributes to the third line of defence.



Respect for human rights



Environmental stewardship



Positive societal contributions



Conflict of interest management



Compliance with competition, anti-trust, and anti-bribery laws



Adherence to all laws and regulations, avoiding unlawful activities

Sustainability-related executive incentives

We recognise the crucial role of Organisational Health metrics, including sustainability-related metrics, in guiding management's strategic decisions. To align our short-term and long-term incentives with sustainability goals, we have continued to integrate Organisational Health metrics into our incentive scorecards, where they comprise 20% of the total score, covering Customer and Digital, Colleague, and Sustainability. For an overview of our Organisational Health, including sustainability measures outcomes for the 2025 short-term incentive and the 2023 long-term incentive, refer to the **Remuneration Report**.

We have established evaluation frameworks to measure the robustness and significant impact of these Organisational Health outcomes. Ongoing engagement between our RemCo and our SSEC remains crucial for integrating these indicators into our overall Group performance strategies. Through our commitment to responsible corporate conduct and long-term value creation, we will uphold appropriate transparency by reporting on our progress and achievements.



Our human rights commitment

Absa deepened its commitment to human rights through a comprehensive desktop assessment using the UN Global Compact Compliance template, with a focus on human rights and labour principles. We conducted an independent internal review to assess any complaints or grievances raised regarding human rights violations. The assessment confirmed that Absa remains fully compliant with UN Principles of Human Right requirements, and did not identify any human rights violations.

Absa continues to uphold an unequivocal responsibility to respect and promote human rights across the Group. Our approach is anchored in the International Bill of Human Rights and is complemented by other globally recognised standards. These principles are embedded in the Absa Way Code of Ethics, which guides employee behaviour and reinforces our values of integrity, fairness, and respect.

Human rights governance is integrated into our core risk practices and compliance frameworks, including:

- Group ERMF
- Prevention and Elimination of Harassment in the Workplace Standard, which covers human and people's rights
- Human Rights Statement
- Operational Risk and Resilience Management Framework
- People risk policies and standards
- Quarterly people risk meetings to identify and address potential breaches.

Monitoring and enhancing effectiveness

We enhanced the monitoring of our human rights approach through:

- Broader employee engagement and feedback mechanisms
- Expanded satisfaction and culture surveys
- Monthly and quarterly people risk meetings to identify and address potential breaches
- Direct input from employee representatives, including trade unions, staff associations, and works councils
- Strengthened tracking of whistleblowing referrals and employee grievances
- Regular people risk profiling and control environment assessments submitted to relevant Board committees.

Key initiatives and successes in 2025

Absa's commitment to human rights was further demonstrated through:

- The continued rollout of the Culture Transformation Programme, fostering a respectful and inclusive workplace
- Implementation of the DEIB strategy in 2024, promoting equal opportunity and representation across the Group.

These initiatives reflect our ongoing dedication to creating a workplace where **human rights are respected, upheld, and championed** at every level.

Diving deeper: **Additional disclosures**



Ethics and empowering our employees and customers to do the right thing

As a purpose-driven Group, Absa remains committed to fostering a culture of ethical leadership and responsible business conduct. We strengthened our Governance Framework and enhanced our whistleblowing procedures, ensuring that employees and stakeholders can raise concerns safely and transparently, in line with global best practices.

Empowering our people to act with integrity

Our updated employee relations (ER) whistleblowing protocols now provide clearer guidance on how to report concerns:

- Informal resolution: Employees are encouraged to first engage with their line manager or human capital business partner for guidance and support
- Formal grievance process: If unresolved or serious, concerns should be escalated through formal ER channels.

For high-risk issues, such as sexual harassment, discrimination, abuse of authority, health and safety breaches, whistleblower retaliation, and recurring allegations, we conduct confidential and independent investigations.

A collaborative management approach has been adopted for allegations of victimisation, bullying, and harassment (excluding racism and sexual harassment). In South Africa, these are managed under the Prevention and Elimination of Harassment in the Workplace Standard with human capital teams coordinating investigations across Africa Regions.

Routine ER-related matters, such as minor misconduct or attendance issues are addressed directly by line managers. Operational concerns, including team conflicts or leadership issues, are resolved through management engagement rather than formal investigations.

Personal grievances, including performance ratings, disciplinary proceedings, or restructuring, are directed to standard ER processes, avoiding misuse of whistleblowing platforms.

These enhancements aim to:

- Escalate serious concerns appropriately
- Accelerate resolution of routine issues
- Remove bias from ER matters
- Align with South African and global banking standards
- Reinforce trust in our reporting channels.

We remain steadfast in our commitment to protect whistleblowers who report in good faith. All reports of fraud, corruption, theft, dishonesty, or conflicts of interest are investigated independently, with appropriate consequences applied.

Progress in 2025

We continue to embed ethical behaviour through targeted training and awareness initiatives.



Absa Way Code of Ethics Training

Delivered online to all new joiners and annually to existing employees, helping colleagues identify and navigate ethical challenges in daily work. Completion rates are tracked continuously.



98.2% employees

completing the Absa Way Code of Ethics training in 2025 (2024: 93%).



98.8%^{LA-EA} employees

completing preventing financial crime training in 2025 (2024: 99.30%).



These initiatives

reinforce our commitment to ethical conduct and responsible leadership across the Group.

2025 ethics snapshot

	2025	2024
Whistleblowing reported cases	622	573
Whistleblowing substantiated cases	137	222
Disciplinary cases concluded	2 073	1 787
Number of ethical breaches	592	535

The increase in reported cases is attributable to higher disclosure volumes driven by continued awareness and accessibility initiatives. However, fewer cases were ultimately substantiated than in the prior year, based on the outcomes of our assessment and investigative processes applied to reported matters during the year.

Broader initiatives, such as targeted training, policy enhancements, and strengthened oversight, have been implemented to address recurring issues and reinforce ethical conduct across the Group.

Ethics and empowering our employees and customers to do the right thing continued

Ethical commitments and future focus

Absa's ethical commitments extend beyond regulatory compliance. Our ethical approach informs how the Group sets strategy, governs operations, designs products and engages with stakeholders.

The Group advanced its ethical practices through targeted interventions that enhanced governance, culture and digital oversight, and supported resilience in an increasingly complex operating environment.

Evolving ethics governance

The Group is refining its governance of ethics in response to emerging risks and stakeholder expectations:

- **Fair competition and anti corruption**
Compliance with competition and anti-trust legislation is supported through mandatory training and enhanced monitoring, promoting fair and transparent markets.
- **Responsible data use and political neutrality**
Our approach to the ethical use of customer data and emerging technologies, including AI, remains anchored in principles of privacy, fairness and responsible innovation.
- **Governance and risk integration**
Ethics and sustainability considerations are increasingly embedded within governance and risk frameworks, ensuring they inform and shape risk management processes.

2025 progress

Absa continued strengthening its ethical culture through enhanced measurement, targeted interventions and sustained leadership focus. The Group's third ethics assessment showed an increase in participation, reflecting a growing engagement and confidence in the ethical environment. Insights are benchmarked against global peers and inform continuous improvement.

Key outcomes from the 2025 assessment include:



Strong speak-up culture: A well-established environment, supported by credible and effective mechanisms for reporting and addressing misconduct



Fair and consistent accountability: Disciplinary and investigative processes are applied consistently, reinforcing organisational fairness across all levels



Sustained ethics awareness: Ethics programmes, policies, and advisory support remain well embedded, with ongoing efforts to enhance visibility and accessibility



Resilience under pressure: Most employees indicated that ethical and regulatory standards are upheld even under pressure, with emphasis on ethical decision-making in complex situations



Leadership and tone from the top: Ongoing emphasis is placed on developing leadership role-modelling and maintaining a consistent tone from the top across the Group.

The Group has implemented targeted interventions in response to these insights, including leadership engagement, capability building, and enterprise-wide initiatives that promote psychological safety and ethical accountability.

Absa also contributes to broader governance discourse through our sponsorship of the Business Ethics Network Africa Conference, supporting thought leadership on ethical governance in the context of emerging technologies.

Digital innovation for ethical oversight

Absa is enhancing its governance capabilities through data-driven oversight and automation, to align with the ambition of being digitally led.

These enhancements support:

- Improved identification and management of potential conflicts of interest
- Earlier detection of ethical risks and breaches
- Reduced reliance on manual processes
- Greater consistency in the application of ethical standards across the Group.

These capabilities improve transparency, enable targeted interventions, and support scalable, consistent oversight across Absa's operations.

Looking ahead

Absa will continue to strengthen our ethical culture by enhancing leadership accountability, embedding ethical considerations into decision-making, and advancing governance for emerging technologies.

These priorities support the Group's commitment to maintain integrity while enabling sustainable growth in a complex and dynamic environment.



The Absa Way of doing the right thing

Embedding ethical behaviour across our ecosystem

The Absa Way Code of Ethics, defines the values and behaviours expected in our interactions with employees, customers, shareholders, regulators, governments, suppliers, business partners, competitors, and communities.

To uphold these standards, we apply a comprehensive set of governance mechanisms, including the Absa Values, Employment Relations Policy, Conduct Risk Framework, Fraud Risk Policy, Conflicts of Interest Standard, and protocols for the ethical use of data.

Our commitment to fairness, transparency, and accountability extends to our external relationships. We prioritise responsible sourcing and sustainable business practices through our Third-party Risk Group Policy, which is reviewed annually and governs the full supplier lifecycle, from supplier onboarding to offboarding.

This policy is reinforced by the Supplier Diversity Standard, External Supplier Management Standard, and Supplier Code of Ethics, ensuring ethical and sustainable procurement across our value chain. These frameworks reflect our dedication to building a resilient, inclusive, and ethically grounded supply network that supports long-term sustainability.

Approach to taxation

As a financial services provider, we play a vital role in our customers' economic wellbeing and aspirations. As a pan-African organisation, we acknowledge that a sustainable approach to tax aligns with our purpose and values. We are committed to being a responsible taxpayer by adhering to tax legislation, regulations, and best practices to create long-term value for our stakeholders. As a Group, we are intentional about maintaining collaborative, transparent relationships with revenue authorities across the jurisdictions where we operate.

Diving deeper: [Tax Transparency Report](#)

Collaboration and stakeholder engagement

We work closely with other banks and industry bodies to fight financial crime. Given the importance of anti-corruption and financial crime prevention, some initiatives are conducted through partnerships with the South African Anti-Money Laundering Integrated Task Force and the Banking Association of South Africa. Our efforts also include stakeholder engagement to combat corruption in collaboration with these entities and the Royal United Service Institute.

¹ The international standard for Information Security Management Systems.

Data privacy and cybersecurity

We are dedicated to protecting customer information and have created strong safeguards through our cybersecurity and data protection regulatory frameworks. Through the Group Privacy Office, we ensure adherence to data privacy legislation and international best practice across our business. We also educate our customers on how best to protect their personal information through the "Protect your data, protect your story" campaign. All products and services at Absa are reviewed through privacy impact assessments and by assessing the lawful reasons for processing personal information.

Cybersecurity remains a critical risk, and the multi-layered defence strategy continues to develop as the cybersecurity threat landscape evolves. Given the criticality of cybersecurity risk, the Absa Chief Security Office, as the custodian of customer data, was ISO 27001:2022¹ certified in 2024 and recertified as compliant with this standard in July 2025 by the British Standards Institution.

Diving deeper: [Integrated Report](#)

Responsible AI: Ethical governance for sustainable innovation

As a purpose-driven Group, Absa recognises that responsible AI use is essential to building trust, driving sustainability, and ensuring long-term success. We strengthened our ethical approach to AI through clear guiding principles aligned with our values and purpose. These principles help employees and stakeholders understand AI's purpose, capabilities, and limitations.

AI adoption across the Group is overseen by the AI Guild, which ensures responsible implementation and promotes understanding of AI. Our Governance Framework, supported by collaboration with industry peers, ensures that AI solutions meet ethical standards and contribute to sustainable value creation.

We acknowledge the broader societal and environmental impacts of AI technologies. As global regulatory efforts evolve, we are proactively enhancing our AI governance structures to manage risks such as data privacy, bias, discrimination, misuse, and algorithmic transparency.

Absa is committed to using AI to improve sustainability performance while maintaining strong oversight.

Our approach includes:

- Implementing ethical AI principles across use cases
- Strengthening governance and risk controls
- Engaging with industry and regulatory bodies
- Promoting transparency, fairness, and accountability in AI systems.

Through these efforts, we aim to ensure that AI serves as a force for good, supporting innovation while upholding the highest ethical standards.

Incidents of corruption and actions taken

We take breaches of ethical conduct seriously and manage them through robust consequence management processes. There are established whistleblowing channels for reporting misconduct, ensuring confidentiality, independence, and protection for those who raise concerns in good faith.

Non-compliance with the Anti-bribery and Anti-corruption Policy may result in disciplinary action, including dismissal. This reinforces our zero-tolerance stance and helps foster an ethical culture across our operations and value chain. In addition to internal cases, third-party relationships are also subject to scrutiny for potential violations, including allegations involving the bank or its employees.

As of 31 December 2025, a total of 2 073 disciplinary cases were concluded (2024: 1 787), of which 592 were due to ethical breaches (2024: 535). While the number of reported cases has increased, the overall volume of ethical breach investigations remains consistent, reflecting a stable ethic risk environment.

Diving deeper: [2025 Sustainability Data Sheet](#)

Anti-corruption and financial crime

Financial crime causes significant harm to individuals and communities. With the complex interplay of uncertainties that individuals and business face in the fast-evolving economic landscape, criminal elements continue to prey on the vulnerable and unsuspecting through deceitful schemes and illicit activities. Our Anti-bribery and Anti-corruption Policy and related standards, processes and controls are in place to mitigate bribery and corruption risks and threats. We also have a robust Anti-bribery and Anti-corruption Control Framework to manage the legal, regulatory and reputational risks associated with bribery and corruption. Our Financial Crime Risk Framework adopts a risk-based, proportionate approach to meet risk management, legal and regulatory expectations.

The Absa Way of doing the right thing continued

Key highlight

Absa Group remains certified and accredited under ISO 37001:2016 (Anti-bribery Management Systems). Certification and accreditation enhance the anti-bribery and corruption programme and our reputation by providing internationally recognised validation of Absa Group's commitment to managing and addressing bribery and corruption risks.



Training and development

Absa's dynamic skills strategy (DSS) continues to drive an enterprise-wide shift towards a skills-first way of working. By positioning skills as our "Driver for growth," we are enabling colleagues to build the right capabilities at the right time. This approach is already improving redeployment of scarce and critical skills, strengthening internal mobility, and accelerating innovative, customer-focused outcomes, positioning Absa for sustainable growth.

Digital learning at scale

Our partnership with Udemy remains central to the DSS rollout. In 2025, 85% of our 30 000 user licences were active, with 148 552 hours of learning consumed. Usage trends reflect ongoing investment in leadership, technology, AI-enabled work and critical business skills, with strong uptake across categories: 47.5% in business skills, 47.9% in technology skills, and 4.6% in personal development. The ability to personalise learning journeys at scale is supporting faster capability uplift, improving internal mobility, and accelerating readiness for digital transformation.

Strategic investment in skills development

As of December 2025, our skills development spend reached R538.2 million (2024: R581 million), benefiting employees and unemployed learners. Of this:

- R438.3 million was invested in employee learning and development (2024: R466 million)
- R100 million supported unemployed learners (2024: R114 million)
- Critical skills investment accounted for 76.3% of total spend, exceeding the Group's target of 54%.

We provided bursaries to 984 colleagues, enabled 876 unemployed youth through learnerships, and supported 1 451 employed colleagues (including 127 with disabilities) on learnerships. Our internship programme also created opportunities for 1 666 participants, strengthening our talent pipeline and advancing social impact.

Leadership development impact

The Absa Leadership Academy continues to be a catalyst for organisational performance and cultural transformation, with 14 888 colleagues participating in leadership development initiatives to date, 74% of whom are women. This scale of engagement reflects Absa's intentional investment in building a representative, capable and future-ready leadership pipeline.

Targeted programmes, including the Top Talent Accelerated Development and Manager Excellence ecosystem continue to deliver enterprise value, achieving 90% retention, 20% promotion, and 12% lateral mobility across our top talent alumni succession network. These programmes also drive discretionary retention, with high-potential leaders attributing their decision to stay at Absa directly to their programme experience. The monetised value of this retention consistently exceeds programme investment, proving our leadership ecosystem keeps top talent by choice.

Women represent 47% of top talent, driving 52% of promotions and 51% of lateral moves, while 83% of promotions are from South African AIC groups or Africa Regions colleagues. Leadership effectiveness has been strengthened through 215 coaching journeys and inclusion initiatives like Ignite Her and Leading for Belonging, with further enhancements underway through the upcoming digital coaching platform.

Strategic enhancements have reinforced leadership impact and succession readiness. This included retention Return on investment tracking, an ADP Alumni Community, and aligning learning projects with the Group strategy.

Absa's strategic leadership development builds a diverse, future-ready leadership bench that accelerates performance, enhances retention, and positions Absa to deliver sustainable value for colleagues and customers.

Strengthening leadership excellence

We have advanced manager excellence through centralised resources, targeted campaigns, a people manager community of practice and expanded learning interventions, doubling manager engagement while embedding inclusion and future-ready skills.

These interventions were reinforced through coaching enablement, Leader as Coach development, and targeted learning support, resulting in more confident, capable and future-ready managers. The benefits are already visible: improved colleague experience, stronger talent retention, greater leadership consistency, and a more inclusive and high-performance culture. Manager excellence has become a strategic enabler of Absa's long-term sustainability and organisational success.

Furthermore, 50% of participants in our Leader as Coach Programme have expressed a strong commitment to advancing their leadership capability by pursuing formal coaching qualifications. This demonstrates a continued cultivation of a coaching mindset and drives sustainable leadership growth.

Diving deeper: 2025 Sustainability Data Sheet



Risk management

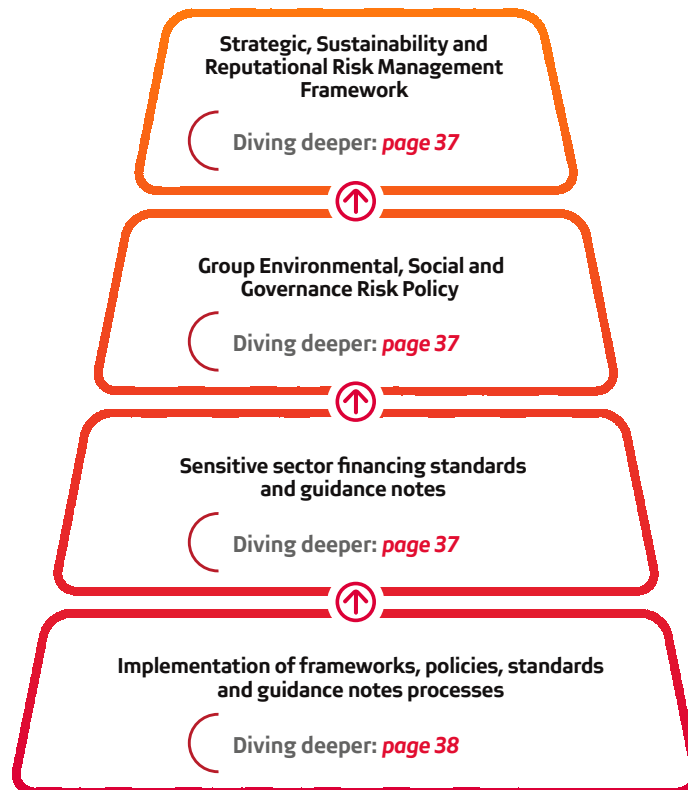
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Enterprise Risk Management Framework

Sustainability risk is an integral part of our overall ERMF and strategy. Embedding sustainability in daily operations is ongoing and expected to continue as the environment matures.

The ERMF is underpinned by risk policies and associated standards that outline the principles, methodologies, control objectives, and mandatory requirements to manage these risks. Our approach to managing sustainability risk is guided by the Group ESG Risk Policy, with climate risk included under environmental risk. The policy aims to establish an internal framework for defining and managing ESG-related risks across the Absa Group that meets regulatory requirements and investor expectations.

Within our ERMF, we employ a four-tiered approach to managing sustainability risks.



Enterprise Risk Management Framework continued

Strategic, Sustainability and Reputational Risk Management Framework (SSRRMF)

Within the Group's ERMF, SSR risk is recognised as a principal risk, integrating three distinct but interrelated risk categories under a unified framework. The SSRRMF is governed by the Group's risk taxonomy and supported by risk policies, standards and supporting documents that define the principles, methodologies, control objectives and mandatory requirements for managing SSR risks.

Sustainability risk

Sustainability risk is defined as the failure to implement responsible operational and lending practices that effectively manage and report the Group's direct and indirect impact on the environment, society and the geographies where we operate. Key drivers include climate change, natural capital depletion, social inequality, and indirect investment exposures.

We continued to embed sustainability risk into business-as-usual (BAU) risk management processes. This included:

- Integrating environmental and social risk assessments (ESRA) into credit reviews for sectors with heightened exposure to transition and physical risks
- Conducting sustainability assessments alongside traditional due diligence for credit analysis
- Enhancing risk identification through scenario analysis and horizon scanning, as outlined in the ERMF's Evaluate-Respond-Monitor (E-R-M) process.

The SSRRMF supports foundational risk management capabilities that evolve in line with emerging industry standards, regulatory expectations and best practices in climate and sustainability risk.

Group Environmental, Social and Governance Risk Policy

In 2024, the Group Sustainability Risk Policy was formally updated and renamed the Group ESG Risk Policy, reflecting a broader scope and alignment with global ESG standards. This policy:

- Establishes an internal framework for defining and managing ESG-related risks across the Group
- Aligns with the ERMF's policy hierarchy and supports the SSRRMF through detailed control requirements
- Addresses ESG risks as transversal risks that may manifest across existing principal risk types, requiring integrated oversight and cross-functional coordination.

ESG risk is defined as the risk of loss or disruption to business activities due to adverse environmental (including climate change), social or governance impacts. These risks affect both financial performance and societal wellbeing.

Sensitive Sector Financing Standards and guidance notes

The Group maintains annually reviewed Sensitive Sector Financing Standards, which outline:

- Minimum requirements for financing activities in high-risk sectors
- Enhanced due diligence protocols for projects in sensitive industries
- Sector-specific guidance notes covering agriculture, chemicals, conflict minerals, forestry, manufacturing, infrastructure, energy, services, and waste management.

Our summary standards for high-emissions fossil fuel industries are publicly available on our website at <https://www.absa.africa/who-we-are/>



Enterprise Risk Management Framework continued

Implementation of frameworks, policies, standards and guidance notes into systems

Our approach to sustainability risk is guided by an understanding of the potential ESG impact associated with lending activities and by a commitment to influence and support proper risk identification and management using effective management systems, processes and appropriate standards.

We will continue to invest in developing strong risk identification, assessment, and measurement capabilities to support our sustainability risk management efforts. Sustainability-related risks are integrated into the existing enterprise-wide risk universe and frameworks. They are managed in accordance with our three lines of defence model.

Through the Group's internal risk identification process, sustainability risk continues to be designated as a crosscutting risk that can manifest through existing risks. ESG risk drivers can affect each risk category in our risk taxonomy.

Find out more about our **ESRA process** and **climate risk stress testing and scenario analysis**.

Greenwashing Policy

We approved the Greenwashing Policy in May 2025 to govern greenwashing risk and to enhance our approach to managing greenwashing risk as part of our broader SSRRMF.

Greenwashing risk is formally recognised as a sub-risk under reputation risk, conduct risk, and sustainability risk. It is the practice in which sustainability-related statements, declarations, actions, or communications do not clearly and fairly reflect the underlying sustainability profile of an entity, financial product or financial service. This risk undermines stakeholder trust, exposes the Group to reputational and regulatory consequences, and may result in financial loss or legal action.

Policy implementation and governance

The Greenwashing Policy outlines mandatory control requirements and guiding principles to prevent, detect and respond to greenwashing across:

- Business operations, products and services
- Marketing, branding and communications
- Strategy and stakeholder relations.

These controls are embedded within the Group's risk management processes and align with the ERMF's methodology. All business units, functions and countries are required to implement these controls and report greenwashing risks as part of their risk reporting.

Key developments in 2025

- A formal governance structure was established to oversee the classification of green/sustainable assets, aligned with the Sustainable Finance Issuance Framework (SFIF) and international standards (International Capital Market Association, Loan Market Association)
- Enhanced environmental and social due diligence was conducted using the environmental and social management system (ESMS) and ESRA tools to assess customer and third-party sustainability performance
- ESG-related disclosures were reviewed for accuracy, with key sustainability metrics subject to Risk Data Aggregation and Risk Reporting compliance and executive sign-off
- Greenwashing risk was incorporated into the annual sustainability training programme for employees and Board members.



Principles guiding greenwashing risk management

The Group adheres to eight core principles to mitigate greenwashing risk:

① Fair customer treatment



② Consumer education and awareness



③ Business accountability



④ Regulatory compliance



⑤ Transparent reporting and disclosure



⑥ Responsible product design



⑦ Ethical sales practices



⑧ Strategic integration of sustainability



These principles reinforce the Group's commitment to ethical conduct, regulatory compliance and stakeholder trust.

ESG risk drivers

Our ESG risk drivers outline the key ESG factors that influence our ability to create sustainable long-term value. These drivers help us understand how ESG considerations impact our strategy, operations and stakeholders, and ensure that our decisions remain responsible, transparent and aligned with our sustainability pillars. They highlight how environmental and climate and nature-related risks, social impacts on customers, employees and communities, and governance expectations shape our risk profile and guide our approach to resilience, accountability and balanced value creation across the Group.

Governance risks

Effective governance is essential to maintain accountability, ethical conduct and regulatory compliance across the Group. The table below outlines the key drivers and controls that support strong oversight, protect organisational integrity and reinforce responsible business practices. Improper policies that disrespect laws, customers and market standards can have governance impacts.

ESG risk	Drivers	Impact on the Group
Strategy and risk management	- Strategy execution and monitoring are key to the long-term success and growth of the Group. A lack of clear internal structures and role allocation at Board level will have an impact on Group performance. - Where internal controls and risk management are not sufficient for the size and complexity of the Group, this can result in operational risks, including supply chain. It is essential to the Groups resilience to identify the key business model risks that the Group is facing and to allocate proper roles to the three lines of defence model.	- Strategic risk - Operational and resilience risk.
Corporate governance	A transparent governance structure of ownership, clarity on decision makers and reporting lines is fundamental to the stability and credibility of the Group. A lack of clarity might impede our ability to fight anti-money laundering or terrorist financing, with severe legal and funding consequences.	- Financial crime risk - Conduct risk.
Business ethics	- Appropriately transparent remuneration with a proper balance between short-term motivation and long-term responsibility is essential for effective strategy implementation and performance. Employee and executive remuneration are benchmarked against industry comparators. Weak accountability might lead to a loss of employee engagement. - Anti-competitive practices in marketing, products, services, and shared platforms, as well as misusing market dominance regarding customers, competitors and third-party suppliers, might lead to regulatory scrutiny and compliance issues. - Corporate corruption can have devastating economic consequences for individuals, organisations, and national and international economies. Institutions have to maintain strict anti-corruption and bribery policies and prevent the payment and acceptance of bribes or facilitation payments. - Employees should be encouraged to disclose any issues of concern through an anonymous whistleblowing programme. - Misconduct might lead to severe reputational impairment and loss of eligibility for public programmes. - Political lobbying and influences are acting against commitments to fair and competitive market conditions. Companies shall disclose information on their preferences, donations or any other forms of privilege provided to politically exposed persons, associations or communities. Misconduct might lead to reputation issues.	- People risk - Compliance risk - Conduct risk.
Tax and financial transparency	- Fair, accurate and relevant information on the Group's financial wellbeing, sources of revenue and costs, liquidity and liability structure is essential. - Tax citizenship requires public information on the principles of taxation and material transfer pricing policies.	Operational and resilience risk.

ESG risk drivers continued

Social risk

Social risks arise from interactions with our customers, employees, suppliers, and the communities we serve, and can thus impact our relationships. These risks relate to fairness, transparency, inclusion, data protection, labour practices, and overall customer and employee experience. The table below summarises the key drivers, potential impacts, and controls we apply to ensure responsible conduct and to safeguard the wellbeing of stakeholders across our value chain.

ESG risk	Drivers	Impact on the Group
 Customer protection 	• Safe and transparent product design respects customer sophistication and knowledge. Improper products and unresolved customer complaints might lead to litigation costs, loss of customers and loss of revenue. • Fair and ethical marketing ensures proper information about our products and services. Misleading communication about products and services might lead to litigation, reputational damage and loss of revenue.	• Credit risk • Legal risk • Conduct risk • Reputational risk.
 Data security and privacy 	• Data protection ensures the proper handling of customer privacy-related information, preventing data leakages and data loss. Insufficient data protection policies might lead to reputational damage and costs related to customer claims and regulatory scrutiny. • Data retention and effective storage and retrieval should align with customer consent. Misalignment might result in damages and regulatory scrutiny.	• Data and records management risk • Information security and cyber risk.
 Workers' rights 	• Workers' right of association protects workers and enables collective bargaining. Acting against or preventing collective action might lead to reduced employee engagement, underperformance and reputational damage. • Work safety and work-life balance rely on proper workplace safety measures, employee health support and working time agreements. • Talent management and retention are supported by career planning, employee education and development programmes. Talent attraction and retention are essential for high Group performance. • Forced or child labour practices in the supply chain are damaging to the Group's reputation.	• People risk • Reputational risk • Conduct risk.

ESG risk drivers continued

Environmental and climate-related risks

We closely monitor factors and events that could disrupt our business activities, recognising that short- and long-term risks can significantly affect our operations. These factors include climate-related physical and transition risks, highlighting the pressing need for proactive management and mitigation strategies across all sectors of our business. In line with this commitment, we consistently assess and measure the impact these risks may have on the Group, ensuring we stay informed and prepared to respond effectively. We continue to embed anti-greenwashing safeguards. This includes third-party review of ESG disclosures, internal staff training, and alignment with evolving IFRS S2 guidance.

ESG risk	Drivers	Impact on the Group
Transition risk	• Policies and regulations that affect customers' operating models, technology compliance or carbon pricing are becoming stricter. Regulators have various policy levers at their disposal, including carbon prices, taxes, subsidies, guarantees, product standards and procurement requirements. Further investments might be needed by customers to ensure compliance. • Technology changes in key production processes are resulting in capital expenditures and rising costs. Insufficient investment in technology upgrades might result in assets becoming stranded. Higher costs lead to higher prices and potentially lower turnover. • Consumer behaviour and preferences evolve toward low-emissions products. Revenue from leading conventional technologies is declining, or companies face litigation risk. • Reputational events can follow if the adaptation of climate-mindful policies and processes is disregarded. More public and regulatory scrutiny can result in additional costs and potential loss of revenue. • Greenwashing, including misleading consumers, investors, or other market participants, can undermine the credibility of the Group's sustainability efforts.	• Credit risk • Market risk • Liquidity risk • Insurance risk • Physical asset risk.
Physical risk	• Acute hazards are more frequent and severe climate events like flooding, droughts, hailstorms, tornadoes and cyclones are increasing. Damage to assets disrupts the production process, leading to additional costs and loss of revenue. Frequent and systemic damage might impact insurance policies, commodity market prices and the liquidity status of companies or the market. • Chronic hazards, with long-term changes in weather conditions, are impacting living conditions, productivity and the economic viability of certain sectors. On a systemic level, it might shift conditions for economic growth, access to capital markets and sovereign debt.	• Credit risk • Market risk • Liquidity risk • Insurance risk • Physical asset risk.

ESG risk drivers continued

Nature-related risks

Nature-related risks can significantly impact business operations, including the loss of biodiversity, ecosystem degradation, and natural resource depletion. These risks can manifest as physical risks, such as habitat destruction or water scarcity, and transition risks, such as regulatory changes aimed at preserving natural resources or shifts in consumer demand toward more sustainable products. As businesses face increasing pressure to address environmental challenges, nature-related risks have become key drivers that affect financial performance, supply chains, and long-term viability. Therefore, proactively managing these risks ensures sustainability, resilience, and responsible resource use across all sectors of a business.

ESG risk	Drivers	Impact on the Group
Nature-related transition risks	• Policies are changing in the context of new (or enforcement of existing) standards to preserve status and mitigate negative impacts on nature such as using recycled material or limiting pesticide. It might lead to required capital investments into technologies or might result in a loss of revenue. • Market-changing dynamics in overall prices arise from the availability of natural capital or consumer behavioural change. For example, insufficient freshwater or soil nutrition will lead to increasing costs of production. • Technology change leads to the substitution of products or services with a reduced impact and dependency on nature, for example, replacing plastics with biodegradable containers. • Changes in the perception of an organisation's impacts on nature, including local, economic and societal levels, can have a reputational impact. • Regulatory and legal risks arise directly or indirectly from legal claims and non-compliance with new nature-related regulations.	• Credit risk • Compliance risk • Market risk • Reputational risk • Legal risk.
Nature-related physical risks	• Acute hazards of specific events that change the state of nature, for example, oil spills or pests affecting a harvest. • Chronic hazards with gradual changes to nature, for example, pollution stemming from pesticide use or climate change.	• Credit risk • Market risk • Liquidity risk.

Risk identification, assessment and mitigation

Sustainability risk present potential adverse impacts to our own operations, primarily through physical climate risks and the associated potential for disruption to business activities. These risks give rise to significant financial exposures arising from customers and counterparties.

Over the long term, these may manifest in increased credit impairments, reductions in the value of collateral, downward adjustments in credit ratings, and the emergence of stranded assets. These risks are integrated into our risk assessment and credit processes, including scenario analysis, sector-specific risk reviews and ongoing monitoring of counterparties with elevated exposure to climate-related risks.

We address our inherent sustainability risks through an integrated approach that enables the Group to:

- Identify and evaluate the sustainability risks the organisation is exposed to, timeously
- Implement controls that prevent those risks from occurring
- Respond effectively and adopt appropriate mitigative measures.

Risk identification

We must identify sustainability risks in products and business activities to execute on strategic objectives. This identification must consider risks arising from decisions regarding products, customers, transactions, portfolios, sectors and geographies, and be evaluated using methodologies such as sensitivity analysis, due diligence reviews, ESG scoring, etc.

Risk mitigation

ESG risk assessments are embedded into the credit origination process from the earliest stages of customer onboarding. Environmental and social risk checks at the counterparty level are conducted through the ESMS and the ESRA tool, supporting consistent ESG risk evaluation and data capture throughout loan origination and approval.

ESG risk considerations are embedded in our credit and investment processes to support sustainable decision-making.

- To manage risk exposure, ESG risk management has been implemented through high-quality ESG screening and strict exclusion criteria for investees
- Sensitive sector financing standards provide safeguards for sensitive sector financing standards with high ESG risk exposure
- Scenario analysis and stress testing are integral components of an effective enterprise risk management and are used to assess vulnerabilities in the Group's ESG risk profile
- Business environment scanning provides Absa with essential input for assessing climate change risks and developments within its operational environments
- Materiality assessments are conducted to understand and evaluate how climate-related risks could impact the resilience of the Group's business model over the short, medium and long term, and to consider how these drivers may affect a bank's ability to achieve its business objectives
- Risk appetite statements and metrics are used to monitor the ESG risk profile, initiate requisite responses to material changes in the risk profile, and address risk appetite breaches
- Absa's sustainability risk management aligns with international best practices and disclosure standards.

Environmental and social management system

Our supporting policies, procedures, workflows and appropriate governance for lending activities support the effective implementation of ESMS. The ESMS supports the operationalisation of the sensitive sector financing standards to align with funding limits.

For our lending activities, our environmental and social risks are assessed and screened Group-wide in accordance with Absa's ESMS. Using the ESRA tool, we assess the environmental and social risks and the impacts associated with current and potential customers' decisions, based on the specific characteristics and circumstances. These include the nature, scale, location, technology, management capacity and commitment, and their track record. The ESMS also covers opportunities in sustainable finance, i.e., developing products and services that have a positive impact on the environment, people and the economy. We continually transform and mature our ESMS through regular interactions, resulting in important enhancements to the tool.

ESMS Sustainability Risk Standard and ESRA Manual

The ESMS Sustainability Risk Standard specifies the required provisions and controls for implementing the ESMS. It identifies, assesses, manages, and monitors the environmental and social risks and impacts of loans on an ongoing basis. This standard is informed by key international environmental and social standards, such as the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles), the Equator Principles (EP) and the IFC Performance Standards.

The ESRA Manual provides a structured approach for assessing, monitoring and recording the customer's environmental and social performance over the credit life cycle.

We continue to integrate sustainability and climate risk into policies, processes and controls across many areas of our Group. We will continue to update these as our risk management capabilities mature.



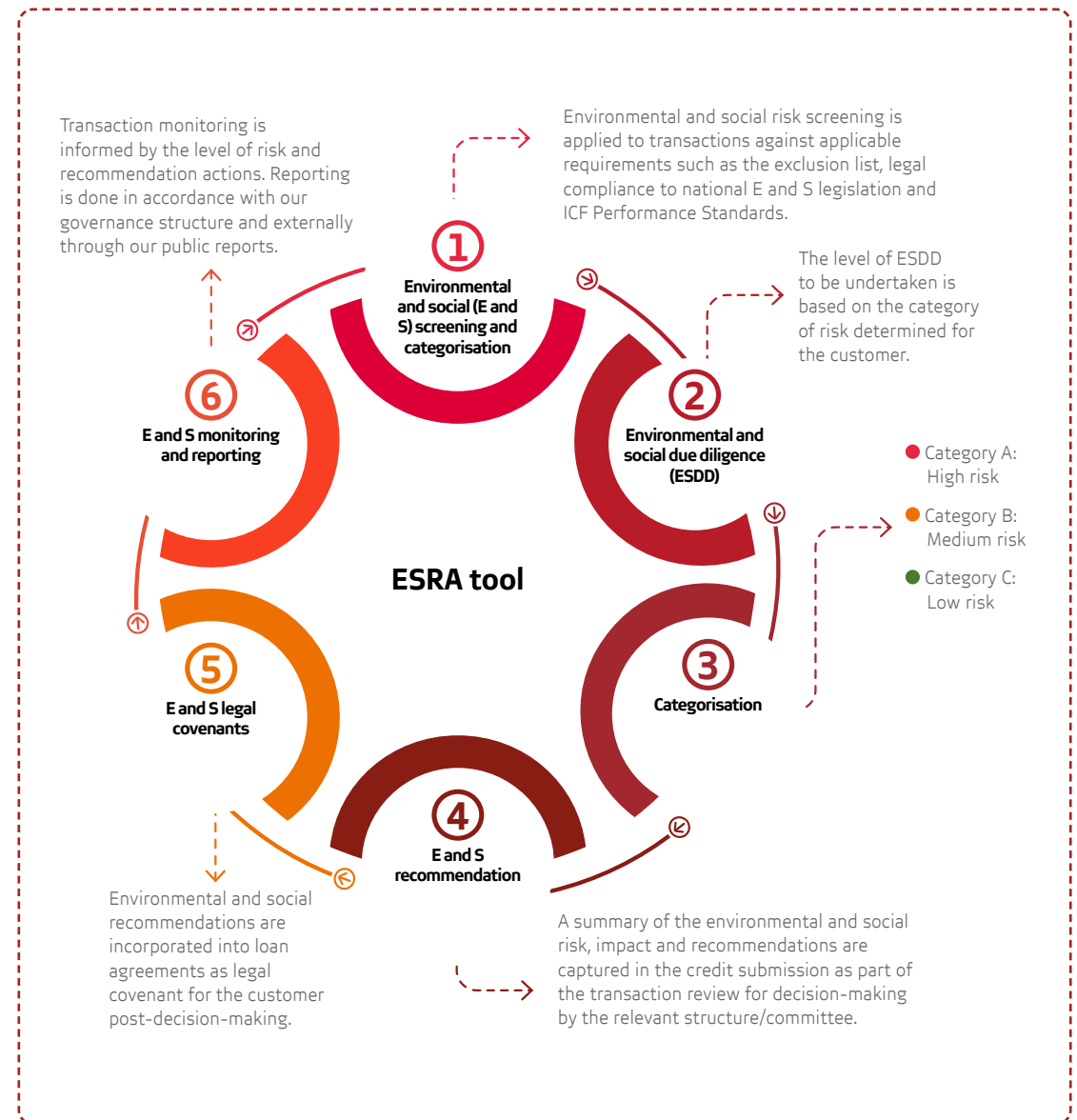
Risk identification, assessment and mitigation continued

Screening and assessment of environmental and social risks

Our environmental and social risk management process fundamentally encompasses risk identification, assessment, management, monitoring, and reporting through the Group-wide ESMS. Our ESRA tool supports the screening and assessment of environmental and social risks and opportunities. The tool was automated and integrated into credit processes across the Group. We follow a systematic process to ensure a targeted risk management approach, focusing on significant risks. By understanding the associated risks for our customers, we can implement mitigation measures to ensure business is conducted responsibly and sustainably. The ESRA tool is updated every year to align with emerging regulatory and Development Finance Institutions (DFI) requirements, such as climate risk screening and eligibility of transactions for climate financing.

ESRA has contributed to improved risk analysis and insights for credit decision-making.

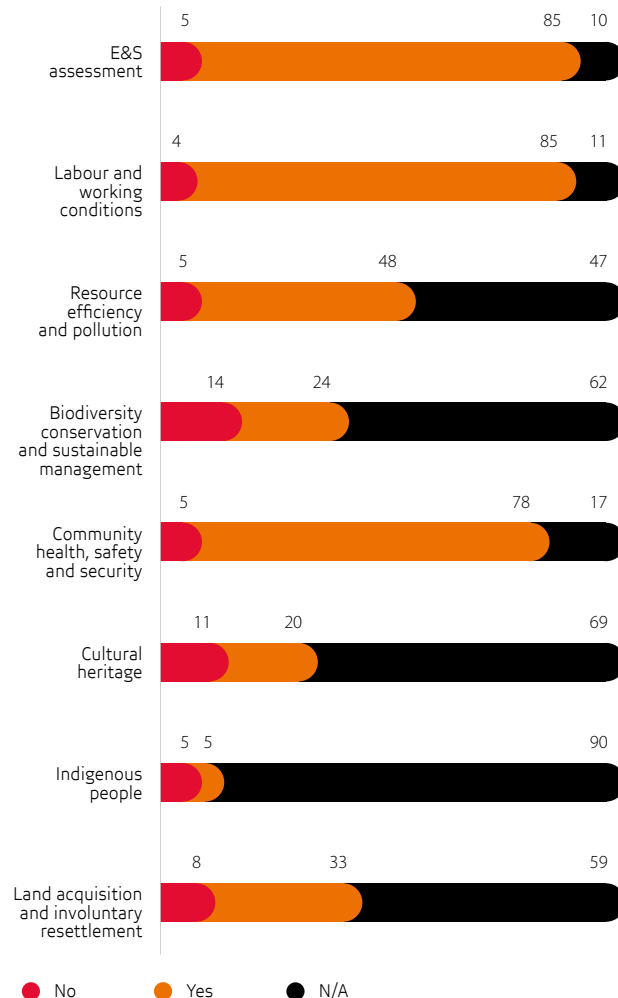
The ESRA tool screening aligns with the IFC Performance Standards and provides an indication of, and allows for, proactive risk management when gaps are identified. The assessment and validation of mitigation measures implemented by customers have contributed to a reduction in overall risk exposure. The majority of risk mitigation activities are embedded within formal systems that address environmental and social assessments, labour and working conditions, and community health, safety, and security. There are still opportunities to enhance risk and opportunity management in areas such as resource efficiency, pollution prevention, and biodiversity conservation.



Risk identification, assessment and mitigation continued

The graph below illustrates the outcomes of the ESRA, as outlined in the ESRA process diagram on the previous page. The identified gaps are addressed through the recommendations presented to the Credit Committee, in line with steps 4 and 5 of the ESRA tool process.

Compliance to performance standards (%)



Integrated ESG risk management across asset management and insurance

Within asset management, ESG risk management implements high-quality ESG screening and strict exclusion criteria to manage ESG funds. ESG screening is based on external ESG ratings of investees, providing a holistic assessment of ESG performance. Most importantly, during the advisory process for all ESG-labelled funds, transparent information related to the ESG attributes and implementation is provided to investors.

Insurance underwriting products protect insurance buyers against extreme weather and climate-related catastrophe events.

Absa Investments' Sustainable Investing Philosophy

At Absa Investments, our sustainable investing philosophy is rooted in the belief that long-term wealth creation must align with responsible practices that safeguard the environment, society, and governance standards. Our objective is to generate sustainable investment returns for our customers throughout their wealth journey while contributing to a more resilient and inclusive economy.

We adopt a principled approach that integrates ESG considerations into our investment analysis and decision-making processes. Rather than excluding sectors or securities outright, we evaluate companies and investments over time based on their sustainability practices relative to their industry. This ensures that our investment decisions are informed, balanced, and forward-looking. The majority of our sustainable investing principles align with the UN Principles for Responsible Investment (UN PRI). These principles guide our actions across three dimensions:

Embed

We incorporate ESG principles where we have full discretionary control, ensuring that sustainability is a core part of our investment process

Influence

We engage and collaborate with third-party partners to promote responsible practices across the investment value chain

Disclose

We maintain transparency by reporting on our sustainable investing practices and progress, fostering accountability and trust

Our philosophy emphasises transformation through engagement. We aim to enhance the effectiveness of sustainable investing by seeking appropriate ESG disclosures from entities in which we invest and by promoting industry-wide adoption of responsible practices. We also innovate by launching ESG-related products to meet evolving customer needs, where possible.

Ultimately, our commitment to sustainable investing reflects Absa's broader purpose: Empowering people to create wealth and financial wellness, and to protect it for future generations. We strive to deliver financial returns and positive environmental and social impact.

Scenario analysis and stress testing

We continuously used scenario analysis and stress testing to assess the resilience of our strategy and business model under different climate futures and outcomes.

Scenario analysis and stress testing help identify transition and physical risks that could impact our portfolio, financial performance, and operations over time. Our climate-related scenario analysis aligns with our business activities, strategic plans, risk appetite, and the external operating environment.

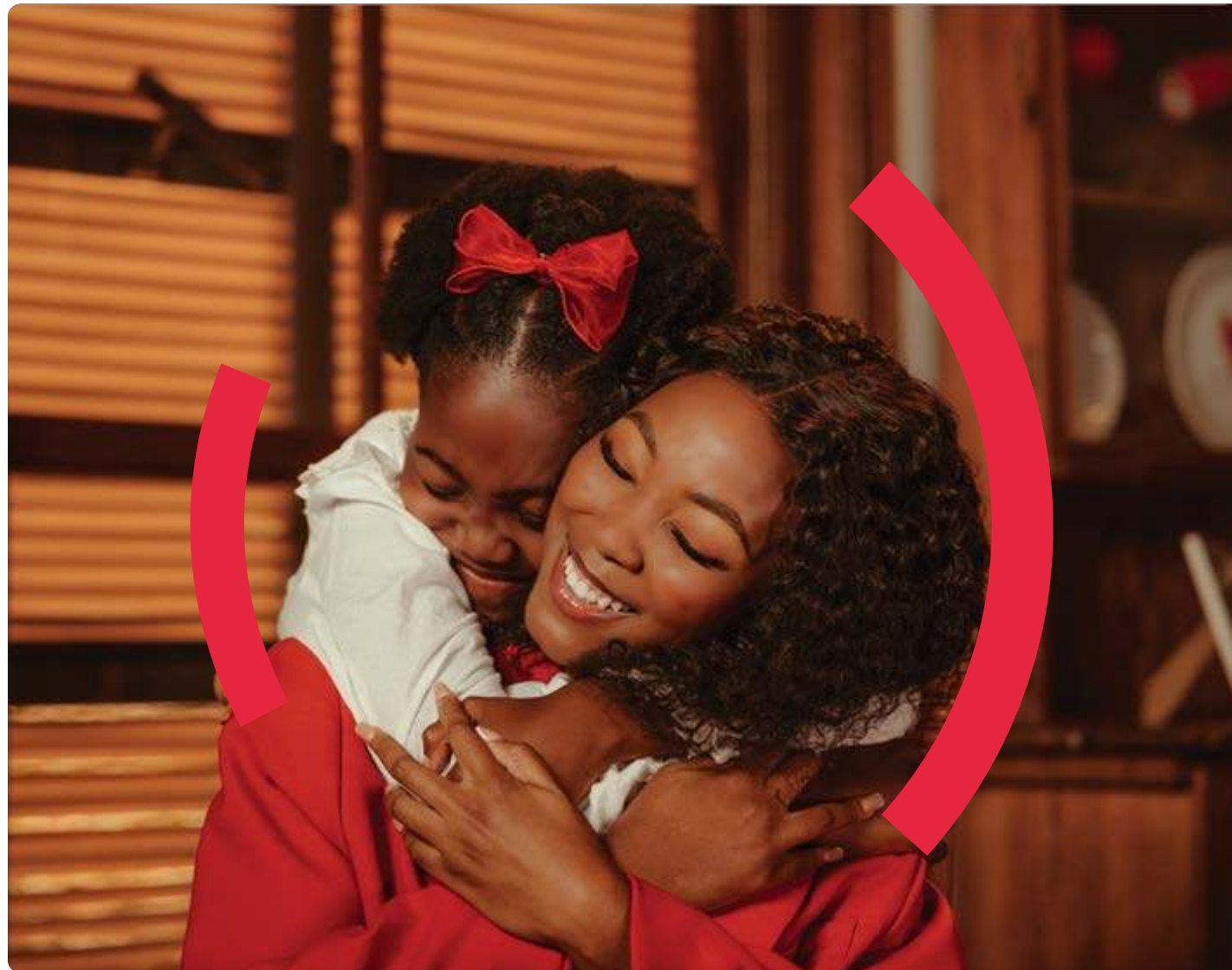
We utilised three Network for Greening the Financial System (NGFS)-aligned scenarios¹:

- Current Policies
- Delayed Transition
- Net Zero 2050.

Climate scenario analysis capabilities have evolved to meet regulatory expectations and to start embedding the quantitative practice into our risk management processes. The South African Reserve Bank (SARB) climate risk stress test (CRST) was conducted in 2024 utilising internal capability.

Feedback from the 2024 SARB CRST is as follows:

- The SARB commended Absa on its unique internal methodologies applied to the physical and transition risk modelling frameworks
- The SARB expects that banks will continue enhancing data collection, accuracy and granularity of measurement, embedment, and skills
- A summary of the 2024 CRST exercise is published in the SARB's June 2025 Financial Stability Report.



¹ We used the NGFS to align with the previous Taskforce on Climate-related Financial Disclosures (TCFD) and recent IFRS S2 expectations.

Scenario analysis and stress testing continued

Exploratory climate risk stress testing and scenario analysis for the South African market

We performed an exploratory climate risk stress testing (ECRST) and scenario analysis exercise using the NGFS scenarios and focusing on vulnerable portfolios in South Africa.

The quantitative scenario assessments considered physical and transition risk impacts on vulnerable portfolios and subsectors. Our intent was to understand potential implications and develop use cases across business units and risk teams.

In addition to improving our 2024 scenario analysis and creating more awareness around climate risk impacts, the ECRST aimed to:

- Identify vulnerabilities and assess potential losses from physical and transition risks
- Provide insights to improve internal risk management practices and informed strategic decision-making
- Enhance climate risk measurement capabilities

- Meet climate-related regulatory and disclosure requirements.

The three NGFS scenarios were chosen based on the following:

- Good coverage of full spectrum of NGFS forecasting scenarios, capturing a range of climate pathways
- Recommendations from regulatory bodies
- Various physical and transition risk scenarios

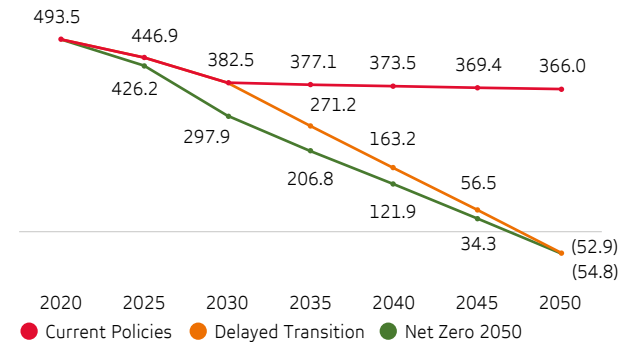
While the ECRST focus was on South Africa, our capabilities are extending to initial assessments for select Africa Regions. We prioritised regions based on the extent of climate regulatory requirements, together with climate materiality assessments. Phased climate risk assessments and integration will enable us to understand and assess each country's climate risk vulnerabilities, transition readiness, policies and Nationally Determined Contributions (NDC) commitments.

ECRST impacts, pathways and findings

Scenario	Narrative	Potential Impacts
Current Policies	This scenario is the least ambitious scenario where the World remains on the current path towards a "hot house world". The Current Policies scenario demonstrates the lack of stringency on a global scale of implemented policies to mitigate climate change, and the associated macroeconomic risks and instability.	• High physical risk due to limited mitigation efforts • Low transition risk because of limited regulatory changes.
Delayed Transition	This scenario assumes new climate policies are not introduced until 2030. Strong policies are then needed to limit warming to below 2°C. These abrupt changes leads to a disorderly transition.	• Moderate/high physical risk as delayed action allows emissions to rise • High/moderate transition risk creating a disorderly transition in the 2030's or later.
Net Zero 2050	This scenario represents orderly transition. The Net Zero 2050 scenario limits global warming to 1.5°C by 2100 through stringent climate policies and innovation, reaching global net zero CO ₂ emissions around 2050. This scenario assumes that ambitious climate policies are introduced immediately.	• Low physical risk as early mitigation efforts reduce long-term climate damage • Moderate/high transition risk, as the transition is gradual and orderly.

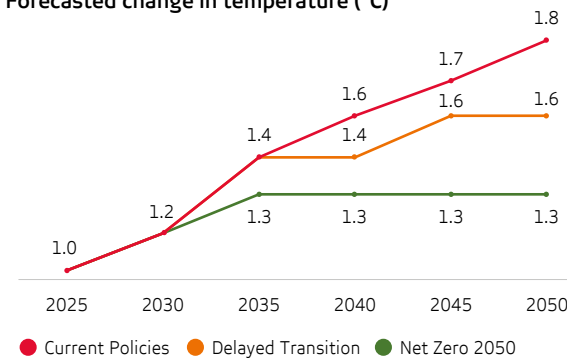
Forecasted emissions pathways

Forecasted change in emissions (Mt CO₂/year)



Forecasted temperature pathways

Forecasted change in temperature (°C)



Current Policies

scenario is the most concerning: Without new policies and emissions reduction efforts, emissions remain high, amplifying physical climate risks.

Delayed Transition

scenario shows disorderly progress: Emissions ultimately reach net zero by 2050 but with a delayed response, causing higher emissions in the earlier years.

Net Zero 2050 scenario demonstrates the benefits of early action: Emissions reduction efforts start immediately, leading to orderly reduction and reaching net zero by 2050.

Current Policies scenario is the most concerning: Without new mitigation measures, warming accelerates, surpassing 1.8°C by mid-century, amplifying physical climate risks such as floods, droughts, and heatwaves.

Delayed Transition

scenario shows disorderly progress: Emissions peak later, causing temperatures to rise sharply until ~2035 before stabilising, reflecting the cost of late action and systemic risk during the transition.

Net Zero 2050 scenario demonstrates aggressive mitigation which caps warming at ~1.3°C, significantly reducing long-term physical and economic impacts.

Scenario analysis and stress testing continued

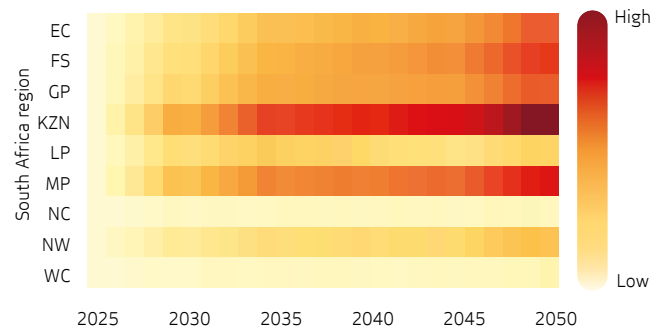
Physical risk results and findings for the South African markets

Hazards assessed include acute hazards (floods, fires, droughts, heatwaves) and chronic hazards impacting South African regions. Under Current Policies, impacts increase due to the higher frequency and severity of physical risk events.

- Impacts due to climate change occur at varying frequency and severity across the region
- Most impacted regions include KwaZulu-Natal (KZN), Mpumalanga (MP), Gauteng (GP), and Free State (FS)
- Insurance coverage and adaptation mitigate losses; linking credit with insurance enhances resilience.

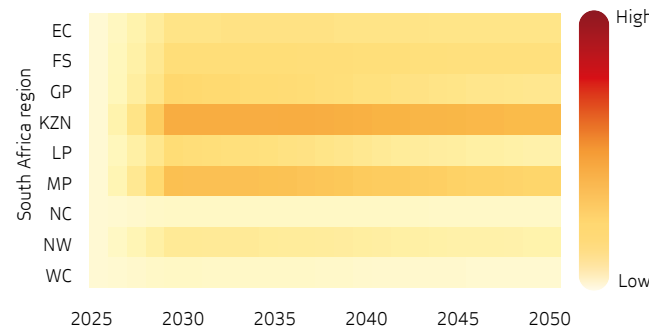
Reducing emissions generally leads to a reduced impact.

Physical risk impact - Current Policies



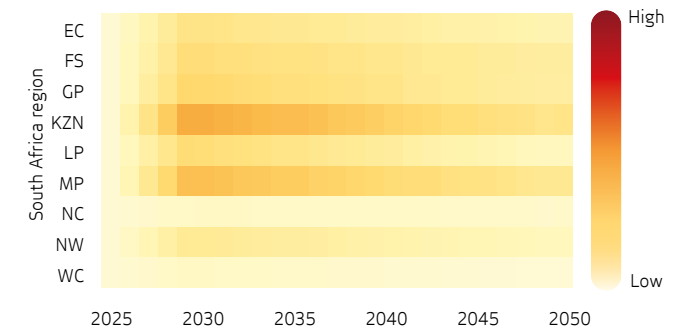
Physical risk intensifies steadily (indicated by the colour shading) under limited mitigation efforts, with central and eastern provinces showing the highest vulnerability by 2050, driven by more frequent and severe floods, droughts, and heatwaves.

Physical risk impact - Delayed Transition



Delays in policy implementation result in moderate to high physical risk across most provinces, as emissions remain elevated for longer. Vulnerability peaks in the 2030s and persists into mid-century, creating systemic challenges for infrastructure resilience and credit risk management.

Physical risk impact - Net Zero 2050



Early mitigation efforts under Net Zero 2050 reduce long-term physical risk, with most provinces stabilising at low to moderate levels. While acute hazards remain, proactive adaptation and emissions reduction significantly limit severe climate impacts.

We have improved our internal capabilities and our physical risk modelling capabilities to enhance climate risk identification and management. This process includes a benchmarking exercise against suitable external models which is still ongoing. The improved physical risk model aims to be integrated into the bank's existing internal models, such as the AFS flood modelling and increase customer awareness to strengthen climate risk preparedness.

Scenario analysis and stress testing continued

Transition risk findings for the South African market

Highly impacted subsectors include non-renewable energy generation, coal, crude oil and natural gas extraction, and transport (air, rail, road, pipeline). Drivers include carbon pricing, stranded assets, and capital investment requirements for cleaner technologies. Larger credit impacts are observed under Net Zero 2050 and Delayed Transition, with minimal changes under Current Policies.

- Decline in demand and revenue in high-emitting subsectors outpaces decline in costs
- Despite decreasing emissions, increasing carbon prices lead to significant tax burdens
- Transition plan quality, solvency strength, and debt levels drive credit risk dynamics
- Crude and natural gas and coal mining risks transition from amber to red by 2050 as shutdowns progress.

Year	2035			2050		
	Current Policies	Delayed Transition	Net Zero 2050	Current Policies	Delayed Transition	Net Zero 2050
Energy generation – electricity	High	High	High	High	High	High
Steel and other metals	Low	High	High	Low	High	High
Food and beverages	High	High	High	High	High	High
Fuels, chemicals and compounds	High	High	High	High	High	High
Metals, machinery and equipment	High	High	High	High	High	High
Transport equipment	High	High	High	High	High	High
Crude and natural gas	High	High	High	High	High	High
Non-ferrous metals	Low	High	High	Low	High	High
Rail, road and pipeline	High	High	High	High	High	High
Coal	High	High	High	High	High	High
Energy generation – gas	Low	Low	Low	Low	Low	Low
Air transport	High	High	High	High	High	High
Other mining	Low	High	High	Low	High	High

■ High transition risk
 ■ Medium transition risk
 ■ Low transition risk

Due to stringent regulations, carbon prices have increased, which emphasises the need for emissions-reduction efforts. Opportunities exist for some industries to transition to cleaner operations, which should yield cost savings and increased demand. These transitions, if supported by clear and comprehensive transition plans, can reduce long-term risks.

Strategic integration and opportunities

Physical risk insights complement transition risk analysis, informing holistic climate risk management and regulatory compliance. Findings are being embedded into strategy, risk management, and business decision-making. Several business units plan to incorporate climate risk insights into credit processes (e.g., shadow ratings, informed portfolio management, and customer onboarding). Supporting customers through sustainable finance offerings and monitoring transition plans is essential.

Several business unit engagement sessions and workshops were held, resulting in socialisation, knowledge sharing, and sign-offs, while also providing insights that will be considered for enhancements in 2026. Continuous engagement with stakeholders will aim to resolve data challenges and embed climate solutions within existing frameworks.

Climate stress testing results are communicated to business units through structured engagements. These insights are progressively incorporated into risk and credit decision-making processes. The risk function plays a pivotal role by identifying vulnerabilities, assessing potential losses, enhancing internal risk management practices, and meeting regulatory and disclosure requirements.

Financial impact assessment

To evaluate the financial implications of climate risks, Absa utilises key credit risk metrics, such as Exposure at Default (EAD), Probability of Default (PD), and Loss given Default (LGD). These metrics are continuously refined to improve accuracy and relevance. Integration of climate risk insights into strategic planning and capital allocation is underway, with efforts focused on embedding these considerations into broader decision-making frameworks.

Data and modelling

Absa utilises internal and external climate datasets to support its modelling efforts. Key challenges in data availability and granularity include location-specific data, customer-level emissions and transition plans, insurance and claims data, and historical classification of climate events.

Efforts are ongoing to address these gaps and improve data quality across the organisation. Models and measurement frameworks have been built internally and socialised throughout the Group.

Risk outlook and priorities

Absa continues to advance its climate risk stress testing capabilities to align with emerging global standards. While full formal alignment is pending, several components of our approach already align in principle. The Group has proactively reviewed climate metrics and requirements of various frameworks through its Basel Climate Risk Programme.

In the coming year, Absa will focus the evolution of its Sustainability Framework on deepening integration, enhancing analytical capabilities, and aligning with global regulatory and market expectations.

We will strengthen **climate risk management** by enhancing scenario analysis capabilities to meet regulatory expectations and expand coverage across Africa Regions. We will integrate scenario analysis into credit risk modelling and strategic decision-making processes, to ensure climate-related risks are assessed holistically and proactively.

Nature risk assessment is emerging as a critical area of focus. Absa will expand its internal capabilities to assess nature-related risks, including biodiversity and dependencies on natural capital. These efforts will build on existing environmental and social risk frameworks and align with global initiatives, such as the Taskforce on Nature-related Financial Disclosures.

We aim to upgrade our **data and reporting systems** to support more robust sustainability risk reporting. This includes integrating climate-related key performance indicators (KPI) into internal dashboards and external disclosures. Enhanced data governance and traceability will ensure reporting is transparent, auditable, and aligned with international standards such as IFRS S2 and the GRI.

The Basel Climate Risk Programme will transition into business clusters, embedding climate risk management into standard operating procedures and governance frameworks. This shift will ensure that sustainability considerations are not treated as standalone initiatives but are fully integrated into the Group's risk culture and decision-making.

The Group will enhance its ESG risk management practices to align with international best practices and disclosure standards. This includes ongoing engagement with regulators, industry bodies, and stakeholders to ensure that Absa remains at the forefront of sustainable finance and climate resilience.

Absa is committed to strengthening its climate risk capabilities through enhanced scenario generation, improved external data sourcing, broader climate metrics reporting, integration of scenario analysis into credit processes, increased granularity of assessments, and talent acquisition in climate risk expertise.

Expansion of coverage to additional portfolios, sectors, and geographies, including Africa Regions, is underway, ensuring a more comprehensive and resilient climate risk management.

Through these strategic enhancements, Absa aims to reinforce its position as a credible, forward-looking institution committed to enabling Africa's transition to a sustainable and inclusive future.





Social impact

Financial inclusion	54
Corporate citizenship	67
Diversity, equity, inclusion and belonging	80

Social impact

Social impact is one of two strategic pillars of the Sustainability Framework. It is connected to Group strategy and the Integrated Report and integrates three levers through which the Group advances human and societal value at scale: financial inclusion, corporate citizenship and DEIB.

Financial inclusion

Through financial inclusion, we enable broader access to affordable, relevant and responsible financial solutions for individuals, businesses and households, strengthening economic participation and resilience.

Corporate citizenship

Our citizenship initiatives extend impact beyond our core business, accelerating entrepreneurship and youth development and strengthening community across our markets.

Diversity, equity, inclusion and belonging

Our DEIB commitments support our ambition to deepen talent and leadership while enhancing culture and performance excellence, ensuring an inclusive and future fit organisation.

Social impact supports customer-led growth, pan-African diversification and long-term value creation by enabling broader access to relevant, affordable financial solutions; strengthening skills, livelihoods and community resilience; and building an inclusive, high-performance culture.

Sustainable finance

We enable our clients to adopt technologies and operating models that reduce their carbon emissions and enhance their resilience to both physical and transition-related climate risks, including through the provision of social-inclusion financing. Our sustainable finance offering comprises both use-of-proceeds instruments and general-purpose sustainability-linked financing solutions.

During the year, our mobilisation of sustainable finance amounted to R53.5 billion, supporting a range of social and climate-related initiatives. Of this total commitment, R15.9 billion was allocated to social financing, while R37.5 billion supported climate-focused investments.

Diving deeper: *Environmental and climate action*

This reflects our continued emphasis on advancing inclusive social development and accelerating climate-resilient and low-carbon financing.

Social sustainable finance

Financing inclusive growth for Africa's communities

As a purpose-led pan-African bank, Absa is committed to empowering Africa's tomorrow by expanding access to financial opportunities that enable people and communities to thrive. Social financing supports inclusive economic participation, strengthens community resilience, and enables meaningful social progress across our markets.

Social inequality and limited access to financial services remain significant barriers to development, therefore, we continue to scale solutions that improve financial inclusion, support underserved groups, and unlock pathways to sustainable livelihoods. Our social financing efforts are designed to meet people where they are by providing funding that enables households, entrepreneurs, youth, women, and small businesses to participate in the economy.

Delivering social finance that creates real impact

Social financing is embedded across our business, enabling tailored products, targeted initiatives, and inclusive value-chains that extend opportunity to those who need it most. Through strengthened propositions across our business operations, we are deepening our support for financially underserved customers and broadening access to essential services, enterprise development, affordable housing, and inclusive growth solutions.

Our collaboration with industry partners, community organisations and development institutions continues to enhance the reach and impact of these initiatives, ensuring that our social financing directly contributes to improved livelihoods and long-term resilience across Africa.

Social sustainable finance

	2025 Rbn	2024 Rbn	2023 Rbn	2022 Rbn	2021 Rbn	Cumulative total Rbn
EB	N/A	0.4	0.4	0.5	0.5	1.8
PPB	2.8	2.3	1.9	3.9	4.3	15.2
AR	13.1	9.4	7.0	5.0	3.1	37.6
Total	15.9	12.1	9.6	9.1	8.0	54.7

Note: The Group has undergone a restructuring of the reportable segments, which resulted in the integration of Product Solutions Cluster, Everyday Banking and Private Wealth Banking (previously part of Relationship Banking) into a single business unit – Personal and Private Banking (PPB). As a result of this restructuring, the comparative period has been retrospectively restated to accurately represent the integration of these segments into PPB. Furthermore, Relationship Banking and Absa Regional Operations – Retail and Business Banking have been renamed to Business Banking and Africa Regions Personal and Private Banking and Business Banking, respectively.

Social impact continued

Turning strategy into impact

Our sustainability priorities have been translated into quantifiable and measurable outcomes.

Initiative	Approach and priorities	Performance to impact
Innovative banking products	Remove barriers to access, promote inclusion, drive innovation	- Launched Absa Credit Coach, an in-app tool improving credit scores - Partnered with UIF to provide pre-filled forms via ATMs; over 100 000 applications distributed - Improved forbearance conversion rate from 40% to 70%.
Affordable home loans	Provide housing finance, collaborate with industry, empower customers through education	- Empowered 5 756 customers through borrower education - Affordable housing loan book grew by 7.6% - Provided R3.4 billion toward buildings with social impact and green certification - Assisted 513 households with government subsidies for first-time buyers.
Agriculture sector inclusion	Provide farmers with access to credit and financial services	Strengthened agricultural inclusion by equipping 2 000 subsistence farmers through the Absa Education Delivery Programme.
Enterprise growth and inclusive financing	Promote economic empowerment, reduce gender gaps, support SMEs	- Invested R343 million in funding to women-owned businesses - Offered financial support at preferential rates - Provided non-financial support through technology-driven strategies.
Corporate citizenship	Provides support for community wellbeing through targeted investments, ethical partnerships, and programmes that advance education, youth employability, and local economic resilience	Invested R196 million in entrepreneurship education and youth employability and R40.4 million^{LA-EA} in financial education

These achievements reflect our progress towards inclusive growth and climate resilience. By combining innovative products, strategic partnerships and education, we are not only expanding access to finance but also enabling communities to thrive in a rapidly changing world.

Financial inclusion

Our approach to financial inclusion

Equitable access to financial services is a cornerstone of Absa's strategy. We address financial inclusion by ensuring individuals and businesses can access affordable, needs-based financial products tailored to their circumstances. Our approach combines innovative delivery channels, business development support, consumer education, and financial literacy training to strengthen financial wellbeing and unlock intergenerational wealth, particularly for women and youth.

Across our markets, affordability constraints, distance from service points, digital divides and informality limit participation. Strengthening inclusive financial access unlocks livelihoods, supports resilience and broadens intergenerational wealth creation.

Our priority

Enable access, capability and affordability so individuals, households and small businesses can participate in the formal economy, manage risk and pursue growth.

Our goals



Create equitable access



Provide equitable access for underbanked communities, with a strong focus on youth and women.



Develop a holistic approach



Deliver a full spectrum of financial solutions from transactional banking and credit to insurance and wealth accumulation.



Ensure systemic empowerment



Cultivate a thriving entrepreneurial ecosystem that empowers individuals and small businesses.



Establish trust through innovation



Position Absa as a thought leader and trusted partner in financial inclusion through innovation and advocacy.

Financial inclusion as a foundation for economic opportunity

Access to financial services remains one of the most significant barriers to economic participation for millions across Africa. While progress has been made, underserved groups, particularly women, small business owners, and rural communities, continue to face challenges in obtaining affordable, appropriate financial products. Without the ability to make payments, transact, save, borrow, or insure against risks, individuals and businesses struggle to participate in the economy, build wealth, invest in opportunities, and recover from financial shocks.

SMEs are significant contributors to Gross Domestic Product across our markets and account for approximately 90% of employment. However, SMEs encounter difficulties in accessing new markets, obtaining finance and developing the capabilities to establish sustainable businesses.

The climate crisis intensifies these vulnerabilities, exposing communities to extreme weather events, droughts, and floods that threaten livelihoods and economic stability. Therefore, financial inclusion is more than a social imperative; it is an economic and environmental necessity. By enabling access to finance, we empower individuals and enterprises to adapt to climate risks, invest in sustainable solutions, and contribute to a resilient economy.



Our approach to financial inclusion continued

Strengthening resilience through financial inclusion

Financial inclusion is key to building resilience. It enables individuals and businesses to invest in climate adaptation, access insurance against environmental shocks, and transition to more sustainable economic activities. Closing this gap is not just a social imperative; it is an economic and environmental one. Broader financial participation fuels economic growth, supports entrepreneurship, and strengthens climate resilience.

At Absa, financial inclusion is integral to how we create value, grow our business, and partner with customers to achieve their aspirations while positively impacting the communities and environments in which we operate.

Financial inclusion pillars

We are dedicated to advancing financial inclusion for underserved demographics and SMEs, with a particular focus on women and youth. Our commitment is reflected in the provision of cost-effective products and services meticulously designed to address their specific requirements. These offerings not only enhance financial wellbeing but also broaden access to financial services for low-income communities, thereby facilitating the accumulation of intergenerational wealth, focusing on the following key areas:



Inclusive products and services

We design financial products and services that meet the diverse needs of individuals and businesses, ensuring affordability, accessibility and relevance. Our offerings empower people to manage their finances, build resilience and seize economic opportunities.



Inclusive accessibility

Financial inclusion means ensuring everyone, has access to the financial products, services and the tools they need. By leveraging digital innovation, expanding branchless banking, and removing barriers to entry, we are making financial services more accessible, especially for underserved communities and small businesses.



Transformation through financial inclusion

We are committed to driving transformation through targeted schemes and development efforts to support a financial landscape that reflects and serves the needs of all communities, promoting long-term, sustainable economic growth.

This work is anchored in our corporate citizenship strategic priorities, ensuring that our efforts create meaningful and sustainable impact.

Diving deeper: **Corporate citizenship**



Advancing financial inclusion through consumer financial education

We equip individuals and businesses with the skills to make informed financial decisions through targeted financial literacy initiatives. By promoting responsible money management, digital banking awareness, and investment education, we help build a financially confident and resilient society.

Inclusive products and services



Through our product range, we provide equitable access to financial services for underbanked communities across our business units. Our offerings encompass transactional banking, credit, insurance and wealth accumulation, providing comprehensive financial solutions tailored to the diverse needs of our customers across different segments and sectors.



Corporate and Investment Banking

We manage cash flow and help African businesses access the funds they need to grow. Our investment banking solutions like property finance and infrastructure provide capital and opportunities for growth, supporting wider economic participation and empowering communities.



Business Banking

Our business bank enables commercial and SME customers' growth and economic participation with comprehensive transactional and payments and lending solutions, such as working capital, commercial asset finance and property finance.



Personal and Private Banking

We offer a wide range of services to meet the diverse financial needs of individuals and businesses in South Africa. For personal banking, we provide home loans, vehicle and asset finance, life and non-life insurance, and personal loans, along with credit cards, transactional banking and deposits.



Africa Regions

We provide accessible and inclusive financial solutions for individuals and business banking for commercial and SME customers. For retail banking, we provide access to banking services through digital wallets, mobile banking and through JUMO's technology platform. For SMEs, we provide a holistic solution which encompasses access to finance, capacity building workshops, mentorship and access to markets.



Note: The Group has undergone a restructuring of the reportable segments, which resulted in the integration of Product Solutions Cluster, Everyday Banking and Private Wealth Banking (previously part of Relationship Banking) into a single business unit – Personal and Private Banking (PPB). Furthermore, Relationship Banking and Absa Regional Operations – Retail and Business Banking have been renamed to Business Banking and Africa Regions Personal and Private Banking and Business Banking, respectively.

Inclusive products and services continued

Products and services

We are committed to advancing financial inclusion by designing and delivering products and services that respond to the diverse needs of our customers, including underserved and vulnerable segments. We expanded our offering with a new suite of products designed to prioritise access and affordability. Responsible product design is enabling individuals, households, and businesses to participate meaningfully in the formal financial system. We continue improving financial resilience through tailored solutions and transparent terms.

Eyenu Nonke

Absa introduced Eyenu Nonke, a funeral enabled banking proposition designed to enhance financial inclusion within the Entry Level and Inclusive Banking segment. Available through the Instant Life, Direct Delivery, and Branch channels, the product ensures broad accessibility for customers across diverse communities.

Eyenu Nonke enables the main member to secure funeral cover for themselves, with the option to extend protection to their immediate and extended family, up to 10 additional family members, reflecting the realities of South African household structures.

The proposition offers a comprehensive suite of benefits, including:

- Cover for natural and accidental deaths
- Transport of mortal remains
- Grocery benefits to support households after a loss
- Premium relief options to help customers retain cover during financial hardship
- Annual benefit increases to protect against inflation
- Monthly cashback rewards for eligible customers, reinforcing positive financial behaviour.

Eyenu Nonke supports Absa's sustainability ambitions by extending essential financial protection to low income customers. Its culturally relevant design and extended family coverage deepen financial security and dignity, while value added features, such as Absa Rewards and premium relief enable households to maintain cover even during challenging economic periods.

Credit Coach

Absa has launched its innovative financial inclusion Credit Coach solution, which is available for free on the Absa banking app. It offers a suite of tools to help customers in South Africa monitor and improve their credit scores:

- Access and monitor credit scores directly within the app.
- Receive personalised tips: Get tailored advice to improve credit scores.
- Receive notifications on credit-related activities on your name recorded on credit bureau.
- Log disputes against suspicious or incorrect credit records by contacting TransUnion customer support directly through the app.
- Make missed payments directly within the app.
- Access consumer credit educational content and receive in-context guidance to help improve credit scores. Further assistance is available from the Absa Collections Contact Centre.

Credit Coach aims to proactively coach South Africans towards financial inclusion, financial literacy, credit literacy and healthy credit behaviours.

Savings Coach

Absa's new Savings Coach is an innovative solution that has been integrated into the Absa banking app. This solution helps users plan and achieve savings goals with personalised prompts and smart features.

Savings Coach has specific benefits, such as:

- Allowing customers to set personalised savings goals, enhancing participation and interaction with their savings plans
- Automatic savings feature through digital platforms, encouraging users to save effortlessly while increasing engagement with Absa's banking app
- Offering educational resources and gamification elements within the app, promoting financial literacy and motivating customers to actively enhance their savings habits.

Diving deeper: **Integrated Report**



Inclusive accessibility

Inclusive accessibility is fundamental to ensuring that all individuals, regardless of their physical abilities, financial income, literacy, or technological access, can fully access financial products and services. Our commitment to inclusive accessibility is about empowering underbanked communities, fostering financial inclusion, and removing barriers that hinder individuals from creating wealth.

We continue to enhance accessibility to banking products and services, particularly in underserved segments and areas, through ongoing innovation. This includes adopting digital technologies that enable greater access and affordability for those seeking financial services. Our approach involves leveraging expertise across our diverse businesses and partnerships to identify opportunities to maximise impact and to develop products and services that are relevant to the communities we serve. We continuously develop and enhance programmes, products and services that promote financial inclusion, building on new initiatives and refining those introduced in previous periods.

We have forged the concept of branchless banking through our mobile banking pods, which deliver a comprehensive range of banking services in remote and underserved areas, from basic transactions to more intricate financial consultations. Our objective extends beyond merely providing a service; we aspire to foster financial literacy and independence within the communities we serve.

Our commitment to delivering the best value-for-money banking solutions has led to meaningful improvements for our customers. This is reflected in the findings of the Solidarity Research Institute's 2025 Bank Charges Report, which rated Absa Transact as the best-value-for-money entry-level account in South Africa.

For South Africans seeking a basic banking account, Absa's Transact Account meets everyday banking needs, at the cost of just R6.50 per month including R5 000 life cover, unlimited card swipes and withdrawals at PoS and one free Cash Send per month. Our goal is to ensure that customers experience real value every day while building long-term financial security and importantly, this offering underscores our commitment to the promotion of financial inclusion, and our role as a primary partner to our customers.

Spark 2.0

Spark 2.0 is a digital wallet featuring easy streamlined onboarding, affordable transactional capabilities and access to credit for customers via their mobile devices. The wallet is currently being commercialised in Ghana, Uganda, Botswana, and Seychelles, and is available via app and USSD.

Impact in
Action

MobiTap

In Africa Regions, MobiTap is a capability offered to SMEs, which gives customers the ability to use their android smartphone as a secure, low-cost point-of-sale device. With over 22 000 terminals deployed, it enables small and informal businesses to accept digital payments more affordably, expanding financial inclusion and supporting our sustainability drive by reducing costs, e-waste, and barriers to digital commerce.

Impact in
Action

MEST access to finance

Absa Bank Ghana, in partnership with the Mastercard Foundation, launched an initiative to tackle the gender financing gap by offering collateral-free loans of up to GHS2 million at 10% per annum to eligible female entrepreneurs. This programme is a key element of the bank's wealth-creation agenda and its commitment to closing the financing gap for women.

Impact in
Action



Inclusive accessibility continued

Enterprise development

Enterprise development remained a vital driver of inclusive and sustainable economic growth, fostering transformation and resilience across local value chains.

The focus was on empowering black-owned SMMEs to become competitive, bankable, and climate-conscious suppliers, contributing meaningfully to South Africa's socio-economic transformation, job creation, and green economy agenda. Through a strategic blend of financial investment, business development support, and partnerships, the programme strengthened small business ecosystems and reinforced Absa's commitment to shared prosperity and sustainable enterprise growth.

Our approach

Our enterprise development strategy is rooted in a shared value and sustainability philosophy, with a strong focus on transformation, resilience, and long-term impact. The approach continues to create meaningful opportunities for SMMEs through market access, capacity development, and financial inclusion, with a particular emphasis on empowering women, youth, and rural entrepreneurs.

A key priority was integrating black-owned SMMEs into corporate value chains by bridging the gap between access to finance and market opportunities. This was supported by targeted training, mentorship, and technical assistance.

Aligned with sustainability and climate objectives, Absa also promoted resource-efficient and environmentally conscious enterprises. The impact of this approach was evident in the improved competitiveness, sustainability, and financial resilience of supported businesses, as well as in stronger linkages between corporate procurement and emerging suppliers, which contributed to job creation and enterprise growth.

A notable example includes support for a waste recycling enterprise in Molimela. This initiative addresses local waste management challenges and promotes environmental awareness by educating children from an early age about the importance of caring for nature and avoiding pollution in open spaces.

Priorities for 2025

Our focus was on scaling impact and deepening inclusivity in enterprise development. Central to this was the continued support of black-owned SMMEs, with a strong emphasis on youth and women-led enterprises, to drive meaningful economic transformation.

The programme also prioritised the growth of environmentally sustainable enterprises in sectors such as renewable energy, sustainable agriculture, and waste management, aligning climate resilience and green economy goals.

Key enablers included:

- Strategic partnerships with public and private stakeholders to enhance market access and mobilise resources
- Equipping SMMEs with digital tools and financial literacy to improve efficiency, competitiveness, and funding readiness
- Strengthening impact measurement to track outcomes such as job creation, enterprise turnover growth, and environmental performance, ensuring alignment with sustainability objectives.

We aim to drive impact by supporting enterprises in scaling and hiring more people. We can do this through our key pillars:

- Access to markets
- Access to non-financial support, focusing on skills development
- Access to funding through special value adds like Alt Funds.



Key achievements in 2025

Our enterprise development interventions delivered measurable socio-economic impact across various sectors in Gauteng. Over 3 000 SMMEs were supported through financial and non-financial interventions.

More than 500 entrepreneurs participated in capacity-building programmes, receiving targeted training in costing, pricing, compliance, and market access. These efforts promoted inclusive growth, with over 60% of supported businesses being youth- and women-owned.

Enterprise development also supported the public sector by partnering with the Northwest Provincial Government, committing R2 million annually over three years (ending in 2027) to deliver business development support in the province. This initiative contributed to food security in the schools portfolio, the development of local farmers, and the training of 100 electricians through a partnership with South African Photovoltaic Industry Association (SAPVIA) and the National Business Initiative, focusing on upskilling in solar Photovoltaic technologies.

Impact in
Action

SMME-specific support

Absa delivered comprehensive financial and non-financial support to strengthen the growth and sustainability of SMMEs. Over R600 million was disbursed through loans, business development support, and grants, enabling access to working capital and asset financing for growth-oriented enterprises. Procurement linkages were also facilitated to support long-term business sustainability.

Tailored business development support was provided through training, mentorship, and business coaching. Workshops on costing and pricing enhanced financial management for SMMEs engaged in corporate contracts. Additional support included market access facilitation, compliance and governance training, helping businesses meet industry standards and audit requirements.

Inclusive accessibility continued

Enterprise development also supported:



SMMEs through lending-backed grants to a total of **R6.5 million**, which generated a total lending of **R159 million**.



89 customers through collateral guarantees to a total payout of R325 million.



Retail and manufacturing enterprises with non-financial support.



Farmers through the Stockman's School, doubling the previous year's participation.



Hawkers through formalisation programmes.



Youth-led businesses in partnership with Small Enterprise Development and Finance Agency during the "Pitch and Perfect" competition. The provincial winner received further exposure at the Namibian Agri Expo.



Female farmers in honey and vegetable production. The honey farmer has a formal retail offtake agreement and also supplies local farmers whereas the vegetable farmer supplies Sun City and mines.



SMMEs to participate in the National Association of Automobile Manufacturers of South Africa Auto Week 2025, providing them with a platform to exhibit alongside leading industry players. This initiative aimed to unlock market access opportunities and foster integration into the **broader automotive value chain**.



Absa was a proud sponsor of the **National Association of Automobile Manufacturers of South Africa Show 2025**, where we facilitated the participation of two SMMEs as exhibitors. This platform enabled these businesses to showcase their capabilities to Original Equipment Manufacture and tier 1 suppliers.

Green economy engagement

We also supported the Devac Hydrogen-H Indaba, a leading platform for hydrogen project development and investment. The event brought together government, private sector, and international stakeholders to explore Africa's potential for green hydrogen and support the continent's energy transition. Hydrogen energy will become part of the just energy transition.

The EmpowaWomen Leadership Summit 2025

The EmpowaWomen Leadership Summit 2025 served as a strategic collaboration platform, strengthening Absa's partnerships with women-focused networks, development organisations, and green economy stakeholders. The summit facilitated meaningful dialogue and laid the groundwork for future partnerships in renewable energy financing, climate entrepreneurship, and inclusive supplier development. It also strengthened Absa's leadership positioning in climate and gender-responsive finance, integrating these focus areas into enterprise development and SME empowerment.



Inclusive accessibility continued

Looking ahead

We will focus on strengthening capacity, resilience, and sustainability of SMMEs, with a particular emphasis on women, youth, and rural-owned businesses operating in high-impact sectors such as the green economy, energy, and climate-smart agriculture.

Our strategy will expand to offer more holistic and integrated support, ensuring that SMMEs are equipped to navigate funding systems, scale their operations, and contribute meaningfully to inclusive and sustainable economic growth.

Key priorities for 2026

- Scaling capacity-building programmes through digital and in-person platforms
- Deepening access to markets and procurement opportunities
- Strengthening mentorship and advisory support tailored to enterprise needs
- Fostering strategic partnerships with government, DFIs, and sector leaders to unlock access to finance, technology, and growth networks.

There will be a stronger focus on climate-conscious enterprise development, encouraging SMMEs to adopt environmentally responsible practices and integrate resource efficiency into their operations. This includes promoting participation in renewable energy, green supply chains, and climate innovation programmes.

We will enhance impact measurement by tracking metrics such as the number of SMMEs supported, jobs created, and financial and non-financial value delivered. Enterprise development initiatives will also align with global and national frameworks, including the Paris Agreement, IFRS S1/S2, and South Africa's Just Energy Transition agenda and our related country energy transitions agendas.

Ultimately, the 2026 focus is to deepen Absa's role as a catalyst for inclusive and sustainable economic growth, empowering underrepresented entrepreneurs, strengthening SMME competitiveness, and supporting Africa's transition to a low-carbon, inclusive economy.

SME

Our SME segment is anchored in the mission to advance financial inclusion, ensuring that underserved and high-potential businesses can access the financial and non-financial support they need to grow.

Approach

Our approach focuses on strengthening accessibility through simplified customer journeys, expanding digital enablement, and embedding inclusive propositions, particularly for women- and youth-owned enterprises. Through strategic partnerships, we aim to enhance access to finance, build entrepreneurial capabilities, and foster sustainable economic participation.

2025 priorities

- Realign the SME operating model to enhance execution speed, operational efficiency, and responsiveness to customer needs.
- Strengthen service delivery channels and accelerate digital transformation to expand reach and accessibility for SMEs.
- Embed inclusive propositions that prioritise vulnerable and underrepresented groups, with a focus on improving access to funding and skills development for women and youth.
- Enhance onboarding and service processes to reduce barriers to entry for new customers.

2025 key achievements

We refreshed our operating model that improved execution speed and strengthened our ability to deliver integrated, customer-centric solutions.

Optimised service delivery channels and digital capabilities, including the introduction of a more efficient and streamlined onboarding experience.

Rolled out transformative propositions supporting women- and youth-owned businesses, facilitating improved access to finance and entrepreneurial development programmes.

Expanded partnerships that enabled targeted support for vulnerable SME groups and accelerated progress toward our financial inclusion objectives.

Women in business

The 2025 Find Micro, Small and Medium Enterprises Report reveals that women own 36% of formal businesses, yet many face persistent challenges in accessing finance to sustain and grow their businesses. To address this, Absa has partnered with African Development Bank to waive initiation fees across all lending products for women-owned businesses, leveraging dedicated grant funding. Since the launch of this initiative at the end of 2024, 792 businesses have accessed over R343 million in new funding, driving meaningful progress in financial inclusion and economic empowerment. This programme will continue through to 2028.

Item	2025	2024
Number of new loan facilities	792	15
Value of new loans	R343 million	R9.3 million

The Women in Business (WIB) proposition is designed to increase women's economic participation and entrepreneurship by providing access to tailored financial solutions. We also facilitate parallel capacity-building interventions such as financial literacy, management skills development, and business support programmes. The proposition is live in seven markets, with impacts including:

- At Absa Bank Kenya, the WIB proposition empowered 187 600 women through a combination of training, funding, mentorship, and enterprise development initiatives aimed at strengthening women-owned and women-led businesses across Kenya and beyond. Over R300 million was disbursed to support women, cementing our ambition as the top WIB financial institution in Kenya.
- The Absa Inspire Me Conference, launched in 2021, continues to serve as a flagship platform for inspiring, connecting, and developing women entrepreneurs. Previous in-person and digital engagements attracted thousands of participants across our markets.
- Complementing these initiatives, the See Her Empowered initiative, implemented in partnership with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Yunus Environment Hub, supports female entrepreneurs to overcome personal and business challenges through holistic enterprise development support.

Collectively, these 2025 initiatives demonstrate Absa's continued commitment to driving inclusive growth, strengthening women-led enterprises, and advancing sustainable economic empowerment for women.

Inclusive accessibility continued

SMEs enabling inclusive enterprise growth at scale

Across our markets, SMEs face persistent barriers to credit, formalisation, and market access. In line with the social impact pillar, we expand **financial inclusion** through targeted products, fee relief, and ecosystem partnerships, with a deliberate focus on women-owned enterprises and high-potential informal businesses. This supports customer-led growth and long-term value creation across the Group.



Women in business in Ghana

To narrow the gender financing gap, Absa has scaled women focused solutions and partnerships. In **Ghana**, our partnership with the Mastercard Foundation complements this by offering **collateral free loans up to GHS2 million at 10% p.a.**, unlocking growth capital for eligible women entrepreneurs and catalysing formalisation.



Small business Friday in South Africa

We improved SME visibility and cash flow resilience by linking Absa banked SMEs to Absa Rewards customers. Since launch, **4 273 SMEs** have registered on the platform (with **638** new in **2025**) and earned **R3.98 million** in cashback, driving footfall and spend while deepening merchants' digital engagement.

Agriculture financing inclusion, food security and climate readiness

Agriculture is central to inclusive growth and food security in our footprint. Our approach integrates access to finance with capability building and climate aligned practices, reinforcing social impact while linking to environmental and climate action across the value chain. Programmes prioritise emerging farmers, women-led enterprises, and data driven transition support.



Blended finance unlocking emerging farmer growth in South Africa

Through a public-private Blended Finance Scheme, we financed 22 new to bank agriculture customers by leveraging R170 million in grant funding to unlock R236 million in debt financing. This accelerated asset formation and market entry for underserved producers, while crowding in private capital alongside development funds.



Farmer development and productivity gains

Targeted capability programmes strengthened farm performance and resilience: 21 farmers were trained through the LRF Stockman School in 2025 (56 supported since 2022), while Grain SA mentorship helped farmers achieve notable productivity milestones and recognition. This included entry into the 250 ton and 2 000 ton clubs and a New Era Commercial Farmer of the Year award, with the farmer receiving an Absa/John Deere tractor. This is evidence of the tangible outcomes from skills investment.



Sustainable procurement

We continue our journey toward building responsible, resilient value chains and deepening our commitment to sustainable procurement. Building on the 2024 foundation, the Group made strides in embedding ESG principles and enhancing supplier diversity.

Supplier diversity

We continue to advance our transformation agenda through a robust Supplier Diversity Programme, which is integral to achieving preferential procurement (PP) and supplier development targets. This programme promotes diversity, equity, and inclusion across the supply chain, while enabling sustainable economic participation for historically disadvantaged groups.

Preferential procurement

Our PP scorecard reflects a solid performance but also highlights specific areas requiring targeted improvement. The most notable gap lies in expenditure with EMEs. Performance across key PP indicators such as black-owned, black women-owned, designated groups, and B-BBEE Levels 1–4 remains strong, with targets in these categories fully met or consistently maintained year-on-year.

Diving deeper: B-BBEE Report

Spend with qualifying small enterprises (QSEs) is showing a positive upward trend, indicating growing traction in integrating small businesses into the value chain and contributing to broader transformation objectives. Small businesses face capacity and scalability constraints in general, making it difficult for them to meet the volume, quality, and turnaround requirements expected to meet contractual obligations. To improve future performance, Absa is taking a proactive and structured approach to PP.

This includes ring-fencing procurement opportunities specifically for EMEs and QSEs, integrating PP targets into sourcing strategies, and leveraging data analytics to track and redirect spending. Continuous supplier education, capacity-building support, and procurement-led engagement initiatives will be vital to drive the integration of small businesses into Absa's supply chain and achieve sustainable improvements across the PP scorecard.

Reporting elements	2025 Rbn	2024 Rbn
Total measurable procurement spend (TMPS)	17.7	17.5
Total weighted spend with B-BBEE-accredited suppliers	22.8	21.9
Procurement from qualifying small enterprises and exempt micro enterprises	4.1	4.5
Procurement from 51% black-owned suppliers	11.5	11.6
Procurement from 30% black women-owned suppliers	9.1	9.0

Supplier development

In 2025, we focused on scaling business development support initiatives and diversifying funding methodology beyond the current cash-flow-based model. The Business Development Support Programme enables SMMEs to be productive and to provide capability-building interventions according to four key pillars:

- Improving business planning and strategic decision-making
- Build operational efficiency and capacity
- Enhance market access and revenue generation
- Improve risk and compliance.

A Monitoring and Evaluation Framework to assess the effectiveness of business development support interventions and the impact thereof is currently under development for implementation in 2026.

Business Banking is supporting supplier development by introducing more inclusive funding methodologies beyond the current cash-flow-based financing model that is tied to supply chain contracts. New models will include annual financial statements-based funding, which assesses a supplier's overall financial health, and asset-based lending, which leverages tangible assets as collateral.

A recent pilot within CRES successfully demonstrated this blended approach, enabling a supplier to secure R26.7 million in funding supported by a R30 million supply chain agreement. In addition to funding, complementary banking products were extended to the supplier to reduce operational risks and lower insurance premiums and banking fees.

Smart Procurement and market access

Networking was a cornerstone of Smart Procurement's success. Structured sessions, including the Absa Networking Cocktail, created high-value connections between SMMEs, corporates, and sponsors. Informal engagements further deepened relationship-building beyond formal presentations.

The co-location with the Smart Procurement Indaba broadened exposure to supply chain professionals, enriching the networking pool and fostering cross-sector collaboration. These interactions laid the foundation for:

- Long-term partnerships
- Knowledge exchange
- Collaborative ecosystems that support ongoing business development.

Smart Procurement also delivered tangible procurement outcomes through:

Procurement access: The Absa ESD Expo 2025 enabled direct engagement with 90 procurement professionals from 31 companies, breaking down market entry barriers and creating real procurement opportunities.

SMME clinics: 2 886 SMMEs attended masterclasses covering pricing for profit, compliance, digital transformation, marketing, and operational efficiency, equipping them with practical tools to enhance business readiness and sustainability.

Regional supplier days: Held across Gauteng, Mpumalanga, KwaZulu-Natal, and the Western Cape, these events hosted 934 SMMEs. They facilitated localised procurement engagement with up to 16 buyers per region, promoting regional inclusion and strengthening local supplier networks.

Sustainable procurement continued

Development support for a black-owned, clean-technology supplier

Clean-technology manufacturing in South Africa is transitioning from pilot projects to industrial-scale production, heavily driven by the need for energy security, decarbonisation, and localising value chains for the green economy. Absa is committed to transforming our supplier base to ensure responsible and resilient value chains that support our commitment to sustainable procurement.

We support Matimba Yeru Energy, a rapidly growing South African clean-technology manufacturer delivering circular-economy lighting solutions and renewable energy products, through the Absa Supplier Diversity Programme.

Matimba manufactures, refurbishes and upgrades large-scale luminaires, focusing on cost-effective and high-quality LED lighting products and solar home systems. Their solutions have a significant positive environmental impact by reducing energy consumption, extending product lifecycles and minimising waste.

Matimba is also an empowerment company, founded in 2017 with an ownership profile featuring 60% black-owned, 40% black women-owned and 10% owners from designated groups.

Purpose-led impact

- Matimba's solar home systems provide access to affordable, reliable and renewable energy for rural and underserved communities across South Africa and the Southern African Development Community (SADC).
- Matimba advances transformation in engineering and manufacturing. Its expanding workforce benefits from structured technical training, leadership development and continuous upskilling.
- The company's consistent revenue growth demonstrates how sustainable industrialisation, inclusive economic participation and sound governance can be effectively integrated within a modern manufacturing environment.

Looking ahead

The Group's strategy is focused on integrating banking and non-banking solutions to provide holistic, coordinated support to SMMEs.

Progress achieved during 2025 reflects a maturing procurement function and the continued development of a third-party management capability that is increasingly strategic, inclusive, and risk aware. The systematic integration of ESG considerations, supplier diversity objectives, and third-party governance frameworks positions the Group to drive sustainable, long-term value creation while meeting evolving regulatory requirements and stakeholder expectations.

Impact in Action



Affordable housing

Absa continued to advance its commitment to inclusive housing finance, enabling more South Africans to access affordable home ownership.

	2025	2024
Affordable home loans – number of customers	4 843	4 097
Affordable home loans – value (Rbn)	2.83	2.30
Borrower Education Programme – number of customers	5 756	3 430
Government Finance-linked Individual Subsidy Programme – number of customers	513	738
Total affordable home loan book (Rbn)	20.6	19.0

Diving deeper: [2025 Sustainability Data Sheet](#)

During the year, 4 843 (2024: 4 097) customers benefited from our affordable home loan offering. The total value of affordable home loans disbursed rose to R2.83 billion, up from R2.30 billion in the prior year, reflecting strengthened demand and our continued support for underserved households.

Our Borrower Education Programme also expanded significantly, equipping 5 756 (2024: 3 430) customers with the knowledge required to make informed financial and home ownership decisions. This growth underscores our focus on empowering customers with the financial skills needed for sustainable home ownership.

Through the Government's Finance linked Individual Subsidy Programme (FLISP/First Home Finance), 513 customers accessed housing support. Although this is lower than the 738 customers assisted in 2024, the programme remains a critical mechanism for enabling first time buyers to access formal housing finance.

Our commercial property finance offering continued to support the development of fully and partially subsidised units, strengthening the pipeline of affordable housing stock across the country.

We accelerated financing for energy efficient and climate responsive homes. Investments in green buildings increased year-on-year contributing to the development of more sustainable housing solutions and supporting South Africa's transition to a low-carbon future.

Our total affordable home loan book grew to R20.6 billion (2024: R19.0 billion), reinforcing our strategic commitment to inclusive growth, financial resilience, and sustainable urban development.

Excellence in Design for Greater Efficiencies (EDGE) (Eco Home Loan)

We financed R574 million (2024: R444 million) in EDGE-certified home loans, enabling 469 customers to access homes that are more resource-efficient in water and energy. These homes are designed to be cheaper to run and deliver improved long-term sustainability outcomes.

This progress was enabled through our partnership with the IFC under the Market Accelerator for Green Construction (MAGC) Programme, which is a partnership between the United Kingdom (UK) government and IFC.

The MAGC Programme combines concessional finance and advisory support to drive sustainable building development. Qualifying homebuyers purchasing properties in EDGE-certified projects generally receive a mortgage rate reduction, supporting the affordability of greener homes. EDGE certification provides assurance that homes meet minimum standards for energy and water efficiency, thereby reducing environmental impact and improving household resilience.

Our focus on affordable housing transformed the lives of many in the communities we serve through:

- Innovative financing solutions
- Partnerships with industry stakeholders and government
- Leveraging digital to scale understanding of home ownership
- Harnessing the wisdom of subject matter experts to empower our customers with borrower education knowledge
- Unlocking financing that addresses the needs and friction points that many face when making one of their most important financial decisions.

South Africa's affordable housing reforms present both challenges and opportunities. Subsidy expansions, a stronger rental focus, and efforts to resolve the title deed backlog could reshape mortgage finance, requiring us to reassess credit risk and lending models. Absa sees this as a chance to strengthen its role in affordable housing and will assess short-term opportunities while defining a strategic roadmap.

In partnership with industry, we will continue granting title deeds and expanding property ownership. We will tackle affordability and transaction costs through innovative financial solutions. We also support property rights, financial education, and inclusive policy development through platforms like the Banking Association of South Africa. Through ongoing collaboration with developers and government, we will provide competitive, sustainable financial solutions that meet evolving community needs.

Looking ahead

We have made strides in community development and financial inclusion through our ambition to advancing key social imperatives. Our efforts focused on the unbanked and underserved communities, with a special emphasis on women and youth. We continued to enhance access to formal banking services, diverse payment options and financial education, empowering individuals with the tools for effective financial management.

We are continuously evolving our financial inclusion strategy and are developing a strategy maturity framework. This framework will guide our approach to advancing our efforts, enabling us to assess the maturity of our financial inclusion initiatives over time.

Corporate citizenship

Corporate citizenship

Absa's story is one of collective purpose, where every colleague, delivery partner, and community plays a role in shaping a more equitable, resilient, and prosperous Africa. We understand that every empowered individual represents a story of possibility, and when these stories are connected through shared action and intent, they become more than isolated moments of change. Together, they form a shared narrative of progress – Empowering Africa's tomorrow, together ... one story at a time.

We advanced our corporate citizenship agenda with a renewed lens on impact, reinforcing our role as a trusted financial partner and a catalyst for positive change across our markets. We continue to champion inclusive growth, resilience, and create opportunities for individuals, businesses, and communities across our footprint.

Financial inclusion through entrepreneurship (FITE) – our flagship shared-value strategy is the cornerstone of the Group's citizenship ambition. FITE embodies how we enable access to economic opportunity, strengthen financial capability, and unlock the potential of Africa's people through entrepreneurship, education, and skills development.

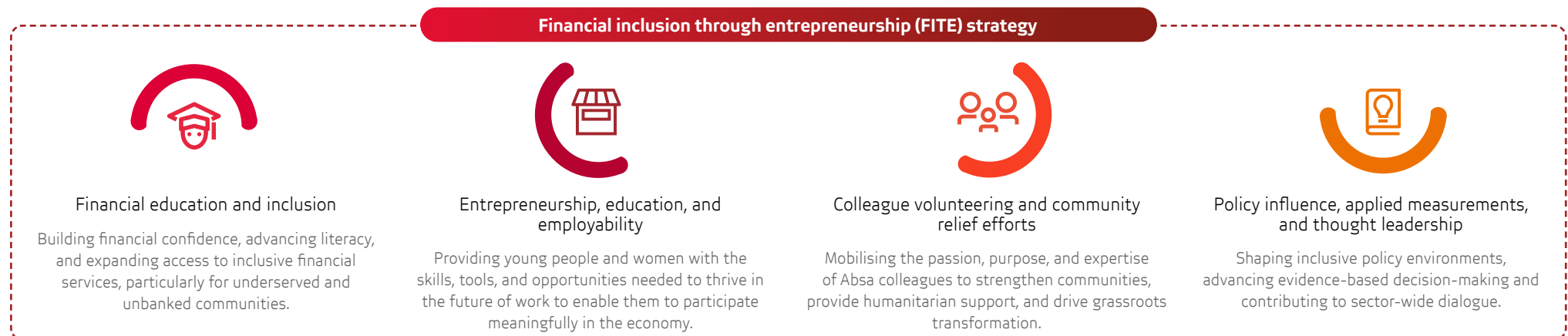
Our approach recognises that sustainable development begins with people – their knowledge, confidence, and access to opportunities. This strategy, equips Africa's youth, women, and entrepreneurs with the tools to learn, earn, and thrive, creating pathways for inclusion and dignity that extend across generations.

Our corporate citizenship strategy is guided by the principle of shared value, harnessing our core business strengths, strategic partnerships, and the passion of our people to enable inclusive economic participation and social progress.

We are intentional about aligning purpose with performance, embedding citizenship into our operating model to deliver measurable outcomes. Through initiatives that promote financial literacy, youth empowerment, and entrepreneurial development, we are not only unlocking opportunity, we are amplifying the stories that matter.

Driving impact that matters

Our FITE strategy defines how Absa delivers impact with purpose and scale. It connects our corporate citizenship initiatives directly to our business capabilities and strategic intent. The strategy embodies our belief that financial inclusion and entrepreneurship are powerful, interdependent drivers for Africa's sustainable growth.



Our FITE strategy is a catalyst for inclusive growth. It is a shared-value approach that unites Absa's social impact, business innovation, and sustainability agenda. It guides how we identify priorities, invest resources, and measure success, ensuring that progress is not only measured in metrics but also felt in the lives of those we serve.

Corporate citizenship continued

2025 key highlights

Our integrated impact across all FITE pillars demonstrates tangible progress towards our multi-year ambitions.

Impact area	2025	2024
Community investment (ZAR)	R373 million	R319 million
Lives impacted	366 000	279 000
Consumer financial literacy	237 000	183 900
Education, skills and employability	68 600	39 700
Entrepreneurship education	5 800	4 470
Colleague volunteering	12 800	7 600
Investment in financial education	R40.4 million^{LA-EA}	R30.2 million
Investment in entrepreneurship education and youth employability	R196 million	R142.4 million

Our initiatives collectively impacted over 336 000 lives, empowered more than 5 800 entrepreneurs, enabled financial literacy for 237 000 individuals, provided over 68 600 young people with education, skills and access to income-generating opportunities, and mobilised 12 800 colleagues in volunteering efforts across our markets. These outcomes reflect Absa's continued dedication to driving meaningful, measurable change that aligns commercial success with societal progress.

Measurement approach

Our measurement philosophy underpins our ability to demonstrate impact, ensure accountability, and strengthen Absa's positioning as a trusted partner for socio-economic transformation.

Our corporate citizenship ambition is anchored in an integrated impact framework that balance measurable beneficiary outcomes with shared value creation. This framework ensures that our interventions are strategic, scalable, and deeply rooted in the lived realities of the communities we serve.

We recognise that financial inclusion is a catalyst for empowerment that unlocks sustained economic participation. We apply a blended measurement philosophy that combines rigorous quantitative tracking – including reach, completion, and transition metrics – with qualitative impact narratives that bring the human dimension of our work to life.

Our Monitoring and Evaluation Framework aligns with global best practice, ensuring data credibility, consistency, and comparability across geographies and programmes. This evidence-based approach ensures that every initiative is tracked against clear targets, validated through robust metrics, and continuously refined through insights and learning. Our measurement philosophy is designed to surface the stories that reflect the real-world outcomes of our strategic intent and reinforce our role as a trusted authority on FITE. By transforming data into actionable intelligence, we inform strategic decisions, shape policy discourse, and contribute to sector-wide learning. This approach strengthens accountability, drives continuous improvement, and positions Absa at the forefront of applied measurement for social impact management.



Corporate citizenship continued

Financial education and inclusion

Our financial literacy and inclusion initiatives are designed to equip individuals with the understanding, confidence, and tools to make informed financial decisions, build resilience, and participate meaningfully in the economy. Our Consumer Education Programme is a pan-African initiative that empowers people across diverse markets to take control of their financial futures. The programme targets school learners, unemployed youth, customers, and low-income earners, ensuring that financial education reaches those most at risk of exclusion.

In South Africa, the programme forms a key part of our B-BBEE commitments. It is implemented in line with the Financial Sector Code Guidance Note GN500 Standard, under the oversight of the Financial Sector Transformation Council.

The programme focuses on individuals earning less than R250 000 annually and is delivered through accredited training partners. The programme provides accessible, high-quality education on financial management, savings, credit use, and consumer rights. Over 75% of beneficiaries were from black households, and 25% were based in rural communities.

Diving deeper: **B-BBEE Report**

By focusing on these segments, we strengthen financial capability, enhance economic participation, and contribute to a more financially inclusive and resilient Africa. We reached over 237 000 people (2024: 183 945) across our markets through strategic partnerships, colleague-led activations, and digital delivery platforms.

A defining feature of our approach is the mobilisation of Absa colleagues as financial education facilitators. These colleagues bridge the gap between the bank and the communities we serve by translating complex financial concepts into practical, relatable lessons. Through flagship initiatives such as Money Matters, Learn2Earn, the Financial Literacy Speech Competition, and MyBudgetCoach, more than 680 trained Absa facilitators delivered workshops in schools, community halls, and informal sector hubs across rural and peri-urban areas.

These initiatives emphasise responsible saving, budgeting, and borrowing, helping participants move from financial vulnerability to financial confidence. The use of interactive digital learning tools further expanded our reach and accessibility, bridging knowledge gaps for underserved women, youth, and low-income earners.



Corporate citizenship continued

Impact in Action

I Grew It campaign – a catalyst for financial confidence and enterprise growth

The "I Grew It" Financial Literacy Show is a flagship storytelling platform that brings Absa's commitment to financial literacy, entrepreneurship, and inclusive growth to life. The campaign demonstrates how knowledge, mentorship, and access to opportunity translate into real business resilience and growth.

The 2025 edition comprised a six-part content series profiling entrepreneurs from Absa's enterprise development ecosystem. The show blends dynamic studio conversations with authentic, community-based storytelling. Entrepreneurs offer practical insights into navigating finance, building confidence, and scaling sustainably. The series humanised financial literacy, showing how structured support and informed decision-making can change business trajectories.

By the end of 2025, the initiative had evolved into a catalytic public engagement platform for entrepreneurship and financial education. It has reached nearly one million viewers, which demonstrates a need for accessible, relatable content that demystifies finance and entrepreneurship. The programme also reinforced youth empowerment outcomes within Absa's FITE ecosystem. Its momentum was amplified by Absa's broader entrepreneurship programmes and dialogues, strengthening enterprise readiness, mindset development, and participation in the economy.

The initiative shows that financial literacy is most powerful when it is lived, visible, and relatable. By shifting mindsets, celebrating resilience, and providing real-world proof of what is possible, the campaign reframes entrepreneurship as an achievable pathway to financial inclusion, dignity, and job creation, particularly in a context of high youth unemployment.

The campaign was recognised at the 2025 YouTube Works Awards Grand Prix, alongside the YouTube Symphony Award, affirming "I Grew It" as a benchmark for integrated, purpose-led storytelling and as a strategic asset in advancing Absa's ambition of *Empowering Africa's tomorrow, together ... one story at a time*.

Programme impact highlight

Absa commissioned an independent, large-scale empirical review of the Consumer Education Programme in partnership with our impact measurement partners. The assessment recorded significant cognitive and behavioural gains, with top-performing participants ($\geq 81\%$ competency) increasing from 15.4% pre-training to 85.9% post-training.

These results demonstrate strong knowledge acquisition, retention, and behavioural change. These are critical indicators of improved financial capability and confidence. Financial literacy, when delivered at quality and scale, translates into durable behaviour change. This reinforces Absa's conviction that financial inclusion begins with education, strengthening households and communities while laying the foundation for sustainable, inclusive economic growth across our markets.



Corporate citizenship continued

Education, skills and employability

According to the African Union (AU), Africa's youth represent the continent's greatest asset. They are the driving force behind its future growth and sustainable development. Their innovation, resilience, and leadership are central to achieving the AU's Agenda 2063 vision of "an integrated, prosperous and peaceful Africa, driven by its own citizens".

We are committed to unlocking young people's full potential through targeted, high-impact interventions that build the skills, confidence, and networks required for sustainable livelihoods and economic participation.

We supported over 68 600 young people (2024: 39 744) through various educational, work-readiness training, and skills development programmes.

Our flagship ReadytoWork (RTW) Programme continues to expand its blended learning model across basic and higher education institutions in Ghana, Kenya, Uganda, and other markets. The programme equips students with essential soft skills, financial literacy, entrepreneurial thinking, and digital readiness. By integrating financial and digital capability training, ReadytoWork strengthens the bridge between education and meaningful economic participation.

The Absa Fellowship Programme nurtures the next generation of entrepreneurial, ethical, and purpose-driven African leaders. The programme focused on disciplines critical to the digital and entrepreneurial economy, from Science, Technology, Engineering, and Mathematics (STEM) and commerce to creative arts and humanities. The programme combines academic support with leadership, mentorship, and the development of emotional wellness.

The programme also equips students with the knowledge and competencies to lead transformation in business and society and cultivates social consciousness and innovation, encouraging students to see leadership as a vehicle for sustainable change.

These outcomes reflect the programme's success in building a pipeline of young African leaders who are academically grounded, socially aware, and economically active.

Looking ahead

As we continue advancing financial inclusion through education, Absa remains committed to deepening its reach and impact.

Our key strategic priorities for the coming period include:

- Scaling digital and local language financial education modules and comic strip formats to make learning engaging and accessible across diverse communities
- Strengthening our colleague facilitator network to expand the reach of relatable, community-driven financial education
- Enhancing our evidence base for impact measurement by sharing aggregated country-level data, insights, and success stories.

We continue to embed financial literacy as a catalyst for empowerment and inclusion, enabling every person we reach to make confident, informed, and forward-looking financial choices.



Programme highlights

 Students enrolled from
26 public universities
across South Africa

 **62% female representation**,
ensuring gender equity in leadership development

 **240 students**
supported since the programme's inception in 2021

 **85% academic throughput rate**,
reflecting exceptional performance and persistence

 **53 graduates to date**
(30 completing three-year degrees,
23 completing four-year degrees)

 **23+ students are pursuing advanced degrees**, with others transitioning into earning opportunities.

¹ African Union. (2024). Africa's future is youth-led: AU prioritises young voices at 37th AU Summit. African Union. <https://au.int/en/pressreleases/20240218/africas-future-youth-led-au-prioritizes-young-voices-37th-au-summit>

Corporate citizenship continued

Entrepreneurship, education, and employability



According to the African Development Bank (AFDB), "Entrepreneurship is critical to Africa's transformation." It is the engine that drives innovation, job creation, and inclusive growth. It enables young people and women to shape their own economic futures¹.

Through our entrepreneurship education initiatives, we work to cultivate mindset, intent, and action, nurturing an ecosystem where aspiring entrepreneurs gain the tools, networks, and confidence to build sustainable businesses and contribute to Africa's long-term renewal.

We supported over 5 800 entrepreneurs (2024: 4 740) through a diverse portfolio of entrepreneurship education, capacity building, and access to enabling resources. These initiatives provided access to training, mentorship, markets, and financial tools. Each programme was designed to strengthen entrepreneurial capability and advance financial inclusion and resilience, ensuring that entrepreneurs in rural, township, and peri-urban areas can transition from survivalist activity to sustainable growth.

Programme highlights

- 3 000+ youth reached in 2025**, across all nine provinces
- 1 500 youth** engaged through innovation challenges, business visits and financial inclusion events
- 300 entrepreneurs** completed a seven week venture-readiness programme focused on sustainable and compliant business development
- 1 200 youth** participated in entrepreneurship festivals and showcases during **Global Entrepreneurship Week**
- 30 high-potential entrepreneurs** received long-term advisory and ecosystem support through the **Emerging30 Innovators partnership (Visa x Absa)**
- R65 million** invested in **entrepreneur education**^{LA-EA}
- R111.5 million** invested in **employability**^{LA-EA}

¹ AFDB.(2021). African Development Bank White Paper, Entrepreneurship and Free Trade: Africa's Catalysts for a New Era of Economic Prosperity. <https://www.afdb.org/en/news-and-events/entrepreneurship-critical-africas-transformation-african-development-bank-44309>

Corporate citizenship continued

Creating pathways for artisan entrepreneurs: Absa × Allan Gray Makers Start-Up Academy

Absa is redefining the narrative around artisan trades through the Allan Gray Makers Start-Up Academy and Launchpad. The aim is to empower TVET graduates in sectors such as plumbing, construction, and electrical work to become business owners and job creators.

Our expanded investment reached over 240 youth across five provinces, including a new rollout in Limpopo. The programme combines technical training, business coaching, and access to finance, ensuring that graduates gain a trade and learn to manage and scale a business.

With 58% female participation and the integrated use of our financial literacy tools, the initiative has become a model for inclusive skills-to-enterprise transformation, thereby unlocking dignity, confidence, and local economic resilience.

Diving deeper: [CSI Trust: Impact Report](#)

Embedding entrepreneurship in higher education: Absa × USAf EDHE Partnership

In collaboration with Universities South Africa (USAf), the Entrepreneurship Development in Higher Education (EDHE) Programme is reimagining universities as entrepreneurial ecosystems. Through mentorship, funding support, and capacity building, EDHE empowers students and academics to turn innovative ideas into viable ventures.

The flagship EDHE–Absa Innovation Challenge continues to identify, mentor, and fund promising student entrepreneurs. Meanwhile, staff development workshops have trained entrepreneurship champions across 26 universities, while curriculum innovation pilots have integrated entrepreneurship into pre-service teacher training, embedding it within South Africa's education system.

Entrepreneurship from the classroom up: Absa × DBE E³ Collaboration

In partnership with the Department of Basic Education (DBE), the E³ Programme represents a South Africa system-level transformation in how entrepreneurship is taught in schools.

The initiative embeds entrepreneurship within 13 General Education Training (GET) and Further Education Training subjects, aligning with the Three-Stream Model and equipping learners with problem-solving and innovation skills for the future world of work.

During its pilot phase, the programme has reached 4 300+ learners, trained teachers, developed an accredited entrepreneurship curriculum, and fostered hands-on, project-based learning. The programme now reaches 144 schools across nine provinces. By building entrepreneurial thinking from Grade 8 onwards, the partnership lays the foundation for a generation that sees opportunity in every challenge.

"This programme helped my learners see that they don't have to wait for jobs – they can create them."
– Grade 9 Teacher, Northwest Province

Shaping systems and thought leadership: Absa × Gordon Institute of Business Science (GIBS) Chair in Entrepreneurship

Launched in 2024, the Absa × GIBS Chair in Entrepreneurship focuses on driving inclusive entrepreneurship and ecosystem development through practice-based research, development of a school-based incubation business model for developing entrepreneurial talent and the Absa Africa Entrepreneurship Index. The index will measure entrepreneurial activities at three levels: Individual, business, and the macroeconomic environment.

The output from this initiative will influence entrepreneurship ecosystems at a pan-African level, with delivery being driven through a collaborative effort between South Africa, Ghana, and Kenya.

Driving jobs and dignity: Absa × Mastercard Foundation Young Africa Works (YAW)

In Ghana, we continue to advance the YAW initiative in partnership with the Mastercard Foundation, to create 50 000 dignified jobs by 2025. The initiative provides training, business development support, and credit guarantees for MSMEs – enabling entrepreneurs to access affordable finance and grow sustainably.

Programme highlights:

- 2 559 MSMEs and smallholder farmers supported
- 20 234 jobs created
- \$54.5 million in grants disbursed.

One entrepreneur from Somanya, Ghana, shared:

"Before the programme, I had to lay off staff. With Absa's support, I was able to buy new equipment, rehire my team, and even send my daughter to university. This partnership gave me hope and a future."

Looking ahead

Our focus for the coming period includes:

- Scaling local partnerships to reach youth in rural, township, and informal economies
- Expanding digital business learning tools for access across multiple African markets
- Enhancing data-driven impact measurement through tracking employment, income, and business growth
- Strengthening enterprise finance pathways by linking entrepreneurship education to banking access and financial inclusion.

Through entrepreneurship education, we continue to champion a future where every idea has the power to grow and every young entrepreneur has the opportunity to transition to economic activity.

Diving deeper: [CSI Trust: Impact Report](#)

Corporate citizenship continued

Colleague volunteering and community relief efforts

Our Colleague Volunteering and Community Relief Programme provides the structure, support, and inspiration for Absa employees to make a tangible difference. Through strong governance, clear guidance, and enabling mechanisms, we make volunteering accessible, purposeful, and rewarding.

Our colleagues are more than employees. They are the heartbeat of our purpose-driven culture and a vital force for good in the communities we serve. With more than 37 000 colleagues across Africa, their deep connection to local realities enables us to understand and respond to community needs.

Volunteerism is not an initiative at Absa, it is part of who we are. It embodies our culture of care and our belief that collective action can transform lives and strengthen communities. We encourage our colleagues to give back in ways that leverage their strengths, such as mentoring young entrepreneurs and students, supporting digital and financial literacy campaigns, and mobilising relief efforts during crises.

More than 12 800 colleagues (2024: 7 600) dedicated their time to community service across our markets. Hours volunteered have also increased to 93 000, up 52% from 61 000 in 2024. 25% of participants undertook skills-based volunteering, applying their professional expertise to deepen social impact and strengthen partner organisations.

Colleagues have actively leveraged our volunteering enablement mechanisms to amplify community impact. During the year, more than 1 800 colleagues used the volunteering grant benefit to support locally driven community initiatives aligned with priority development needs. In parallel, more than 220 staff-initiated projects, accessed the matched funding benefit, mobilising their own resources and networks to raise funds for community causes, with Absa matching these contributions. These mechanisms extend the reach of colleague-led action beyond hours volunteered, strengthening ownership, encouraging collective effort, and ensuring that financial contributions are strategically aligned, governed, and scaled for impact.

Across the continent, country teams delivered colleague-led innovation projects, aligning community service with local development priorities. From youth employability and entrepreneurship training to environmental sustainability and humanitarian response, these initiatives demonstrated the power of partnership between colleagues, communities, and civil society.



**Impact in
Action**



Social impact awards

The Absa Social Impact Awards recognise colleagues who translate purpose into action, celebrating the human stories behind our community impact and reinforcing our values of being brave, passionate, and ready. The awards form part of a broader colleague engagement ecosystem that supports participation at every stage, from first-time volunteering to sustained, skills-based contribution. Participation is enabled through grants, matched funding, learning opportunities, and structured recognition.

The introduction of Volunteering Champions across business units, regions, and countries has further strengthened mobilisation and alignment with Group-led initiatives.

The inaugural awards, held in November 2025, recognised excellence across nine categories, spanning individual and team volunteering, skills-based impact, country and business unit leadership, partners, and customer-aligned development organisations. Winners represented multiple markets across Africa, highlighting the programme's pan-African reach and diversity.

Strong representation from Africa Regions underscored the importance of local leadership, partnerships, and cross-market learning. Collectively, the awards position volunteering as a strategic enabler of culture, capability, and sustained social impact.



Corporate citizenship continued

Policy influence, applied measurements, and thought leadership

As part of our strategic ambition to position Absa as a leading voice in financial inclusion and economic empowerment, this strategic theme drives our commitment to shaping public, industry, and policy discourse across Africa.

Through applied research, data-driven insights, and evidence-based advocacy, we are helping to influence the systems, frameworks, and mindsets that enable inclusive, youth- and women-led growth.

By combining policy influence, applied measurement, and thought leadership, we translate learning into leadership and evidence into action.

We leverage partnerships, dialogues, and collaborative forums to shape the agenda on entrepreneurship education, youth employability, and women's economic empowerment. Through multi-stakeholder engagements with government departments, academic institutions, and development agencies, we contribute to systemic change that strengthens inclusive economic participation.

Our engagement with the DBE through the E³ Programme, and our collaboration with Universities South Africa (USAf) on entrepreneurship in higher education, exemplify how we help shape policy and practice from the classroom to the labour market.

We produce and share insights, research, and publications that influence discourse, inspire innovation, and reinforce our role as a trusted knowledge partner. Our thought leadership work seeks not only to showcase impact but to advance collective understanding of what works in driving inclusion and empowerment in Africa's dynamic socio-economic landscape.

We have amplified thought leadership and influence through strategic engagements and knowledge initiatives that bridged insights with action:

DBE policy dialogue on entrepreneurship in education



Contributed to the ongoing policy design for integrating entrepreneurship into the national curriculum under South Africa's Three-Stream Model.

Consumer education evaluation



Confirmed strong cognitive and behavioural gains, with competency levels rising from 15.4% to 85.9% among trained participants.

CSI Trust snapshot impact study



Delivered the first independent evaluation of the Trust's programmes, demonstrating tangible employment and entrepreneurship outcomes among youth beneficiaries.

The Allan Gray Centre for Africa entrepreneurship's youth entrepreneurial talent development study



A pre-post analysis of the YAEI Youth Entrepreneurship Skills Programme (YESP) – found a >9% increase in entrepreneurial competency, and that 64% of participants already owned businesses; the YESP materially accelerated smarter, faster scale-up.



Corporate citizenship continued

Environmental and climate-linked citizenship initiatives

Our climate strategy and community investments across our markets increasingly integrate environmental sustainability, climate education, and green enterprise development.

Our portfolio reinforced the link between climate resilience, inclusive growth, and long-term financial wellbeing, reflecting a deliberate shift toward embedding environmental stewardship within broader socio-economic development outcomes.

Recognising that climate risks disproportionately affect vulnerable communities, Absa prioritised interventions that combine education, ecosystem restoration, and youth mobilisation. By anchoring environmental action at community level, these initiatives support practical, locally relevant responses to climate shocks while building the foundations for long-term resilience.

We will continue to scale these interventions, embedding climate-conscious practices across our citizenship strategy and strengthening Africa's pathway toward a sustainable, climate-smart future.

Impact in Action

Large-scale nature impacts through reforestation

Nature-based solutions emerged as a central lever for impact. Across Africa Regions, Absa-supported partners delivered large-scale reforestation programmes that contributed to biodiversity restoration, carbon sequestration, and community participation in environmental protection. By the end of 2025, over 856 000 trees have reportedly been planted across the region.

Uganda led delivery with over 568 000 trees planted, closely linked to clean water access and WASH investments, positioning environmental sustainability as an enabler of improved health, education, and livelihoods. **Kenya** followed with 284 000 trees, aligned to national reforestation priorities and community-led land stewardship in ecologically sensitive areas.

The rest of the markets delivered targeted, high-relevance interventions, for instance: **Mauritius** (1 350 trees), **Seychelles** (700 trees alongside mangrove and coral reef restoration), **Zambia** (1 400 trees), and **Tanzania** (1 000 trees under NBC's "Green the Planet" campaign).

Absa placed strong emphasis on climate education and behaviour change. In **Mozambique**, a national radio campaign reached over 7 million people, integrating financial literacy with responsible consumption and sustainable economic practices. Youth engagement initiatives such as "ReadyforArt" empowered young creatives as environmental advocates, while a Human-Wildlife Coexistence Project benefited 180 000 families. Post-cyclone recovery efforts focused on food security and green school rehabilitation in highly climate-exposed areas.

In **Tanzania**, the "Blue Ocean Initiative" addressed marine conservation, complemented by the "Taka ni Ajira" waste-to-wealth pilot enabling youth-led recycling enterprises that reduce emissions while generating income.



The Absa CSI Trust

The Absa CSI Trust (“the Trust”) was established as part of Absa’s B-BBEE transaction in 2023 and is a dedicated empowerment vehicle for the advancement of the youth of South Africa.

Our evolving strategy

The Board approved the Trust's new impact strategy 2030 in 2025, shifting from a traditional education and employability model to a holistic, youth centred development approach anchored in the E³ nexus of education, employability and entrepreneurship. This strategy focuses on three high growth sectors critical to inclusive economic development.

Digital economy



Enabling technology driven skills and job opportunities.

Green economy



Preparing youth for emerging sustainability and renewable energy careers.

Informal economy



Strengthening youth-led enterprises and supporting business formalisation.

Programme delivery and impact

The Trust expanded its footprint, reaching 5 219 young people through four flagship programmes that support access to education, work-ready skills, and youth entrepreneurship.

Its portfolio is intentionally designed to create a continuum of empowerment, spanning:

- Education access and success (e.g., Gradesmatch, Feenix), providing bursaries, mentorship and holistic academic support
- Employment and employability (e.g., WeThinkCode, YES), delivering industry aligned digital and technical skills and workplace pathways
- Entrepreneurship and innovation, helping youth create self employment through training, mentorship and early stage enterprise support.

Together, these programmes build confidence, enhance employability and strengthen youth participation across the economy, while supporting long-term improvements in South Africa's post-school education and training ecosystem.

2025 highlights



R104 million invested, reaching over 5 219 beneficiaries.



Approval of the **impact strategy 2030** and Impact Measurement Framework.



Completion of an **independent impact snapshot** study showing strong early signals of progress.



Publication of the inaugural **Absa Trust Annual Report**, reinforcing transparency and accountability.

Measuring what matters

The Trust's Impact Measurement Framework assesses change across three levels:

- **Individual:** Skills gained, improved education outcomes, employment, income and economic participation
- **Institutional:** Stronger delivery partner capability and data systems
- **Systemic:** Contributions to national PSET system improvement, policy influence and scalable models.

An independent snapshot assessment confirmed strong early outcomes, including:

- 74% satisfaction with training quality and 95% alignment to participant expectations
- 95%+ academic retention within education focused programmes
- 80% certification in technical/vocational learners through the IRM Programme.

Key insights highlight the value of holistic support, partnership ecosystems and the E³ nexus model in bridging the learning to earning divide.

2030 ambition

The Trust is committed to economically empowering 300 000 young South Africans by 2030. Building on early evidence and strong partnerships, it will continue to scale proven models, deepen ecosystem strengthening and invest in pathways that enable youth to participate meaningfully in a more inclusive, sustainable economy.

Diving deeper: CSI Trust: Impact Report

CSI Trust financial period is 1 March to 28 February. The figures disclosed in this report covers 1 January 2025 to 31 December 2025.

Looking ahead

During 2026–2027 corporate citizenship will focus on scaling proven, high-impact delivery models in collaboration with like-minded partners, deepening partnerships with government, academia, and industry to strengthen employability and entrepreneurship pathways and enhancing long-term impact tracking to capture employment, entrepreneurship, and income growth trajectories of alumni.

"The Trust represents Absa's enduring belief that empowerment must go beyond access. It must enable agency, opportunity, and impact."

As we continue our journey to *Empowering Africa's tomorrow, together... one story at a time*, we remain inspired by the transformative power of human potential and the ripple effect of every act of progress. Each connection, partnership, and story of change reinforces our belief that shared prosperity is possible when purpose, partnership, and performance align.

Our ambitions will remain bold, focused, and deeply rooted in Absa's shared-value purpose. We will continue to embed sustainability and citizenship into our core business, transforming intent into impact and ambition into measurable progress.

"Our journey is not only about counting the people we reach, it is also about multiplying the possibilities we create."



Expand financial access and inclusion through digital innovation

We will partner with PPB, and Africa Regions to scale financial literacy and inclusion initiatives through digital platforms and data-led solutions. By embedding inclusion in our business operations, we will expand transactional banking opportunities for underserved communities, thereby empowering individuals and micro businesses to build financial resilience and participate fully in the economy.

Maximise social impact through financial and entrepreneurial education

We are committed to empowering 1.5 million youth and women across our markets through entrepreneurship, employability, and financial education programmes that foster financial confidence, business capability, and long-term livelihoods. These initiatives will strengthen Africa's entrepreneurial pipeline, drive inclusive economic growth, and equip the next generation with the skills to shape their own futures.

Deepen colleague engagement through volunteerism

We will elevate colleague volunteerism as a cornerstone of our citizenship strategy, targeting 35% participation across the Group by 2027. Through purposeful, skills-based, and community-driven volunteering, our colleagues will continue to live our purpose. This will drive empathy, learning, and sustainable change in the communities where we operate. This collective action will not only strengthen communities but also nurture a culture of service and shared humanity within Absa.

Absa remains steadfast in building a resilient foundation for sustainable impact. We recognise that our greatest strength lies in collaborating with delivery partners, enterprises, schools, higher education institutions, universities, governments, and communities.

Together, we aim to positively impact 1.5 million lives by 2030, creating pathways for inclusion, opportunity, and dignity across Africa.

**Diversity, equity,
inclusion and belonging**

Our diversity, equity, inclusion and belonging approach

Our priorities

To Empower Africa's tomorrow, together ... one story at a time by providing inclusive and equitable opportunities for our diverse talent, suppliers, customers and communities across the continent.

Our goals



Performance and innovation driver



Optimise DEIB as a central driver of high-performance and innovation.



Holistic representation



Improved gender, racial and people with disabilities, generational and neurodiversity representation, across all levels.



Equitable Policy Framework



Inclusive policy and practice framework, and colleagues enjoying fair and equitable opportunities, including fair and responsible remuneration.



Economic inclusion



Youth, women and people with disabilities-owned businesses financially supported and included in the main-stream economy, through supply chain opportunities and bespoke products and service.



Psychological safety and belonging



A harmonious and inclusive working environment that embraces and celebrates diversity and fosters psychological safety and a sense of belonging for all colleagues.

Our three-year DEIB strategy launched in 2024, remains a critical enabler to our refreshed Group strategy, purpose and brand promise, with inclusion still one of our core values.

Our approach

Our integrated approach to DEIB ensures our diverse stakeholders' needs are served in an inclusive and equitable way. This includes embedding DEIB in our business processes and practices through our colleague life cycle, business value chain and corporate citizenship across our markets. Our sustainability is intertwined with the economic health of the countries where we operate and with the need for a diverse workforce that understands and is empowered to serve our stakeholders in these varied markets.

Our strategy and progress

Our strategy continues to contribute towards enabling our Group strategy, purpose, and values through the following strategic pillars:

DEIB strategic pillars



Gender diversity and inclusion



People with disabilities inclusion



Generational diversity and inclusion



Neurodiversity and inclusion



Inclusive culture and leadership



Our diversity, equity, inclusion and belonging approach continued

Gender diversity and inclusion



According to the World Economic Forum and UN Women, it will take over 100 years to close the gender gap globally. However, we believe that with intentional effort, companies can play a meaningful role in accelerating progress. We are intentional about advancing our gender agenda, key priorities, and women's manifesto agendas throughout our colleague lifecycle, supply and business value chain, and community empowerment. We have done so by utilising our resources and partnering with organisations such as the Commission for Gender and Equality.

Appointment of women in senior roles



We continued to enable a winning, talented, and diverse team by improving gender diversity and inclusion and achieving 39.9% of senior women representation.

We have done this by having the agenda on the scorecards of each business unit, function, and country, and by embedding our 70/30 principle, which requires 70% of recruitment, succession, and promotion opportunities to be directed to women to close the gender representation gap.

As at the end of 2025

- 60% (2024: 60%) of our workforce are women
- 48% (2024: 50.73%) of new hires and 58.61% (2024: 56.69%) of promotions opportunities across all levels within the Group were directed to women
- 39.9% (2024: 39.67%) senior women representation achieved across the Group
- 35% (2024: 47.44%) of new hires and 45.95% (2024: 45.83%) of promotions to senior management were women.

Investment in women education and development



Investment towards education and development is critical for women's career progression as it supports the talent pipeline and succession strategies. Our approach to women development continues to be an integrated one, guided by our Dynamic Skills Strategy.

The Group invested R538 million in skills development, of which over 50% was directed to women development.

We continue to invest in various programmes to empower women to thrive and progress in their careers, including:

- 5 899 colleagues have registered with various institutions to acquire formal qualifications, and 65.55% (3 867) of the colleagues enrolled are women.
- 9 290 colleagues enrolled in various programmes through the Absa Leadership Academy, including the Accelerated Development Programme for Top Talent and the IgniteHer Programme, which was developed to create a talent pipeline of women. 72% (6 533) of the enrolled candidates were women. The Academy continues to be a catalyst for organisational performance and culture transformation, with 14 888 colleagues participating in leadership development initiatives to date, 74% of whom are women.
- Targeted programmes like the Accelerated Development Top Talent and Ignite Her continue to build a talent pipeline for women. The programmes continue to deliver enterprise value, with the Accelerated Development Top Talent Programme achieving 90% retention, 20% promotion and 12% lateral mobility across our Top Talent alumni succession network.
- Diversity outcomes for our top talent are equally strong. Women represent 47% of Top Talent, driving 52% of promotions and 51% of lateral moves. Leadership effectiveness has been strengthened through 215 coaching journeys and inclusion initiatives like Ignite Her and Leading for Belonging, with further enhancements underway through the upcoming digital coaching platform.

Our diversity, equity, inclusion and belonging approach continued

Integrate men in conversation



According to the Harvard Business Review, as the women's agenda is a global priority, men have been feeling excluded. Absa recognises that men need to be empowered for them to be better allies of the women agenda. Our Men's Forum has made significant progress in supporting men's mental health through various programmes, while supporting and leading in addressing societal issues affecting women, such as gender-based violence (GBV).

The forum representatives participated in various platforms, including G20 Presidency, to influence policy and contribute towards positively shaping the gender agenda across all our markets. We rolled out the Men Inclusion Programme across the Group, including airing the "What about the boys" film and holding the International Men's Day Town hall. These events attracted over 6 000 colleagues.

Gender friendly policies



We conduct ongoing review of our policies to ensure that they do not inadvertently create barriers to gender diversity and inclusion.

Champion anti-GBV, sexual harassment and domestic initiatives



We are working towards eliminating any form of abuse within the Group, and positioning Absa as a force for good against violence through ongoing education and awareness. All gender agenda events rolled out in 2025 included anti-GBV as a strategic pillar.

We also partnered with organisations, such as GIZ, which trained the Men's Forum on anti-GBV, and IFC, which trained the Men's Forum on creating a respectful workplace for all.

People with disabilities inclusion



Through our disability inclusion strategy, we are building a disability-confident organisation that ensures equitable access, inclusive leadership, and meaningful participation for colleagues and stakeholders with disabilities.

According to research conducted by Accenture in partnership with the American Association of People with Disabilities, companies that embrace best practices for employing and supporting persons with disabilities in their workplace outperform their peers. We take our disability inclusion practices seriously and strengthen our efforts through a well-thought-out programme to create a disability-confident organisation.

We have embedded our people with disabilities strategy in our day-to-day practices to ensure implementation of an integrated programme that creates disability confidence across the business value chain. This was done through inclusive physical and digital environments, inclusive business processes, practices and products, inclusive opportunities for our stakeholders, education and awareness, and enabling governance.

Our Disability Inclusive Leadership Programme, includes seven planned educational workshops to raise awareness of the agenda and provided reasonable accommodation interventions for our colleagues and other stakeholders.

Our integrated channels in our PPB continue to make significant progress in ensuring accessibility at our branches, through Automatic Teller Machine accessibility enhancement and voice-assisted digital channels. Step-free access, clearly marked signage, accessible counters and trained staff offer respectful and informed support. We also have TV screens with subtitled content and audio for hearing-impaired and sight-impaired customers.

Our representation of people with disabilities across the Group has increased to 0.98% (2024: 0.92%).

Our diversity, equity, inclusion and belonging approach continued

Generational diversity and inclusion



Our generational diversity and inclusion agenda aims to ensure that our older and younger generations are included in shaping our Group, through our Intergenerational Diversity and Inclusion Programme.

With over 50% of our workforce being under the age of 40, we aim to create opportunities for skill transfer between the older and younger generations through mentorship and sponsorship. The Group's generational diversity forum was trained and empowered to drive the intergenerational agenda. Through our Inclusive Culture and Leadership Programme we conducted workshops to empower colleagues and leaders to create a conducive work environment for colleagues from various generations. Our town halls focused on how the younger and older generations can effectively work together and empower one another. We also partnered with relevant COEs to explore opportunities to ensure inclusion of young people through various talent opportunities.

Neurodiversity and inclusion



The neurodiversity agenda aims to serve the needs of our neurodivergent colleagues and stakeholders.

Our Neurodiversity and Inclusion Programme has been launched to create a neurodiversity confident organisation. This makes Absa a key contributor in the industry and an employer welcoming to and creating an inclusive and conducive work environment for neurodivergent colleagues to reach their potential and thrive.



Our diversity, equity, inclusion and belonging approach continued

Inclusive culture and leadership



We continued with our inclusive leadership journey, aimed at empowering leaders to create an inclusive culture and environment that will enable them to behave in an inclusive manner at every touch point of their decision-making process and business practices, focusing on the below:

Addressing unconscious bias and creating psychological safety

Racial and ethical diversity and inclusion (D&I), equity and equality

Generational D&I, dual eldership and constellation experience

Diversity of thought and personality – including neurodiversity

Disability awareness, accessibility and responsibility of employers

Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQIA+) awareness and inclusion

Gender D&I, gender identity and power

Our inclusive leadership journey also supported our culture transformation and helped the business respond to culture-related challenges, such as those related to psychological safety, as raised in the 2024 colleague experience survey.

We have also delivered masterclasses to educate and empower line managers and colleagues to address gender diversity and inclusion, people with disabilities inclusion, generational diversity and inclusion, and neurodiversity and inclusion, empowering over 3 000 colleagues through over 32 workshops across the Group.

The inclusive culture and leadership journey has really contributed towards creating an inclusive environment with more colleagues feeling psychologically safe to participate in the 2024 colleague experience survey.

We continue to work towards creating an organisation that reflects the demographics of the countries we operate in, with over 82% of colleagues in South Africa being black (AIC), and 90% and 86.83% of new hires and colleagues promoted across all levels being black.

We continue to support the LGBTQIA+ agenda in countries where the agenda is legal, both internally to support our colleagues and externally to raise awareness. We have supported the Johannesburg and Cape Town Pride marches, which attracted over 20 000 people, demonstrating our commitment to being a force for good for all, regardless of gender, religion or sexuality.

Looking ahead

Our DEIB strategy is structured as a three-year framework. In 2026, the strategy will be formally reviewed to ensure continued relevance, effectiveness, and measurable progress. We have identified priority areas requiring increased focus, including the inclusion of people with disabilities. We plan to establish a dedicated disability desk that will serve as a centralised, one stop support mechanism, providing tailored assistance to employees with disabilities, as well as relevant internal and external stakeholders.

We intend to elevate emerging strategic focus areas, including generational diversity and neurodiversity and inclusion, while maintaining strong performance and accountability in our established priorities of gender diversity and inclusion, as well as inclusive culture and leadership. We will also embed and advance the DEIB agenda across our markets to promote consistent, meaningful inclusion and equitable practices throughout the business.



Responsible employment and remuneration

Strengthening holistic wellbeing in 2025

Absa reaffirmed its commitment to holistic employee wellbeing, recognising that a thriving, inclusive workplace must prioritise physical, mental, and financial health. Our approach is anchored in creating an environment where every colleague feels supported, valued, and empowered to succeed personally and professionally.

Physical health and preventative care

- Relaunched on-site clinics in partnership with Bankmed in April 2025, improving access to healthcare and aligning services with medical aid benefits. This initiative supported 5 209 employees, delivering a seamless and supportive health experience.
- A repositioned Executive Wellness Programme drove a 24-fold increase in utilisation, with 784 executives participating in proactive health screenings to manage long-term health risks.
- Continued offering personal health assessments to 6 457 employees and HIV counselling and testing to 5 484 employees, reinforcing our commitment to early detection and prevention.

Mental wellbeing support

- Delivered 14 032 mindfulness sessions to date. While attendance dipped temporarily due to a new registration process, enhanced communication is underway to boost uptake.
- The Employee Assistance Programme supported 19 794 employees, providing confidential counselling and mental health resources.
- 344 people managers and people partners trained through the Mental Wellbeing Partners Programme, equipping them to support colleagues with empathy and resilience.
- Our digital mental wellness tool reached 7 651 employees, reflecting increased awareness and adoption of self-care practices.

Financial wellness and support

- Empowered 8 732 employees through financial awareness sessions focused on budgeting, debt management, and long-term financial planning.
- 156 employees accessed debt consolidation support, helping them regain financial stability.
- Our Disability Support Programme provided R4.89 million in financial assistance to employees and their dependants, with a restructured funding model ensuring equitable distribution based on income levels.

Fair and responsible remuneration

We remain committed to equitable pay practices across the Group. Absa was recognised at the Inaugural Worker Share Ownership Conference 2024, with the "Top Champion for Women" award. The Absa eKhaya Colleague Share Scheme, was celebrated as a testament to our commitment to women empowerment through fair and responsible remuneration.

Diving deeper: [Remuneration Report – Fair and Responsible Remuneration](#)

Training

Our learning and development strategy prioritises building scarce and critical skills to secure a sustainable future. Through a comprehensive skills strategy, we elevated capabilities, readiness, and the overall employee experience.

- Total skills development spend: R538 million (2024: R580 million)
- Investment in employees: R438.3 million (2024: R466 million)
- Investment in unemployed learners: R100 million (2024: R114 million).

Diving deeper: [Additional disclosures on labour relations and Sustainability Data Sheet](#)

Performance and career development

Our performance management approach aligns individual goals with organisational objectives, fostering a culture of accountability and achievement. Key focus areas include:

- High-quality objective-setting aligned with business priorities
- Continuous, high-value performance conversations
- Upskilling managers and employees to mitigate unconscious bias
- Data-driven rating decisions for fairness and transparency.

We enhanced our efforts by leveraging AI and machine learning to evaluate objectives and drive actionable insights. Ongoing initiatives include embedding practices for managing poor performance, improving feedback exchanges, and recognising contributions.

Employee benefits

We offer a comprehensive suite of benefits that support wellbeing and financial security, including pension fund schemes (defined-benefit and defined-contribution) and post-retirement medical aid plans. Our largest schemes include the Absa Pension Fund, Absa Bank Kenya Pension Fund, and Absa Bank Mauritius Pension Fund, complemented by smaller regional plans tailored to local environments.

Creating a safe environment

Employee health and safety remain a top priority. We maintain zero tolerance for non-compliance with Occupational Health and Safety (OHS) legislation and provide regular updates to the SSEC on OHS performance.



Environmental and climate action

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Our environmental and climate action approach

Our environmental and climate action approach supports Africa's just, inclusive and economically viable transition. We retained our four-pillar Climate Framework, while refining our goals to align with our refreshed Sustainability Framework and Group strategy.

This year, we elevate our broader environmental focus, including nature, water and long-term resilience, to better respond to customer needs, strengthen sector-led value creation, and support sustainable growth across our markets.

Our four-pillar Climate Framework drives our priority of contributing to Africa's transition in a way that is just and fair to all. Our environmental and climate strategy is designed to integrate sustainability into core business decisions, ensuring resilience and long-term value creation.

Our priority

We aim to enable Africa's transition to a low-carbon economy in a way that is just, inclusive, and economically viable, while balancing environmental stewardship, social equity, and energy security.

Our goals



Advance our net zero pathway



By embedding climate factors in governance, capital allocation and customer engagement to support credible, resilient transitions.



Scale sector-led sustainable finance



To meet customer needs and enable growth in priority sectors such as energy, transport, agriculture and housing.



Strengthen environmental stewardship



By integrating biodiversity and water scarcity considerations into risk processes, lending decisions and customer solutions.



Improve transparency and data quality



Through stronger ESG information, clearer environmental metrics and alignment with relevant sustainability standards.

Environmental and climate pillars



Lead the transition to green solutions



Promoting sustainable decarbonisation efforts



Partnering for decarbonisation



Enhance governance and climate risk processes

Lead the transition to green solutions



Supporting a low-carbon, climate-resilient economy requires solutions that are practical, scalable and aligned with customer and sector needs.

We continued to expand access to green and transition-aligned finance while helping customers navigate evolving energy dynamics, regulatory expectations and sector-specific transition pathways. Our focus remained on financing solutions that enable progress towards lower emissions operating models.

Our objectives

- Continue expanding our market share in green and transition-aligned product offerings
- Enhance customers' understanding of climate-related products and strengthen their readiness for green and transition-aligned solutions.

We supported customers across key sectors as they responded to changing energy conditions, including the rapid growth of private power procurement and decentralised energy solutions. Our experience in renewable energy enabled customers to advance new generation, storage and wheeling-enabled projects.

Alongside energy solutions, we continued to offer sustainability-linked financing structures that help customers integrate environmental and efficiency objectives into their operations. These instruments supported improvements in resource use, building performance and broader transition planning.

Our green buildings and construction work remained supported by international partnerships, enabling access to blended finance that expands the availability of certified green developments and supports long-term affordability for households and developers.

During the year, we achieved a cumulative R37.5 billion in climate financing. This reflects stronger integration of sustainability considerations into lending decisions, improved data and classification processes, and an expanding pool of eligible green and transition-aligned assets.

The sections that follow outline the sustainable finance and product solutions that are enabling this progress.



Lead the transition to green solutions continued

We provide a set of green and transition-aligned financing solutions that help customers improve efficiency, strengthen resilience and advance their decarbonisation objectives.

Our products and services supporting our net zero target	Business Banking	Personal and Private Banking	Africa Regions
Incentivising customers to achieve sustainability targets through sustainability-linked financing products	✓	✓	✓
Offering green deposits through the Absa Fixed Deposit and the Absa Access Deposit Note	✓		
Incentivising developers and consumers to embrace sustainable building practices through green home loan financing		✓	
Providing financing solutions that promote the adoption of renewable energy sources by making them more accessible and flexible	✓	✓	✓
Integrating sustainability factors and analysis into engagements to raise awareness on climate-related risk	✓	✓	

For CIB, we were able to progress our products and service offering and tailor it to our market.

	Investment banking	Global markets	Transactional banking
Green products	- Green loans - Green bonds	- Trading of green bonds and loans - Trading of carbon credits	- Green trade finance - Green trade loans - Green deposits
Social products	- Social loans - Social bonds	Trading of social bonds and loans	Social trade loans
Sustainability products	- Sustainability loans - Sustainability bonds		
Sustainability-linked products	- Sustainability-linked loans - Sustainability-linked bonds	Trading of sustainability-linked bonds and loans	Sustainability-linked trade and working capital
Transition finance	- Transition loans - Transition bonds		

Financing Africa's sustainable future

As a pan-African financial institution, Absa is committed to empowering Africa's tomorrow by enabling sustainable investments that drive climate resilience, energy security, and inclusive economic growth. Recognising that climate change presents both risks and opportunities, we continue mobilising capital to support businesses, communities, and individuals on their transition journey.

Delivering sustainable finance at scale

Sustainable finance is embedded across our business, supporting corporate customers, small businesses, and retail customers in accessing funding for climate-conscious and socially inclusive investments. The majority of this capital has been deployed through CIB, which accounted for R150.9 billion of the total mobilised since 2021. During 2025 alone, CIB financed R35.6 billion in sustainable investments, reinforcing its role as a leader in financing large-scale renewable energy projects and corporate transition finance.

In addition to corporate investments, we continue to expand our BB, PPB and Africa Regions business offerings, supporting households and small businesses in adopting energy-efficient solutions.

Climate finance mobilised by business unit (cumulative impact included)

	2025 Rbn	2024 Rbn	2023 Rbn	2022 Rbn	2021 Rbn	Cumulative total Rbn
CIB ¹	35.6	35.2	31	30.5	18.6	150.9
BB	1.4	1.4	1.1	0.6	0.5	5.0
PPB	0.6	0.5	0.4	0.7	0.6	2.8
Total	37.5	37.1	32.5	31.8	19.7	158.7

¹ CIB includes social financing

Note: The Group has undergone a restructuring of the reportable segments, which resulted in the integration of Product Solutions Cluster, Everyday Banking and Private Wealth Banking (previously part of Relationship Banking) into a single business unit – Personal and Private Banking (PPB). As a result of this restructuring, the comparative period has been retrospectively restated to accurately represent the integration of these segments into PPB. Furthermore, Relationship Banking and Absa Regional Operations – Retail and Business Banking have been renamed to Business Banking and Africa Regions Personal and Private Banking and Business Banking, respectively.

Lead the transition to green solutions continued

Sustainable finance target 2030

We have strengthened our sustainable finance ambition to reflect our progress and the growing opportunities across our portfolio. In 2021, Absa set a target to mobilise R100 billion in sustainable finance by 2025, with a commitment to review and reset this ambition in 2025. Since then, we have further embedded sustainable finance across the Group by identifying additional eligible assets and expanding our framework to include a broader range of sectors and financing solutions.

We set a new ambition to mobilise between R350 billion and R400 billion in sustainable finance by 2030, from 2021. This ambition builds on the substantial sustainable finance already mobilised since 2021, including the significant progress achieved between 2021 and 2024, and reflects the scale of investment required to support Africa's transition while meeting growing customer demand for sustainable financing solutions.

Our sustainable finance approach aligns with leading global sustainability frameworks. We follow international standards to integrate climate risk management into lending, and we report measurable impacts, including emissions avoided and renewable energy financed. Our Sustainability Framework is guided by the PRB and supports key UN SDGs, particularly SDG 7 on clean energy and SDG 13 on climate action. We also align with ICMA sustainability bond guidelines to ensure our financing solutions meet recognised green, social, and sustainability-linked criteria.

Renewable energy financing

Investment in renewable energy infrastructure remains a strategic priority for the Group to support economic growth and human development. We focus on expanding access to affordable and reliable energy by financing utility scale and decentralised renewable energy solutions, including energy efficiency initiatives for SMEs and homeowners.

In 2025, the Group financed 1 355MW of new renewable energy capacity, arranging R36 billion in debt for these projects. This brings our cumulative renewable energy capacity financed since inception to over 8GW.

The captive energy market continues to grow steadily and now represents over 30% of all deals closed to date.

As at 31 December 2025, our drawn loan exposure to renewable energy projects totalled R58 billion.

	Rbn		
	2025	2024	2023
Drawn exposure – as at 31 December	58.0	37.2	28.0

Expanding energy access through infrastructure

CIB supported Cross Boundary Energy, one of the largest private power suppliers to the commercial and industrial sectors in Africa, to raise \$200 million. We are contributing up to \$100 million to expand renewable infrastructure, enable the mining of critical transition metals such as copper, and extend energy access across underserved African markets.

Impact in Action

Structuring innovative wheeled energy transactions

CIB co-led a R4.74 billion facility for Seriti Green's Umbila Emoyeni wind farm in Mpumalanga, which will be used to fund 155MW in the second phase of the project. The project, one of the first large-scale private wheeling transactions in South Africa, will supply renewable energy to the Energy Exchange of Southern Africa customers.

Impact in Action

Looking ahead

As we look beyond the R100 billion milestone, we are focused on financing solutions that drive long-term impact while ensuring financial resilience.

Our priorities for 2026 and beyond include:

- Scaling renewable energy financing, supporting businesses and individuals investing in energy security
- Expanding transition finance, helping high-emissions industries move towards lower-carbon business models
- Enhancing funding for sustainable housing and urban infrastructure, ensuring long-term climate resilience
- By continuing to align capital with sustainability objectives, Absa remains a key enabler of Africa's transition to a more inclusive, resilient, and sustainable future.

Promoting sustainable decarbonisation efforts



Our decarbonisation efforts are guided by the recognition that a credible transition requires balancing environmental ambition with social equity, economic stability, and long-term resilience.

Our focus remains on strengthening the foundations needed to support a just and orderly transition across the sectors we finance, while ensuring our actions align with market realities and the evolving global context.

Our objectives

- Extend and deepen baselining across climate-sensitive sectors, improving the data and insights that underpin our transition planning
- Advance the development of sector-specific transition pathways, informed by enhanced modelling, sector engagement, and emerging technology trends
- Continue expanding emissions measurement across financed activities, with a focus on improving coverage and data quality
- Progress the development of our Climate Transition Plan, ensuring it remains aligned with regulatory expectations and grounded in sector-specific dynamics.

Approach to decarbonisation activities

Our decarbonisation approach is shaped by our responsibility to address the emissions associated with our lending activities and our own operations. We continue to embed climate considerations into our strategic choices, portfolio steering, and customer engagement. Our activities remain centred on:

- Financed emissions measurement and target setting
- Mobilisation of sustainable and transition finance, including renewable energy and efficiency enabling solutions
- Ongoing reduction of our operational footprint.

These activities support our contribution to a resilient, lower carbon economy while ensuring our actions remain anchored in the realities of the markets we serve.

Climate sensitive sectors, including real estate, transport and logistics, agriculture, manufacturing, mining and quarrying, construction, water, electricity, coal, oil and gas remain central to our transition strategy.

These sectors play a critical role in shaping national development plans across our markets and reflect broader African economic realities, while also representing concentrated areas of climate-related risk and opportunity within our portfolio.

Decarbonisation strategy and sector baselining

We advanced our emissions baselining efforts in road transport and real estate. These baselines support more credible, data driven transition pathways and strengthen our ability to engage customers on realistic decarbonisation options. Work in these two sectors highlights the importance of a measured, context appropriate approach, recognising the interplay between infrastructure, affordability, policy certainty and market readiness.

Partnership and collaboration

Our pathways are shaped by policy direction, customer adoption patterns, cost trajectories, and technology availability. Decarbonisation is a collaborative effort, therefore we engage research partners, industry bodies, and other financial institutions to advance shared insights, support sector-wide progress, and contribute to the development of enabling market conditions.

Diving deeper: [Partnering for decarbonisation](#)

Approach to emissions target setting

Financed emissions remain our primary metric for tracking transition progress in climate sensitive sectors. This aligns with the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting and Reporting Standard. We invest in data enhancement and improved measurement coverage, recognising that credible target setting depends on the reliability of underlying data.

We have set reduction targets for our fossil fuel portfolio and will extend this work to additional sectors by developing sector-specific methodologies, assessing customer readiness, and strengthening our industry insights.

Review of financed emissions targets for the fossil fuel sector

We continuously monitor developments in climate science, technological progress, and policy updates to ensure our approach to target setting remains relevant and credible. Our review of fossil fuel sector targets reflects ongoing refinement.

While our position on coal remains unchanged, we are recalibrating our oil and gas target, reflecting the evolving global energy landscape and the practical challenges associated with scope 3 emissions data. We will continue to track and monitor scope 3 emissions to support future enhancements in our methodology and customer engagement.



Promoting sustainable decarbonisation efforts continued

Global energy landscape

Our initial approach to target setting for financed emissions reference, the 2022 International Energy Agency (IEA) Announced Pledges by 2050 Scenario. However, the context in which we operate continues to evolve. As a result, our targets are subject to various external factors, including policy developments, technological advances, actions taken by our customers, the availability of reliable data, and methodological refinement.

According to the IEA Global Energy Review 2025, global energy demand continued to rise in 2024, with fossil fuels, particularly oil and gas, remaining integral to the global energy mix. While the growth in coal consumption has slowed, demand for natural gas has rebounded, and oil remains a key energy source, albeit with a moderated growth trajectory. The IEA also notes that energy sector emissions increased in 2024, though at a slower pace than in previous years, due to the accelerated deployment of clean energy technologies.

Diving deeper: *Global Energy Review 2025*

In South Africa, the Integrated Resource Plan (IRP) 2025 reaffirms coal's continued role in the national energy mix in the near term, given its current dominance in installed capacity. The IRP supports energy security, economic growth and a just transition to a low-carbon economy by 2050.

The global climate finance landscape has also undergone significant changes. In October 2025, the Net-Zero Banking Alliance (NZBA), a key UN-backed initiative, ceased operations following several high-profile exits by major global banks.

The decision was driven by several factors, including political and legal pressures, particularly in North America and Europe. While the NZBA has transitioned to a non-binding guidance-based framework, its dissolution highlights the growing importance for individual institutions to take ownership of their net zero strategies.

These developments reinforce our decision to prioritise credible, data-driven, and customer-aligned approaches to climate target setting. We remain committed to supporting a just and orderly transition, guided by robust internal frameworks, sector-specific insights, and meaningful customer engagement.

Considering these developments, we have updated our interim 2030 sector targets for oil and gas, focusing on scope 1 and 2 emissions. Achieving these targets will depend on various external factors, including how quickly our customers advance their own decarbonisation efforts.

Scope 1 and 2 emissions remain a significant component of the oil and gas sector's transition strategy, accounting for approximately 15% of total energy-related emissions globally according to the IEA Special Report on the oil and gas industry. Reducing these operational emissions is essential to addressing climate change and achieving our net-zero commitment.

Our approach aligns with the aspirations of the Oil and Gas Decarbonisation Charter (OGDC), which seeks to accelerate reductions in scope 1 and 2 emissions across the sector. The Charter brings together 55 companies with assets representing around 40% of global oil production.



Promoting sustainable decarbonisation efforts continued

Recalibrating our oil and gas target

We are recalibrating our approach to the oil and gas sector by narrowing our target to scope 1 and 2 emissions intensity, due to several factors:

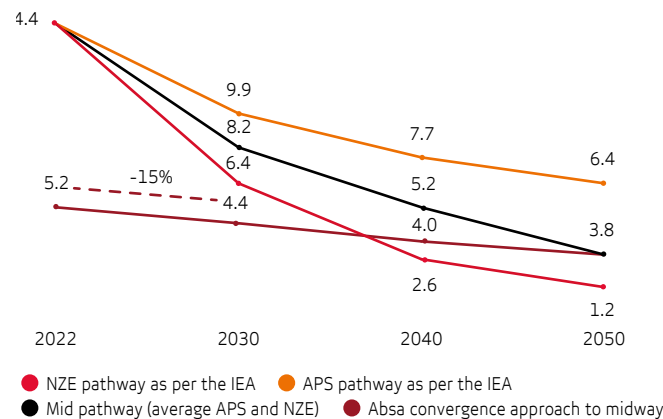
- Many of our oil and gas customers have made significant progress in developing their own climate strategies. These strategies increasingly include emissions-reduction targets that align with their operational realities. Most customers that have established scope 1 and 2 emissions targets are signatories to the OGDC. Where targets exist, they almost always include scope 1 and 2 emissions.
- Scope 3 emissions data remain inconsistent and difficult to verify across the oil and gas value chain. Limited disclosure and methodological challenges hinder our ability to set credible, science-aligned scope 3 targets. While public policy, consumer behaviour, and technological advances are critical enablers of the energy transition, these conditions have not materialised at the scale or pace required to support a comprehensive scope 3 target.
- To inform the revised target, we referenced the IEA's Announced Pledges Scenario (APS) and Net Zero Emissions by 2050 Scenario (NZE). The revised pathway is the midpoint between the APS and NZE trajectories. Absa will need to converge to the 2050 value of this midpoint pathway. While Absa aims to align with the APS, our current baseline is below the APS pathway. The midpoint pathway therefore provides a more practical and credible transition pathway while remaining aligned with global decarbonisation trends. We aim to converge on the midpoint by 2050. To remain on track, we must reduce our financed emissions intensity by 15% by 2030.

Due to the step-wise nature of oil and gas transactions, and as our existing commitments to certain projects that have yet to become fully operational, we expect the physical intensity of our portfolio to diverge from a straight-line reduction path to 2030.

We continue to use 2022 as the baseline year for our oil and gas target. This updated approach recognises the inherent uncertainties that will continue to influence the pace of decarbonisation in the oil and gas sector. Achieving our revised targets will depend on our customers' progress on their own decarbonisation journeys.

To improve transparency and support stakeholder engagement, we will now disaggregate emissions intensity data across scope 1, 2, and 3 for oil and gas. This will provide a clearer view of emissions sources and support more targeted engagement with customers.

Convergence approach (gCO₂e/MJ)



Promoting sustainable decarbonisation efforts continued

Sector emissions

Our carbon footprint arises from the indirect emissions linked to the activities we finance. Understanding and managing these financed emissions is central to our climate ambition. Using the globally recognised PCAF methodology, we measure the greenhouse gas emissions associated with our lending portfolio, enabling us to assess carbon intensity, strengthen our climate strategy, and support clients in their transition journeys.

Financed emissions serve as a foundation for:

- Assessing carbon intensity across our lending portfolio
- Prioritising sector-level decarbonisation pathways
- Guiding internal capital allocation decisions
- Developing climate-aligned products and targets
- Strengthening customer engagement strategies
- Aligning with our Net Zero 2050 commitment.

Fossil fuel sector

Coal

Scope 1, 2, and 3 emissions from thermal and metallurgical coal have declined by 14% cumulatively since 2022. The emissions data is based on a PCAF score of 1¹.

Coal-financed emissions

Sector	2022 (base year) ktCO ₂ e	2023 ktCO ₂ e	2024 ktCO ₂ e	2030 target
Coal	1 897	1 686 ^{LA-EA}	1 623 ^{LA-EA}	25% reduction from 2022 baseline to 2030

Note: Financed emissions are reported once a year and are delayed by one year before they are made available; hence, the 2024 figures for fossil fuel emissions performance.

Oil and gas

Scope 1 and 2 emissions intensity has declined by 17% cumulatively since 2022, driven by a reduction in our oil and gas exposure and by customers' implementation of scope 1 and 2 emissions-reduction targets that are lowering their operational emissions. In contrast, scope 3 emissions intensity has increased marginally over the same period, which is consistent with the fact that the critical enablers required to reduce scope 3 emissions have not materialised at the pace needed. Oil and gas emissions data are based on a PCAF score of 3.

Oil and gas-financed emissions

Sector	2022 (base year) gCO ₂ e/MJ	2023 gCO ₂ e/MJ	2024 gCO ₂ e/MJ	2030 target
Oil and gas (scope 1 and 2 upstream)	5.17	4.95	4.31 ^{LA-EA}	15% reduction from 2022 baseline to 2030
Oil and gas (scope 3 upstream)	74.79	75.91	76.41 ^{LA-EA}	

Natural gas currently supports energy security and the transition to a lower carbon economy, particularly in emerging markets. In Africa, it complements renewable energy deployment and grid stability, while its role is managed in line with long-term decarbonisation objectives. We continue to refine our financing approach in response to evolving stakeholder expectations, global climate goals, and national just transition pathways.

Emissions from additional sectors

Based on data availability, materiality assessments, and the level of exposure to transition risk, we disclose financed emissions for additional sectors as outlined below.

Real estate

The real estate sector is a significant global emitter, with buildings accounting for an estimated 40% of carbon emissions globally. Our real estate exposure is predominately in South Africa, where reliance on coal-fired electricity generation materially increases emissions associated with building operations. As a result, the sector represents an important focus area in our financed emissions profile and our broader climate risk management approach.

Mortgage

Sector	Financed emissions (tCO ₂ e)	
	2025	2024
Real estate (mortgages)	1 144 750 ^{LA-EA}	1 080 927 ^{LA-EA}

Commercial property finance

Sector	Financed emissions (tCO ₂ e)	
	2025	2024
Commercial real estate (commercial property finance)	1 789 863 ^{LA-EA}	1 511 494 ^{LA-EA}

Promoting sustainable decarbonisation efforts continued

Transport

Our financed emissions disclosure includes exposure to passenger cars. These emissions remain predominantly driven by the continued dependence on carbon-based fuels. Under a net zero pathway, emissions from the transport sector are required to decline by approximately 25% by 2030, underscoring the urgency for a sector-wide transition. Efforts are needed to support a shift to less carbon-intensive transport options, and more efficient technologies, including increased adoption of electric vehicles and the related infrastructure. These factors are central to reducing the emissions intensity of our financed portfolio and aligning with long-term decarbonisation objectives.

Sectors	Financed emissions (tCO ₂ e)	
	2025	2024
Passenger cars	685 678	619 324
Vans	299 169	312 496
Trucks	91 918	56 995

Agriculture emissions

We refined our approach to agricultural-financed emissions reporting in light of ongoing sector-wide data constraints, inconsistent client-level information, and the current lack of standardised industry guidance. Agricultural emissions are therefore not included in this year's disclosure.

Sector	Financed emissions (tCO ₂ e)	
	2025	2024
Agriculture	N/A	5 701 621

Our focus remains on enhancing methodologies, improving data availability, and supporting industry alignment to enable credible future reporting. Through our partnerships, including continued collaboration with Blue North and key sector bodies, we are contributing to the development of more consistent, reliable and scalable sustainability data across the agricultural value chain.

The sector emissions disclosure represents a partial view of our overall scope 3 financed emissions. Additional sectors are undergoing data refinement and will be included in future reports.

Insured and facilitated emissions

The insurance sector is inherently exposed to physical climate risks through both underwriting and investment activities. In South Africa, we provide commercially viable insurance solutions that support the transition of our existing residential real estate towards the use of renewable-energy technologies.

These emissions present a less significant component of our scope 3 profile. While these activities offer a different lens than lending, integrating perspectives enables us to design strategies and products that drive a more effective transition within our asset finance businesses. We are developing these calculations, which will serve as a critical input into our climate transition priorities. We continue to expand our climate-related insurance offerings.

Looking ahead

We continue to engage proactively with our customers to encourage and support their decarbonisation efforts. Through these engagements, we advocate for enabling policy and regulatory frameworks, as well as the development of credible sector transition pathways that align with the pace and ambition of the Paris Agreement. These actions are integral to advancing an orderly and inclusive transition across our financed portfolio.

As we enhance our emissions tracking capabilities, these insights will inform climate scenario planning, portfolio alignment goals, and sector engagement frameworks. This work is fully integrated into our climate risk strategy and Group Transition Plan Roadmap.



Promoting sustainable decarbonisation efforts continued

Enhancing climate-sensitive and fossil fuel sector disclosures

As part of our evolving climate risk approach, enhancements to sector classification and exposure tracking are underway. These improvements will strengthen the accuracy of our disclosures and further align with IFRS S2 recommendations.

Sector-drawn exposure

Our priority is to maintain transparent disclosure of lending activities in sectors that materially contribute to greenhouse gas emissions, including transport and logistics, oil and gas, mining and metals, manufacturing, and real estate. These sectors are central to the economic development of African markets and remain a focal point of our financed emissions monitoring, climate risk assessment, and customer engagement efforts. Maintaining transparency in these areas enables us to support a just transition while ensuring our disclosures remain aligned with evolving global best practice.

Climate-sensitive and fossil fuel sector-drawn exposure

The sectors that follow are those we believe have elevated climate-related risks, although vulnerabilities vary across each sector. Our monitoring and reporting of drawn exposures to sectors with elevated climate risk will improve and become more granular as our approach to climate change risk management evolves.

The tables that follow show our actual gross loans and advances at a Group level. We are committed to continuously enhancing the quality of disclosures related to high-emissions and climate-sensitive sectors as data improvements are implemented. Our goal is to consistently refine and elevate the accuracy, transparency, and quality of data sets, ensuring they meet the highest standards and provide valuable insights.

Climate-sensitive sector drawn-exposure

The priority sectors listed below account for 46.1% of our total gross on-balance sheet loans and advances, plus off-balance sheet loan commitments, at 31 December 2025. However, excluding our sizeable real estate loan book, which is primarily retail home loans, the sector represent 25.4% of our total loans and advances. The most significant components are the transport and logistics portfolio (10.2%), which includes the vehicle and asset finance portfolio, and agriculture portfolio (3.9%).

Sectors	Drawn exposure 2025 Rbn	% of total Group loans and advances	Drawn exposure 2024 Rbn	% of total Group loans and advances
Agriculture	67	3.9	69	4.3
Construction	12	0.7	11	0.7
Electricity ¹	4	0.3	6	0.4
Manufacturing	61	3.5	53	3.3
Mining and quarrying ²	38	2.2	31	1.9
Real estate	444	25.4	437	27.0
Transport and logistics	178	10.2	166	10.3
Water ³	0	0	0	0.0
Total	806	46.1	773	47.9

We monitor our drawn exposures to sectors with high emissions (electricity, manufacturing, mining and quarrying, transport and logistics). These sectors account for about 16% of our total Group loans and advances, with transport and logistics the largest at 10.2%. We measure our drawn exposure to these sectors quarterly.

Fossil fuel drawn-exposure

As part of our commitment to transparency and responsible financing, we disclose our total exposure to coal, oil, and gas. This disclosure tracks our customers' progress against Absa's emissions-reduction strategy. Total fossil fuel financing limits decreased by 6% to R27 billion (2024: R29 billion), driven mainly by reductions in oil and gas facilities, while coal financing increased slightly. Our lending strategy remains anchored in our emissions-reduction glidepath and prioritises support for customers with credible decarbonisation plans.

Sectors	2024	Rbn		% of GLA	
		2025	Change	2024	2025
Oil					
Limit	19.28	17.38	(1.90)	1.19	1.01
Drawn exposure	16.82	15.79^{LA-EA}	(1.03)	1.04	0.92
Gas					
Limit	7.60	7.52	(0.08)	0.47	0.44
Drawn exposure	2.05	1.67^{LA-EA}	(0.39)	0.13	0.10
Coal					
Limit	2.08	2.25	0.16	0.13	0.13
Drawn exposure	0.41	0.18^{LA-EA}	(0.23)	0.03	0.01

¹ Excludes renewable energy generation.

² Excludes fossil fuel for upstream activities.

³ Water sector exposure of R347 million is below table rounding threshold.



Promoting sustainable decarbonisation efforts continued

Our own carbon emissions performance

We strengthened our climate reporting foundation by enhancing the reliability, consistency, and verification of environmental data, alongside the continued implementation of programmes aimed at achieving the long-term environmental objectives established in 2018 for the period to 2030. This approach recognises that effective climate-related risk management and credible disclosure depend on high-quality, decision-useful data.

Structured engagement with Africa Regions countries commenced to support the future collection of actual water consumption data. This phase focuses on data readiness, governance frameworks, and in-country capacity, to expand verified environmental data coverage across the operational footprint. External validation of Africa Regions water data is planned for 2026, supporting a phased transition from modelled data while maintaining data integrity and assurance preparedness.

With strengthened data foundations in place, progress continued on environmental sustainability initiatives aligned with the Environmental Action Plan (EAP) and the Group's 2030 targets, with a continued focus on emissions reduction, resource efficiency, and operational resilience. All core environmental KPIs were achieved in 2025.

	2025 Performance	2025 Target	2030 Target
GHG emissions reduction (%)	45 ^{LA-EA}	30	51
Renewable energy proportion increase (location-based) (%)	17	7	10
Water intensity reduction	7.01kL/FTE	8.7kL/FTE	8.02kL/FTE
Waste reduction (%)	90.3	80	80



Promoting sustainable decarbonisation efforts continued

Restatement of 2018 baseline and 2024 emissions

As part of ongoing improvements to data quality, methodological consistency, and assurance readiness, Absa implemented targeted refinements to its environmental performance data and reporting framework during the reporting period.

A focused external assurance engagement was conducted on the 2018 energy consumption and greenhouse gas emissions baseline, which underpins the Group's long-term decarbonisation targets. This resulted in a restatement of the baseline to reflect enhanced data collection processes, improved quantification methodologies, and the consistent application of reporting assumptions, while maintaining unchanged definitions, organisational boundaries, and KPI structures.

In addition, improvements in data availability across Africa Regions enabled the replacement of previously modelled electricity and diesel consumption data with actual, validated activity data for the 2024 reporting year, leading to the restatement of selected comparative figures for non-renewable energy and greenhouse gas emissions. As the original 2024 information had been externally assured, the auditors performed the necessary procedures to confirm that assurance remains effective for the restated figures, which are presented as comparative information in this report.

These restatements do not indicate errors in prior disclosures and do not affect Absa's environmental strategy, targets, or transition glide path; rather, they enhance the accuracy, comparability, and decision-usefulness of reported information. In parallel, Absa refined its Environmental KPI Framework to distinguish more clearly between core outcome-based indicators and supporting operational levers, improving transparency and alignment between performance measurement and long-term environmental objectives.



Greenhouse gas emissions

Absa has committed to reducing operational carbon emissions by 51% by 2030, using 2018 as the baseline year.

Progress toward this target is assessed annually against the defined emissions-reduction glide path from 2018 to 2030. As at December 2025, a 45% reduction in carbon emissions had been achieved, exceeding the 2025 glide path target of 30%. Absa also aims to reduce travel-related greenhouse gas emissions by 20% compared to the 2018 baseline by 2030. A 49% reduction in travel-related emissions was achieved in 2025, exceeding the annual glide path target of 12%, with a focus on sustaining this performance through to 2030.

Reductions in greenhouse gas emissions during the year were driven by a combination of operational efficiency improvements, increased use of renewable energy, and portfolio optimisation initiatives implemented across the Group. These actions collectively supported progress along the defined decarbonisation glide path. While internal emissions reductions remain the primary focus of the decarbonisation strategy, it is recognised that achieving long-term carbon neutrality by 2050 is unlikely to be achieved solely through operational measures. Delays in implementing certain initiatives, along with increased reliance on diesel generators during grid disruptions, led to the use of supplementary market-based mechanisms. Carbon offsetting will be applied as a complementary measure to address residual emissions where required. During 2025, 12 000 tons of carbon credits were procured and will only be retired as and when required.

GHG emissions	2025 tCO ₂ e	2024 (Restated) tCO ₂ e	2018 Restated Baseline tCO ₂ e
Total emissions	149 860^{LA-EA}	153 765^{LA-EA}	272 780^{LA-EA}
Scope 1	10 859^{LA-EA}	13 259^{LA-EA}	22 044
Diesel	2 521	3 773	936
Natural gas	5 272	6 327	16 151
Company cars	3 066	3 159	4 957
Scope 2	131 263^{LA-EA}	129 326^{LA-EA}	230 979
Grid electricity	131 263	129 326	230 979
Scope 3	7 738^{LA-EA}	11 180^{LA-EA}	19 757
Air travel	5 469	5 330	7 099
Car hire	112	96	129
Private cars	380	1 440	5 532
Transmission and distribution	1 777	4 313	6 997

Renewable energy and energy efficiency

Absa achieved a 17% renewable energy contribution under a location-based approach, consistent with its established scope 2 reporting methodology.

Performance was supported by the continued expansion of on-site solar photovoltaic installations with Battery Energy Storage System (BESS), along with the increasing share of renewable energy in national electricity grids, particularly within Africa Regions, which are characterised by high hydropower use.

Promoting sustainable decarbonisation efforts continued

Progress is also underway to improve a complementary market-based approach that will illustrate a commitment to increase renewable energy secured through contractual instruments, which currently involves procurement arrangements for wind energy and renewable energy certificates (RECs). During 2025, a total of 65 000 RECs, each representing 1MWh of renewable electricity, were purchased. These initiatives enhance energy resilience while establishing a structured and credible pathway toward achieving Absa's 2030 renewable energy target.

To increase the proportion of energy from renewable sources, a target has also been set to achieve a 30% reduction in energy consumption by 2030, with 2018 serving as the baseline year. Progress toward this target is continuously monitored, taking into account changes in operational demand, portfolio movements, and the implementation of energy efficiency measures across facilities. At the end of 2025, a 49% reduction in energy consumption was achieved, which exceeds the 2025 target of 21% and the 2030 target of 30%.

Energy efficiency and resilience initiatives continued to support progress along the decarbonisation glide path. Advances were made in the multi-year rollout of smart metering for electricity and water, including the installation of an additional 98 smart electricity meters and 90 smart water meters across retail and corporate locations. This programme enhances monitoring accuracy, supports improved utility cost management, enables the identification of efficiency opportunities, and strengthens governance and reporting compliance. By year end, smart meter coverage reached 65% of the South Africa portfolio for electricity and 60% for water, with the remaining installations scheduled for completion in 2026/2027.

The programme to replace inefficient lighting with energy-efficient alternatives continued, with 18 retail locations upgraded to LED lighting during 2025 at a total cost of R8.05 million. By year end, 81% of the portfolio had been retrofitted, representing 82% of retail locations and 88% of corporate facilities, contributing to sustained reductions in energy use and associated operational emissions.

179 116 100^{LA-EA} Total non-renewable energy use
4 301 272^{LA-EA} Total renewable energy use

The expansion of renewable energy capacity remained a key component of the energy resilience strategy, reducing reliance on grid electricity and diesel generators, particularly during periods of grid instability. Installation of rooftop solar photovoltaic systems combined with BESS commenced at six additional retail locations (Ventersdorp, Lephalale, Mokopane, Zastron, Burgersdorp, and Mooi River Mall in Potchefstroom). These installations are planned for completion in 2026 quarter 1 and will increase the total number of solar-equipped sites to 66.

These systems are expected to reduce Absa's footprint by approximately 424.7 tons per annum and contribute an additional 356.8MWh of renewable energy annually. These initiatives strengthen resilience while supporting progress toward achieving a 51% reduction in carbon emissions by 2030 relative to the 2018 baseline.

Energy consumption	2025 kWh	2024 Restated kWh	2018 Restated Baseline kWh
Total energy consumption	183 417 372^{LA-EA}	195 391 900^{LA-EA}	360 041 993
Natural gas	26 024 394	31 229 321	79 722 122
Diesel	9 390 780	14 058 045	3 487 388
Electricity	143 700 926	145 965 074	274 872 447
Solar	4 231 224	4 025 552	1 960 036
Wind	70 048	113 908	–

Water conservation

Water stewardship remains a key component of the broader resilience agenda. We reviewed water performance targets and monitoring methodologies, which led to a shift from tracking absolute water savings to monitoring water consumption intensity, measured in kilolitres per full-time employee. This approach provides a more consistent and comparable indicator of performance by accounting for changes in headcount, portfolio size, and operational activity. We committed to reducing water consumption intensity from 9kL/FTE to 8.02kL/FTE by 2030. We achieved 7.01kL/FTE against the 2025 intensity target of 8.78kL/FTE. Greywater recycling systems are operational at three corporate locations in South Africa and Botswana, and an upgrade to the greywater treatment facility at Absa Towers West will be completed during early 2026. This upgrade will reduce water consumption by approximately 14 397kL per annum, enhance water supply resilience, and reduce reliance on municipal sources. Smart water metering continues to support early detection and remediation of water losses across monitored sites.

259 427kl total consumption
7.01kl/FTE^{LA-EA} intensity ratio
250 413kl municipal withdrawal
9 014kl borehole withdrawal

FTE = full-time equivalent (37 033 employees)

Impact in
Action

Tackling South Africa's water crisis: Absa's Business Banking water proposition

South Africa is considered one of the top 30 driest countries globally with water demand expected to exceed supply by 17% by 2030. Over 40% of water is lost before it reaches the taps of South African consumers, predominantly due to failing infrastructure. Overall, South African businesses find themselves facing a new water crisis.

In August 2025, Business Banking launched a water proposition focused on supporting South African businesses to become water efficient and remain operational during water outages. This proposition is one of the first of its kind in the South African market and aims to provide funding that supports water efficient business practices such as smart metering and greywater systems and backup water through storage systems and the sustainable use of alternative water sources such as rainwater harvesting, desalination and groundwater extraction, along with water treatment that is fit-for-purpose. The proposition focuses on making use of vetted installers and complying with municipal and Department of Water and Sanitation regulations, to ensure safe, compliant installations and sustainable water use.

Promoting sustainable decarbonisation efforts continued

Waste reduction

The long-term objective is to divert 80% of operational waste from landfill by 2030, supported by a comprehensive waste management approach encompassing prevention, reduction, recycling, and reuse, with responsible disposal applied only as a last resort.

We achieved a waste diversion rate of 90%, exceeding the year's target of 80%, demonstrating early achievement of the 2030 objective. The focus has shifted toward sustaining performance through standardised operational practices, strengthened data management, and enhanced supplier oversight. Performance was supported by ongoing collaboration with certified service providers, including Iron Mountain and Metrofile, with secure document destruction and recycling verified through destruction certificates. Improved waste segregation practices and continued clean-up initiatives further reduced waste sent to landfill and supported consistent recycling performance across facilities.

Absa set a target to reduce office paper consumption by 50% by 2030, using 2018 as the baseline year. Paper consumption has decreased by 88% compared to 2018, exceeding the 2025 target of 22%. Ongoing digitisation initiatives continue to reduce reliance on paper in core business processes. While certain regulatory, customer, and operational requirements necessitate limited paper use, emphasis remains on the responsible management of unavoidable consumption. Recycling programmes ensure office paper waste is diverted from landfill, reinforcing circular economy principles.



1 394 tons waste recycled or composted



150 tons waste to landfill



1 544^{LA-EA} tons total waste consumption



90.3% of waste recycled and composted

Certified green spaces

Improving the environmental performance of the property portfolio remained a key focus during 2025. In line with the EAP objective to certify 33% of the portfolio by 2030, the Pretoria Campus achieved re-certification under the Green Star Existing Building Performance rating tool, alongside new Green Star certifications for 35 retail branches. The total number of certified green buildings increased to 63 (nine corporate and 54 retail) sites as of December 2025. The 2025 certification target of 21% was exceeded with portfolio certification reaching 36.8% by year end.

Recognition was received for progress in Existing Building Performance certifications, including the certification of 19 retail branches under the Green Building Council of South Africa (GBCSA) Existing Building Performance (EBP) rating system. Each building achieved a 3-star rating, collectively covering 28 117m² of gross lettable area. This achievement resulted in recognition as Runner-Up in the "Transforming Tomorrow with Green Star – Existing Building" category at the 2025 GBCSA Awards, demonstrating leadership in improving the performance of existing buildings.

	2025 Target %	2030 Target %	2025 Performance %
Green certified spaces expansion	21	33	36.8



Partnering for decarbonisation

Achieving meaningful decarbonisation requires coordinated action across markets, value chains and institutions. We advanced a partnership-led approach, working with customers, DFIs, global investors and ecosystem partners to accelerate credible and scalable transition outcomes.

The following deals provide concrete evidence of this approach in practice, demonstrating impact across energy systems, sustainable urban development, climate smart investment and low-carbon mobility.

Accelerating decarbonisation through innovative partnership

We worked with energy and built environment partners to address technology readiness, grid constraints and financing needs. These collaborations supported practical, sector-aligned pathways that strengthen resilience and unlock renewable integration.

The *Energising progress with Africa's largest standalone battery facility* deal shows how joint action enabled Africa's largest standalone BESS facility. Together with Collins Consortium Group, the *South Africa's first Club Med resort* deal demonstrates how coordinated, multi-stakeholder financing can catalyse large-scale tourism investment, drive sustainable development, and unlock long-term economic growth through the creation of a world-class hospitality destination.

Supporting an enabling environment through regulatory engagement

We engaged with regulators on disclosure requirements, transition planning and sector expectations, contributing to a more stable environment for climate investment. While not regulatory examples, the *Energising progress with Africa's largest standalone battery facility*, together with Collins Consortium Group deals, we are contributing positively to tourism, sustainability, and economic growth.

Supporting customer transitions through tailored, transition-aligned finance

Through focused engagements and climate-aligned financing solutions, we helped customers identify and prioritise actionable decarbonisation steps suited to their operating context. The *partnership with Collins Consortium Group on South Africa's first Club Med resort* illustrates how innovative financing structures can integrate sustainability, inclusive growth and long-term economic value across a large-scale tourism development, while the *Mogo Loans: Financing electric motorcycles for commercial riders in Uganda* deal highlights the role of finance in accelerating electric mobility.

Energising progress with Africa's largest standalone battery facility

South Africa's Transmission Development Plan envisages extensive network development relying on the establishment of large-scale renewable energy generation infrastructure in areas with strong potential, such as the Northern Cape. With no available grid connection capacity, the development of regional power corridors is crucial for distributing excess energy to the northern parts of South Africa. Equally essential is the availability of storage solutions to enable reliable, dispatchable and large-scale deployment of clean energy across grids.

Absa co-financed Africa's largest standalone BESS, enabling grid stability and load shifting. Investments in BESS represent the next frontier in unlocking cost efficiencies within the renewable energy sector. While wind and solar technologies have achieved significant cost reductions through scale, the widespread integration of renewables now hinges on the affordability and scalability of storage solutions.

Innovative financing

The Red Sands BESS represents a landmark transaction under South Africa's Energy Storage Independent Power Producer Procurement Programme and is the largest project awarded in Bid Window 1. Located in the Northern Cape, the facility will connect to the Garona sub-station and deliver 153MW of capacity to Eskom under a 15-year capacity-based Power Purchase Agreement (PPA).

The project was developed by a consortium led by Globeleq, with 51% shareholding, alongside its B-BBEE partner, the African Rainbow Energy Fund, which holds a 46.5% stake.

Absa CIB, together with another lender, acted as Joint Mandated Lead Arrangers, each contributing 50% of the R9.4 billion debt package. Absa's involvement spanned project finance lending, hedging, guarantees, and agency and account bank services.

The project's revenue model is based on availability rather than energy dispatched, which significantly reduces operational risk.

Payments are guaranteed even if Eskom is unable to supply sufficient power to charge the batteries. The buyer's obligations under the PPA are backed by a sovereign guarantee via the

implementation agreement. This structure ensures stable and predictable cash flows throughout the project.

The debt package comprises a senior-term loan of R5.7 billion, alongside facilities for augmentation reserves, debt service reserves, Value added Tax (VAT), working capital and Eskom guarantees. Structuring innovation includes a technical oversizing and augmentation strategy designed to maintain performance over the PPA term. These robust financial covenants ensure strong debt service, loan life coverage ratios, and the use of proven tier 1 original equipment manufacturer technology to mitigate technical risk.

Comprehensive due diligence was conducted across technical, legal, insurance and ESG dimensions. The transaction aligns with Absa's sustainability objectives and contributes to its strategic ambition.

The innovative and pioneering deal featured a capacity-based PPA with sovereign guarantees, tailored augmentation reserves and a comprehensive debt package.

Purpose-led impact

The project will drive economic growth in the Northern Cape through job creation, skills development and local procurement. It supports B-BBEE and contributes to GDP growth by enhancing energy infrastructure and reliability.

Red Sands BESS will deliver meaningful environmental and grid benefits by supporting load shifting, allowing energy to be stored during the day and dispatched during peak periods. It enhances grid stability and creates capacity for additional renewable energy projects.

From an ESG perspective, the project supports the UN SDGs and reflects Absa's commitment to enabling a low-carbon transition and building climate resilience.



Impact in Action

Partnering for decarbonisation continued

Impact in Action

Together with Collins Consortium Group, we are driving tourism, sustainability, and economic growth through South Africa's first Club Med resort

At Absa CIB, we are committed to playing a catalytic role in landmark developments that stimulate long-term economic growth. Our collaboration with Collins Consortium Group to deliver South Africa's first Club Med resort is a testament towards that commitment.

The Club Med resort, to be situated on KwaZulu-Natal's North Coast, is a R2.5 billion project that marks a new era for the local tourism and hospitality sector. As Mandated Lead Arranger, Facility Agent and Commercial Property Finance Agent, Absa delivered a bespoke financing solution, drawing on our hospitality and commercial property expertise to shape a tailored, market-ready transaction.

This milestone deal cements the Collins Consortium's position as one of South Africa's leading developers. The resort is set to offer premium amenities that meet the needs of modern, discerning travellers, setting a new benchmark for hospitality development in the region.

By aligning the strategic growth ambitions of Collins Consortium, the deal was able to bring together a partnership of public, private and Black Economic Empowerment investors, united towards shaping the future of the sector's growth. The result is a powerful example of collaborative investment that meets market needs, while delivering lasting impact. This infrastructure development will bring benefits to KwaZulu-Natal, enhancing intra-regional and international trade, strengthening the province's local and global competitiveness, while boosting local long-term employment opportunities.

Impact in Action

Mogo Loans: Financing electric motorcycles for commercial riders in Uganda

Absa Uganda extended a Uganda shillings (UGX) 19 billion revolving credit facility to Mogo Loans Limited, a subsidiary of Eleveo Group. The facility supports purchase hire financing for commercial motorcycle (boda boda) riders, with a focus on electric motorcycles.

Structured with a 36-month tenor and bullet principal repayment, the facility includes ESG-linked deliverables and complies with IFC Performance Standards. Absa Uganda was the financial institution to provide Mogo with this type of facility. The UGX19 billion facility in October 2024 and the additional UGX19 billion in lending in 2025 supported the country's sustainable finance goals. Some of the benefits include:

- Zero-emissions transport since electric motorcycles eliminate tailpipe emissions, contributing to improved urban air quality
- Energy efficiency as riders spend less on energy (UGX8 000 for 80 Kilometers (km) on electricity vs UGX10 000 for 70km on petrol)
- Reduced noise pollution as electric bikes operate more quietly, improving urban soundscapes
- Lower maintenance footprint due to fewer moving parts and no oil changes, reducing environmental waste
- Financial inclusion since the facility enables access to credit for informal sector workers, particularly youth and rural populations
- Job creation by supporting self-employment and income generation for thousands of riders
- Gender inclusion potential as the model can be extended to empower women in the mobility and logistics sectors.

Partnering for decarbonisation continued

Scaling climate solutions through DFI and impact investor partnerships

Collaboration with DFIs and global impact investors expanded access to catalytic finance for climate-aligned infrastructure and climate-smart enterprises.

The *Scaling climate solutions through DFI and investor partnerships* case study demonstrates how DFI capital can unlock renewable and circular economy projects. A *financing partnership for impact investment* case study showcases how impact investor partnerships scale climate smart and socially inclusive business models.

Building capability to enhance climate-aligned delivery

We strengthened internal expertise on transition planning, climate risk evaluation, and innovative product structuring to ensure consistent engagement with customers and partners.

Driving collective action to accelerate Africa's transition

Our 2025 partnerships show how collaboration across public, private and development sectors enables tangible progress.

Impact in
Action

Scaling climate solutions through DFI and investor partnerships

Absa Mauritius has secured a debt financing line from Proparco, marking a significant milestone in our shared commitment to advancing climate action and sustainable development in Mauritius and Africa. The funding line from Proparco will support climate co-benefit projects, including:

- Large-scale solar PV projects to accelerate renewable energy transitions
- Certified green building developments that meet international sustainability standards
- Waste management initiatives that promote circular economies.

The partnership broadly aligns with Mauritius' Nationally Determined Contributions (NDC) to reduce greenhouse gas emissions by 40% and achieve 60% renewable energy in the country's energy mix by 2030.

A financing partnership for impact investment

Emerging consumers represent a large and significantly untapped customer base globally. LeapFrog Investments targets markets in Africa and Asia with rapid growth in average income, making private equity investments in purpose-driven businesses on high-growth trajectories.

With over US\$2.8 billion in committed capital, LeapFrog has established itself as a global pioneer in impact investing, transforming private equity by ensuring financial returns are coupled with measurable social and environmental outcomes.

Absa has a longstanding relationship with LeapFrog as a fund financing partner. As such, we acted as Original Bookrunner, Mandated Lead Arranger, and Facility Agent for LeapFrog's Consumer Fund IV, structuring a tailored debt and fund financing solution that showcases our ability to lead large, complex transactions for global impact investors. This marks our largest collaboration with LeapFrog to date.

We enabled LeapFrog to accelerate deployment of capital to reach over 26 million emerging consumers with essential healthcare, financial services and climate-smart solutions.

Innovative structuring

The US\$100 million LeapFrog Consumer Fund IV facility, led by Absa, is innovative in its structure and outcomes. It combines traditional fund financing with a purpose-driven impact, enabling LeapFrog to scale investments into businesses that deliver essential goods and services in emerging markets.

Purpose-led impact

The Consumer Fund IV impact spans across four key dimensions:

- **Environmental:** Supporting climate-smart businesses that advance low-carbon, resilient growth in emerging markets
- **Social:** Expanding access to healthcare, financial tools, and clean energy for underserved populations, with 18.6 million women reached to date
- **Governance:** Applying robust ESG frameworks to ensure transparency, accountability, and long-term sustainability in portfolio companies
- **Economic:** Driving business growth, supporting over 37 000 jobs, and enabling financial inclusion that strengthens community resilience.

In total, LeapFrog has reached 36.4 million people, with an impact multiple of 1.6, demonstrating the tangible value created for investors, communities and economies. This transaction amplifies those outcomes by ensuring that LeapFrog has the capital to continue scaling.

This deal exemplifies Absa's commitment to sustainable finance and our commitment to driving inclusive growth across Africa. Absa brought its deep pan-African expertise, strong balance sheet and structuring capabilities to bear in designing a financing solution tailored to LeapFrog's needs.

The alignment with Africa's broader development priorities, such as the AU's Agenda 2063 and the UN SDGs, underscores the transformative role of this financing.

Enhance governance and climate risk processes



To reinforce our commitment to net zero, we are dedicated to enhancing our governance and climate risk processes, ensuring we effectively identify, assess, and manage climate-related risks and opportunities in alignment with our sustainability objectives.

Our climate risk management is embedded within the ERMF.

Diving deeper: **Enterprise Risk Management Framework**

Process for identifying and assessing climate-related risk

Given the interconnected nature of ESG risks, we apply our Group Risk Management Framework to identify, assess, and manage climate-related risks.

Diving deeper: **Processes for identifying and assessing sustainability risks**



Basel Climate Risk Programme key developments

The Basel Climate Risk Programme has been a cornerstone of Absa's response to climate-related financial risks. Initiated in 2023, the programme aligned with the Basel Committee on Banking Supervision (BCBS) principles and the PA's guidance on governance, risk management and disclosure. The programme supported the development of the Group's climate risk management capabilities through a comprehensive approach focused on embedding climate considerations across risk types. While climate risk capabilities have been established across all material risk types, full embedment remains an ongoing process. The programme's outputs are being progressively integrated into the Group's ERMF, regulatory reporting processes, and strategic risk assessments. Climate risk management is therefore transitioning into a BAU component of Absa's Risk Framework.

We continued to strengthen our analytical capabilities to support climate risk integration across the Group. The programme supported the development of the Group's climate risk management capabilities through a comprehensive approach focused on embedding climate considerations across risk types. This holistic approach enables a deeper understanding of the Group's climate risk exposure and strengthens its ability to manage these risks proactively.

High-quality data remains the cornerstone of effective climate risk management. Building on the foundations laid in 2024, we expanded our data gap analysis to cover all material risk types, including credit, operational, compliance, insurance, and liquidity. A gap assessment was conducted against the SARB's 2024 guidance notices on climate-related governance, risk management practices and disclosures applicable to banks and insurers. Based on this assessment, the programme aligned its scope and activities with the risk management requirements articulated in these guidance notes. This work informed source-to-target mapping and tactical data sourcing strategies, ensuring that our reporting aligns with global standards such as IFRS S2, BCBS principles, and SARB PA guidance. The programme concluded in December 2025.

We advanced our ability to assess transition risk at customer level through a dedicated initiative focused on high-emitting sectors in South Africa. This work informed the development of a structured methodology for evaluating customer-specific transition vulnerabilities, laying the foundation for more granular risk management. Further progress was made with the creation of climate risk scoring tools designed to integrate into our credit analysis processes in a phased manner, aligned with the outcomes of our credit risk climate materiality assessment. This integration will enable consistent, data-driven evaluation of climate risk factors within lending decisions, supporting a more resilient and sustainable portfolio.

To strengthen oversight, climate risk factors have been integrated into annual policy and framework reviews, supported by a coordinated governance approach and taxonomy alignment. These enhancements ensure that climate considerations are not treated as one-off initiatives but are embedded into our risk management lifecycle.

We also advanced automation and reporting capabilities. Migration to more insightful dashboards is underway, providing real-time visibility of priority climate risk metrics across portfolios. While tactical manual processes remain in place for certain areas, strategic automation is progressing rapidly.

Enhance governance and climate risk processes continued

Key deliverables in 2025

Materiality assessments completed across risk types. Inaugural climate materiality assessments identified the most impacted portfolios, sectors and geographies, that can inform risk appetite, reporting priorities and workstream plans.

Scenario analysis and stress testing advanced. Physical risk methodologies were enhanced, on flooding, agriculture and insurance applications. Transition risk assessments were expanded to further sectors and customer segments. Refer to **Stress Testing** section for details.

Regulatory reporting foundations strengthened. A climate risk taxonomy for operational risk was finalised (replication to other risk types underway). Regulatory reporting roadmaps were developed, supported by tactical and strategic data-sourcing strategies and progressive dashboard automation.

Greenwashing Policy embedded. The Group Greenwashing Policy was localised across relevant businesses.

Change and capability. Climate learning pathways were integrated into the AFS Risk Academy; targeted training for greenwashing and product governance commenced.

Data and reporting. Internal dashboards are being progressively enhanced to provide improved climate risk visibility across multiple risk disciplines. These dashboards support risk identification, monitoring, and management discussions, and are increasingly used to inform risk oversight, portfolio monitoring, and strategic decision-making within existing governance forums.

2026 priorities



Climate risk integration into BAU processes. The Basel Climate Risk Programme will transition into business clusters, embedding climate risk management into standard operating procedures and governance frameworks. This shift will ensure that sustainability considerations are not treated as standalone initiatives but are progressively integrated into the Group's risk culture and decision-making.



Stress testing, scenario analysis and climate risk measurement. Refine assumptions, metrics and approaches and, where possible, further incorporate into decision-making and planning processes.



Metrics and key risk indicators. Expand climate key risk indicators where relevant and transition aspirational proxies to measured indicators as data quality improves.



Data quality. Improving data quality, enhance location, customer and sectoral datasets; extend coverage for financed emissions, automate regulatory reporting to reduce reliance on manual processes.



Stakeholder and regulatory engagement. Continue proactive engagement with regulators, peer forums and industry bodies.

Managing, assessing and screening environmental and social risks

We apply both our ESMS Sustainability Risk Standard and the Equator Principles (EP) to support our customers while minimising credit risk and balancing our portfolio for sustainable development. This allows us to effectively manage the environmental and social impacts of our lending activities.

We have adopted rigorous due diligence processes for projects-related finance transactions. This includes comprehensive reviews to ensure alignment with our principles and the development of action plans to address any gaps, ensuring projects comply with our standards and contribute positively to the communities they impact.

This includes the following components:

- Customer-facing employees and credit analysts review individual transactions for environmental and social risks as part of the credit review and approval process, guided by our specialist environmental credit risk management teams and designated environmental and social officers across our markets.
- Credit analysts consider environmental and social risks when providing credit facilities, as environmental credit risk is embedded into the credit risk process. They document applicable material risks and propose mitigating actions.
- Transactions are referred to the appropriate committees for approval, as determined by our Credit Policy and business procedures, for initial support and final credit approval.
- Financing requests for sensitive sectors are assessed on a case-by-case basis, using several considerations as guided by our Sensitive Sector Financing Standards. We appoint independent environmental consultants to assess and, where appropriate, mitigate the identified risks. A transaction will be rejected based on a holistic decision considering numerous factors, including environmental and social risks. Finance will only be provided if all requirements are met. Identified gaps regarding environmental and social risks are included in action plans and covenanted in facility agreements, where appropriate.

The ESRA tool was enhanced to provide a view of climate risk vulnerability exposure beyond greenhouse gas emissions management and mitigation activities considered and implemented by customers.

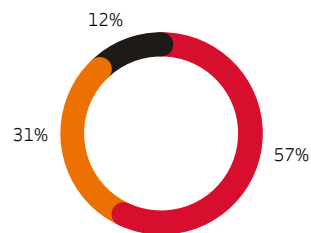
Enhance governance and climate risk processes continued

The graphs below show the outcomes of transactions screened in 2025. Climate vulnerability and resilience questions focused on customers' geographic exposure to extreme weather events, greenhouse gas emissions management, and energy efficiency practices. Responses indicated that 57% of assessed customers are exposed to climate-related risks, while 70% reported implementing mitigation measures to build climate resilience and reduce emissions. The majority of identified risks, along with corresponding management actions, were observed in the mining and quarrying and electricity, gas, and water supply sectors.

We enhanced the ESRA tool to incorporate climate finance requirements aligned with those of the DFIs. These updates include integrating mitigation and adaptation categories to strengthen climate resilience and reduce vulnerability to climate-related impacts. The environmental and social risk team has grown over the year, with over 200 employees across CIB in South Africa and Africa Regions receiving ESRA tool learning and development.

Climate vulnerability

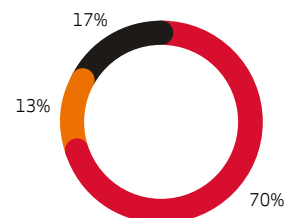
Assessment of current climate-related vulnerability



● Vulnerable to climate impacts ● Not vulnerable ● N/A

Potential mitigation

Progress toward climate risk mitigation actions



● Mitigation action considered/implemented ● Not vulnerable ● N/A

Biodiversity – and nature

Nature underpins life and the global economy. According to the World Economic Forum, more than half of global economic output depends on biodiversity and ecosystem services, such as clean water, fertile soil, raw materials, and carbon sinks. These services are critical for climate change mitigation and adaptation, making the resilience of nature a financial imperative. For Absa, this translates into identifying, assessing, and managing nature-related risks and opportunities across our operations and lending portfolios.

Our approach is anchored in the ESMS, which integrates nature risk considerations into credit decision-making across all sectors. These considerations form part of our ESRA exclusion list screening and due diligence processes, which are reviewed annually to reflect evolving regulatory expectations. We enhanced ESRA capabilities to include analytical reporting on customer responses to due diligence questions covering biodiversity and water. These insights provide visibility into natural resource use, restoration and conservation efforts, and potential impacts on sensitive or protected species.

We also advanced our understanding of systemic nature-related risks through industry collaboration. Absa participated in a landmark assessment of South Africa's economic dependence on nature, conducted using the Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) tool with support from the SARB. The findings, published in Global Canopy's July 2025 report **Accounting for Nature: An Assessment of Nature-Related Risk and Prudential Policy in the South African Banking Sector**, serve as a proof of concept for analysing how nature-related credit risks, such as pollination and water flow, cascade through agricultural value chains.

Key findings from the assessment

- Banks remain highly exposed to agriculture, forestry, and fishing customers
- Multiple exposures vary by funding profiles and sectoral reliance
- 75% of banks finance livestock businesses dependent on water-based services
- Significant crop financing depends on water flow and soil regulation
- Restoring native vegetation would bolster water, soil, and pollinator health
- Agri credit exposure could be material to South Africa's economy.

These insights reinforce the importance of integrating nature-related risk into financial decision-making and underscore the role of sustainable finance in supporting biodiversity conservation. We continue to explore advanced screening tools to deepen our understanding of biodiversity footprints and natural capital dependencies, enabling us to manage risks and unlock opportunities for nature-positive outcomes.

Enhance governance and climate risk processes continued

Equator Principles

We continued to embed the EP as a cornerstone of our Environmental and Social Risk Management Framework underscoring our ability to apply rigorous due diligence in complex environments. This demonstrates our commitment to robust environmental and social risk management, strengthens stakeholder confidence, and reaffirms our alignment with international best practice. Our approach remains aligned with EP IV and the IFC Performance Standards, ensuring that all applicable transactions undergo rigorous environmental and social due diligence. This commitment is supported by robust governance structures, clear policies, and ongoing training to strengthen internal capacity and ensure consistent application across the Group.

2025 project highlights

As of December 2025, 12 EP transactions reached financial close, reflecting our continued focus on responsible project finance:

- **Eight project finance transactions** (Category B), primarily in power generation (renewable energy), supporting Africa's transition to clean power.
- **Four project-related corporate loans (PRCL):**
 - One Category A transaction in mining and metals
 - One Category B transaction in power generation (renewable energy)
 - One Category A transaction and one Category B in other.

All EP transactions were conducted in non-designated countries within Europe, the Middle East, and Africa.



	Project finance						Project-related corporate loans						Project-related refinance					
	2025			2024			2025			2024			2025			2024		
	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C	A	B	C
EP transactions																		
Sector																		
Mining and metals				1	–	–	1			3	–	–				–	–	–
Infrastructure				–	–	–				1	–	–				–	–	–
Oil and gas				–	–	–				–	–	–				–	–	–
Power generation		8		–	13	–		1		–	–	–				–	–	–
Other				–	–	–	1	1		–	–	–				–	–	–
Region																		
Americas				–	–	–				–	–	–				–	–	–
Europe, the Middle East and Africa		8		1	13	–	2	2		4	–	–				–	–	–
Asia Pacific				–	–	–				–	–	–				–	–	–
Country designation																		
Designated country				–	–	–				–	–	–				–	–	–
Non-designated country		8		1	13	–	2	2		4	–	–				–	–	–
Independent review																		
Yes		8		1	13	–	2	2		4	–	–				–	–	–
No				–	–	–				–	–	–				–	–	–
Total		8		1	13	–	2	2		4	–	–				–	–	–

Enhance governance and climate risk processes continued

Sector and regional trends

- **General transactions not subject to the EP** increased to 275 (2024: 183), indicating broader integration of environmental and social risk management standards across the Group's lending activities
- The increase in general transactions reflects the broader integration of environmental and social (E&S) risk management across the Group's lending activities, extending beyond large project finance to a wider range of customers, sectors, regions, and routine transactions.

This demonstrates growing institutional maturity, with E&S risk management increasingly embedded in core credit decision-making and providing greater oversight of risks across the portfolio.

It recognises that material reputational, regulatory, and investor risks can arise from smaller transactions, not only large projects, and that regulators and stakeholders now expect equivalent rigor across all lending activities.

While this broader coverage increases cumulative exposure and reliance on strong internal controls and consistency of application, it also delivers clear customer benefits through earlier identification and management of E&S risks, supporting business resilience, regulatory readiness, stronger stakeholder relationships, and positioning the Group as a credible long-term partner aligned with sustainable growth expectations.

- Notable sectoral increases include:
 - **Mining and metals:** 50 transactions (2024: 32)
 - **Infrastructure:** 43 transactions (2024: 29)
 - **Oil and gas:** 34 transactions (2024: 26)
 - **Power generation:** 3 transactions (2024: 2)
 - **Chemicals and pharmaceuticals:** 4 transactions (2024: 2)
 - **Manufacturing:** 47 transactions (2024: 30)
 - **Agriculture and fisheries:** 20 transactions (2024: 8)
 - **Services:** 42 transactions (2024: 32)
 - **Transportation:** 14 transactions.

Indicator	2025	2024	2023	2022	2021	2020	2019
Equator principles							
Number of EP transactions	12 ^{LA-EA}	18	10	6	2	3	–
Project finance transactions (> USD10 million)	8	14	8	4	2	2	–
Project-related corporate loans (>USD50 million)	4	4	1	1	–	1	–
Project-related refinance and project-related acquisition finance	–	–	1	1	–	–	–
Other transactions subject to Environmental and Social Risk Screening							
General transactions (number)	275	183	263	227	93	70	84
Sector							
Mining and metals	50	32	44	33	24		
Infrastructure	43	29	74	35	14		
Oil and gas	34	26	23	31	21		
Power generation	3	2	12	10	3		
Power generation (renewable energy)	18	22	13	14	7		
Agriculture and fisheries	20	8	14	10	5		
Chemicals and pharmaceuticals	4	2	–	6	–		
Manufacturing	47	30	38	45	7		
Services	42	32	43	38	8		
Utilities and waste management	–	–	2	4	4		
Transportation	14	–	–	1	–		
Region							
Americas	–	–	–	–	–		
Europe, the Middle East and Africa	275	183	263	227	93		
Asia Pacific	–	–	–	–	–		

Governance and process enhancements

- **EP IV compliance** was maintained, with strengthened internal review processes
- **Training** was delivered to credit and coverage teams to enhance understanding and application of EP standards
- **Automation of EP assessments** within the ESRA tool has been scoped.

Industry engagement

Absa continues to participate in the Equator Principles Association's Multi-Project Facilities Sub-committee, helping shape industry guidance for complex financing structures.



Allocation and impact report

Allocation and impact report

Group Treasury sustainable finance initiatives

The Absa Group Treasury continues to be active in the sustainability market, having raised a total of R39.7 billion in green and social bonds, loans and deposits since 2021.

Fund raising included JSE-listed green and social bonds issued under the Absa SFIF as well as bilateral loans with DFIs, which resulted in Absa securing grant funds and technical assistance of approximately R200 million, that benefited customers directly.

Absa's sustainability focus continued in 2025 with the issuance of senior green bonds totalling R5.4 billion, with proceeds allocated to refinance and fund new wind and solar assets. Together with the existing bilateral and syndicated loans, Absa has an aggregate sustainable liability exposure of R30.9 billion as at the 2025 financial year end.

Absa has continued to train its people on climate finance across the region to ensure projects are correctly categorised and adaptation and mitigation impacts are tracked.

Sustainable bonds Use of proceeds (UoP) listed on the JSE

Allocation under the SFIF

Our allocations and impact reporting align with Absa's SFIF. It reflects the categories and amounts of eligible assets to which the proceeds from sustainable liabilities have been allocated. The specific percentage of liabilities allocated is shown in the "Allocation %" column below:

Instrument	Bond code	ISIN	Issuance date	Maturity date	Amount (R)	Allocation %
Bonds						
Green senior unsecured	ABGN02	ZAG000187428	27 Jun 2022	27 Jun 2027	1 098 000 000	100
Green senior unsecured	ABGN03	ZAG000187410	27 Jun 2022	27 Jun 2029	1 032 000 000	100
Green tier II	AGLG01	ZAG000189580	15 Sep 2022	16 Sep 2032	1 916 000 000	100
Green tier II	AGLG02	ZAG000198334	25 Aug 2023	26 Aug 2033	2 158 000 000	100
Green senior unsecured	ABGN04	ZAG000207275	26 Jul 2024	26 Jul 2027	1 217 000 000	100
Green senior unsecured	ABGN05	ZAG000207283	26 Jul 2024	26 Jul 2029	798 000 000	100
Green senior unsecured	ABGN06	ZAG000207267	26 Jul 2024	26 Jul 2031	257 000 000	100
Social tier II	AGLS01	ZAG000207291	30 Jul 2024	30 Jul 2034	1 000 000 000	100
Green senior unsecured	ABGN07	ZAG000217969	8 Aug 2025	8 Aug 2028	1 162 000 000	100
Green senior unsecured	ABGN08	ZAG000217977	8 Aug 2025	8 Aug 2030	1 761 000 000	100
Green tier II	AGLG03	ZAG000218751	9 Sep 2025	9 Oct 2035	2 500 000 000	100
Subtotal sustainable bonds					15 899 000 000^{LA-EA}	

Allocation and impact report continued

Sustainable loans (UoP)

The Syndicated green loan was negotiated as a use-of-proceeds loan, with 100% of the proceeds used to refinance the CIB renewable energy assets.

Instrument	Amount (USD)	Issuance date	Maturity date	Amount (R) ¹	Allocation %
Syndicated green loan	300 000 000	27 Nov 2024	27 Nov 2027	5 442 000 000	100 ^{LA-EA}
Subtotal sustainable loans				5 442 000 000 ^{LA-EA}	

¹ Exchange rate on date of execution – R18.14.

Sustainable deposits

Absa launched its first green wholesale corporate deposit offering in 2023. The green deposit continues to attract interest in the market and reached a peak of R1.3 billion in 2025, the proceeds of which were allocated to solar PV assets.

Instrument	Opening balance (R)	Issuance date	Closing balance (R)	Allocation % ²
Absa green deposit	236 850 000	15 Jan 2023	1 291 880 000	100 ^{LA-EA}
Subtotal sustainable deposits			1 291 880 000 ^{LA-EA}	

² 100% of our peak green deposits of R1.3 billion was allocated to refinance Commercial Asset Finance (CAF) solar PV.

Summary of allocation of proceeds

Total ESG proceeds allocated to eligible assets (R)	22 632 880 000
Green – Balance of unallocated proceeds	Nil
Percentage of net proceeds of green funding allocated to eligible assets (%)	100%
Percentage of new financing from allocated green bonds proceeds (%)	33%
Percentage of refinancing from allocated green bonds proceeds (%)	67%
Percentage of new financing from allocated green deposit proceeds (%)	100%
Percentage of refinancing from allocated green loan proceeds (%)	100%
Social – Balance of unallocated proceeds	Nil
Percentage of new financing from allocated social bond proceeds (%)	100%

Allocation and impact report continued

Impact report

The impacts below are aggregated based on the total project design with no apportionment for partial funding of projects.

Impact report for green assets

	Project category	Installed capacity MW ¹	Production in GWh ²	CO ₂ avoidance tCO ₂ /year ³
Issuance type	Renewable energy			
Green bonds and loans (CIB)	Concentrated solar power	400	1 156	1 248 480
	Wind	1 802	5 304	5 728 320
	Solar photovoltaic	946	2 055	2 219 400
Green deposits (CAF)	Solar photovoltaic	56	100	102 283
	Total⁴	3 204	8 615	9 298 483

Notes:

¹ Measurement of the installed capacity is against Absa's funded projects for which Absa has exposure in the form of different facility types. The calculation for this measure reflects the aggregate capacity of usable renewable energy produced by the plants and delivered to the grid. No apportionment has been applied based on the respective roles or the proportion of funding provided by Absa for each project.

² Production is only included for projects that have reached commercial operating date. Capacity factors: CSP – 0.248; Wind-0.336; Solar – 0.33. Calculation based on the following formula: Installed Capacity (MW) × Capacity Factor (Per Renewable Energy type) × Hours in a Year ÷ 1 000.

³ Based on 2025 Eskom emissions factor of 1.08 tons per megawatt hour (MWh). Calculation based on the following formula: Production in Giga Watt hour (GWh) × Eskom Emissions Factor × 1 000.

⁴ Total impact is reflected at the installed capacity at deal origination.

Impact report for social assets

Type of issuance	Project category	Total number of affordable housing loans granted to women for 2025	Value of affordable housing loans granted to women for 2025	Total affordable housing	% of affordable housing to women measured against total value of affordable housing loans
		Number	Amount (R)	Amount (R)	%
Social bond	Affordable housing to women	3 342	1 958 705 386	2 825 113 923	69

Allocation and impact report continued

Other sustainable fundraising initiatives

The information below is reflective of the South African Treasury bilateral ESG loan agreements that were entered into with DFIs.

Instrument	Currency	Execution date	Maturity date	Amount (R)
IFC social loan	ZAR	27 Jun 2022	15 Jun 2027	2 000 000 000
IFC green MAGC loan	ZAR	29 Jun 2023	29 Jun 2028	4 500 000 000
AFDB tier 2 Sustainability-linked loans (SLL)	ZAR	27 Sep 2024	27 Sep 2034	1 700 000 000
Subtotal sustainable liabilities – bilateral				8 200 000 000

The social tier 2 sustainability-linked loan of R1.7 billion was a first for South Africa. This loan included a non-financial support package, equivalent to R18 million in capacity building and technical assistance support, as well as potential grant funding to support women SMEs, when Absa meets the KPIs for extending finance to women SMEs.





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Annexure 1: Methodologies and terms

Attribution factor

Is calculated by dividing the total share in the company outstanding by the “total debt + equity” of the company. This attribution factor is then multiplied by the emissions of the borrower or investee. For the fossil fuels reduction pathways, attribution factors were calculated based on our limits, consistent with Partnership for Carbon Accounting Financials methodology.

Carbon offsetting project types

Carbon avoidance is the prevention of future carbon emissions being released into the atmosphere. Carbon removal is the elimination of existing carbon emissions, by absorption, after it has entered the atmosphere.

Climate-related risk

Is an exposure to potential loss events from physical or transition risks caused by or related to climate change.

Coal

Our coal portfolio uses a combination of reported emissions and physical activity data of the portfolio companies’ production to calculate the financed emissions. This approach has enabled us to calculate our emissions with a PCAF score of 1 (scope 1, 2 and 3).

Environmental or nature-related risk: Is an exposure to potential loss related to environmental degradation.

Oil and gas

We acquired the financed emissions data for our oil and gas portfolio from a third-party data supplier. The emissions were estimated based on production data, resulting in a PCAF score of 3 for scope 1, 2, and 3 emissions. We will use company reported emissions in the future as companies in the portfolio begin to report their emissions.

Physical risks: Are threats to assets and communities caused by extreme weather events and long- term climate changes.

Scenario analysis: A method used to assess the potential impacts of different future scenarios on an organisation’s operations, finances, or other aspects. It involves developing and analysing a range of plausible future scenarios, each representing a different set of conditions or assumptions, to understand how these scenarios may affect the organisation and its objectives. This analysis helps organisations identify risks and opportunities associated with different future states and develop strategies to mitigate risks and capitalise on opportunities.

Scope 1 emissions

Refer to direct greenhouse gas emissions from sources that are owned or controlled by the organisation. For Absa’s operations, this includes emissions from diesel-fuelled generators across our portfolio, company-owned or controlled vehicles, and the use of natural gas within South African operations.

Scope 2 emissions

Refer to indirect greenhouse gas emissions associated with the consumption of purchased electricity. These emissions arise from electricity used within buildings under operational control, including energy drawn from the national electricity grid. Reported emissions are primarily based on metered data, invoices, and onsite measurements, with system-generated estimates applied where actual data is unavailable. Absa applies the location-based method for Scope 2 emissions reporting, in line with the Greenhouse Gas Protocol Scope 2 Guidance.

Scope 3 emissions

Refer to all other indirect emissions that occur across the value chain, including both upstream and downstream activities. Absa currently reports selected Scope 3 categories, including business travel (such as air travel and the use of private and hired vehicles within South Africa) and transmission and distribution (T&D) losses associated with purchased electricity across the portfolio.

Social risks

Are mostly those which materialise due to poor standards of respecting elementary rights, inclusiveness, ineffective labour relations and unfair, not transparent or malus customer practices. Social risks materialise mostly through damages in reputation, inefficient or even disrupting operations or loss of critical labour force, and finally through financial claims and liabilities due to improper practices.

Stress testing

In the context of climate risk management, stress testing involves assessing the resilience of financial institutions, companies, or portfolios to various climate-related scenarios. This process helps identify potential vulnerabilities and evaluate the potential impact of climate-related risks on financial performance, asset values, and overall business operations. Stress tests typically involve modelling different climate scenarios, such as changes in temperature, extreme weather events, or transition risks associated with shifts to a low-carbon economy, and evaluating the implications for financial stability and long-term sustainability.

Transition risks

Refer to risks associated with transitioning to a low carbon economy. We have used the following approaches:

- Commercial real estate (commercial property finance) and real estate (mortgages): Estimated building energy consumption per floor area based on building type and location-specific statistical data and the floor area (Option 2b). In our calculations, we considered emissions per financed property, using client property area.

Double materiality

Combines financial and impact materiality to provide a holistic view of sustainability-related material matters.

Financial materiality

Focuses on sustainability-related risks and opportunities that impact enterprise value and future cash flows, influencing decisions of investors, lenders, and creditors.

Impact materiality

Highlights the organisation’s significant impacts on society, the environment, and the economy, guided by environmental thresholds, social priorities, and legal requirements.

Annexure 1: Methodologies and terms continued

Climate risk

With its risks and financial implications, climate change has been identified as an important issue, and we are putting processes in place to manage the impact on our business activities. Business Environment Scanning (BES) provides the Group with essential input for the assessment of climate change risks and developments within its operational environment(s). It identifies and analyses emerging trends related to the economy, industry, regulatory and competitive landscapes, with the aim of providing valuable insights that could inform strategic decision-making and enhance the Group's resilience in the face of climate change related challenges and risks. Through the Group's internal risk identification process, climate risk continues to be designated as a cross-cutting risk that can manifest through existing risks. Climate risk drivers can impact each of the risk categories in our risk taxonomy. Climate-related risks is an exposure to potential loss events from physical or transition risks caused by or related to climate change. It refers to the potential negative impacts of climate change on an organisation and its clients and it include the potential for adverse effects on lives, livelihoods, health status, economic, social and cultural assets, services and infrastructure due to climate change. Climate change consists of physical and transition risks. This risk are categorised as:

Climate-related physical risks are potential losses from natural disaster events, which can be seen as acute or the slow build-ups of natural hazard events, which are defined as chronic.

- Acute hazards are more frequent and severe climate events like flooding, droughts, hailstorms, tornados and cyclones. Damage on assets disrupts the production process, leading to additional costs and loss of revenue. Frequent and systemic damages might impact insurance policies, market prices of commodities and the liquidity situation of companies or the market. Examples of acute hazards include extreme weather events like heat waves, droughts, floods, hail, thunderstorms and wildfires.
- Chronic hazards with long-term changes in weather impacting living conditions, productivity and economic viability of certain sectors. On a systemic level, it might shift conditions for the economic growth of countries, access to capital markets and sovereign debt. Examples of chronic hazards include sustained higher temperatures, sea level rise, changing precipitation patterns that may cause sea level rise or chronic heat waves.

Climate-related transition risks mean higher operating costs, loss of revenue, or liability for damages typically coming from the following events:

- Stricter policies that affect customers' operating model and technology compliance or increase operating costs due to carbon pricing. Further investments are needed to ensure compliance.
- Technology changes impacting crucial production processes, increasing capital expenditures and rising company costs. Technology upgrade investments are needed, or assets become stranded. Higher costs lead to higher prices and potentially lower turnover.
- Changing consumer preference and behaviour tuned toward lower emission products and leading to falling revenues from conventional technologies or possible climate litigation.
- Reputational events due to the disregard or lack of adaptation to climate-mindful policies and processes. More public and regulatory scrutiny results in additional costs and potential loss of revenues. The Group roles and responsibilities are outlined in the additional sustainability disclosures on governance.



Annexure 2: Principles for Responsible Banking 2025

Principle 1: Alignment

Briefly describe your bank's sustainability strategy, and which international, regional or national frameworks and UN Sustainable Development Goals it aims to align with. Note any changes in the reporting year.

Our sustainability strategy prioritises six UN Sustainable Development Goals (SDGs): SDG 5, SDG 7, SDG 8, SDG 10, SDG 13, and SDG 16. The integration of these SDGs into our approach is outlined in our strategy, Sustainability Framework, and sustainability-related material matters, as detailed in our latest Sustainability and Climate Report.

Our Sustainability and Climate Report:

Complies with:

- Companies Act, No. 71 of 2008 (as amended) (the Companies Act)
- Banks Act, No. 94 of 1990 (Banks Act)
- Johannesburg Stock Exchange (JSE) Listing Requirements
- JSE Sustainability and Climate Disclosure Guidance
- IoDSA King V™ Report on Corporate Governance for South Africa, 2025 (King V)*
- Principles of the Financial Sector Guidance
- United Nations Global Compact Principles.

Aligns to:

- Global Reporting Initiative (GRI) Standards
- Greenhouse Gas (GHG) Protocol.

Considers:

- IFRS® Sustainability Disclosure Standards S1 (IFRS S1)
- IFRS® Sustainability Disclosure Standards S2 (IFRS S2)
- Corporate Sustainability Reporting Directive.

Links and references

Sustainability and Climate Report 2025: About our Sustainability and Climate Report

Sustainability and Climate Report 2025: Our sustainability approach

Sustainability and Climate Report 2025: Our sustainability-related matters

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Principle 2: Impact and target setting

Briefly describe the bank's most significant impact areas and the steps taken to identify, measure and manage them – including impact analysis results, targets set (including sectors, portfolio coverage, and KPIs), actions taken, and progress against the targets. Where targets have been set, share details of the bank's transition/action plan, and progress made. Explain how the bank addressed interlinkages between impact areas where possible.

Absa's most significant impact areas are defined within our Sustainability Framework, which is structured around two sustainability priorities and four enablers: Social impact and Environmental and Climate action.. These are designed to support meaningful societal and environmental impact while enhancing long-term organisational resilience. Our Sustainability Framework outlines key goals and priorities under each priority and enabler. Impact areas are identified and assessed through an annual materiality assessment, applying a double materiality lens to evaluate financial and impact material matters.

Progress on our commitments, key developments, and trade-offs is detailed in the Sustainability Progress in 2025 section of our latest Sustainability and Climate Report. Further details are provided in sections dedicated to each priority and enabler.

We track several KPIs, which are integrated into the Group balanced scorecard and monitored at the highest levels of governance, including executive oversight.

KPIs with externally published targets:

KPI	Target	Baseline	Status
Cumulative sustainable finance	R350bn to R400bn by 2030	2021	On track
Own carbon emissions reduction	51% by 2030	2018	On track
Scope 3 financed emissions – coal	25% absolute reduction in financed emissions by 2030: tCO ₂ e	2022	On track
Scope 3 financed emissions – oil and gas	9% physical intensity: gCO ₂ e/MJ by 2030	2022	On track

Other KPIs:

- Employee experience index
- Women in leadership (%).

Other KPIs are monitored outside the Group balanced scorecard. Additionally, select KPIs, such as sustainable finance and own carbon emissions reduction, are integrated into executive remuneration incentives to strengthen accountability.

We continue to refine our transition and action plans on this journey, aiming to enhance alignment with regulatory requirements, stakeholder expectations, and broader sustainability ambitions.

Links and references

Sustainability and Climate Report 2025: About our Sustainability and Climate Report

Sustainability and Climate Report 2025: Sustainability progress in 2025

Sustainability and Climate Report 2025: Gender diversity and inclusion

Sustainability and Climate Report 2025: Responsible employment and remuneration

Sustainability and Climate Report 2025: Recalibrating our oil and gas target

Sustainability and Climate Report 2025: Sector emissions

Sustainability and Climate Report 2025: Greenhouse gas emissions

Integrated Report 2025: Strategic Scorecard 2025

Annexure 2: Principles for Responsible Banking 2025 continued

Principle 3: Clients and customers

Briefly describe how the bank works responsibly with clients and customers in relation to significant impacts, including products and services offered, internal policies and processes and engagement to implement targets/action plans/transition plans to encourage sustainable practices/economic activities. Note any changes in the reporting year.

Our clients and customers have been an integral part of our journey to date and a cornerstone in developing our Group strategy. Our refreshed Group Sustainability Framework is anchored on two strategic priorities. Through the integration of risk management and governance, the development of people and skills, and the cultivation of a culture of accountability, supported by digital innovation, data-driven insights, and strategic partnerships with ecosystem collaborators, we will deliver against our strategic objectives: Environmental and climate action and social impact.

We are continuously committed to our sustainable financing goals. In 2024, we surpassed our R100 billion sustainable finance goal, in 2025 we achieved R53.5 billion.

We continue to prioritise our clients through inclusive products and services. We design financial products and services that meet the diverse needs of individuals and businesses, ensuring affordability, accessibility and relevance. From tailored savings and credit solutions to affordable housing and micro insurance, our offerings empower people to manage their finances, build resilience and seize economic opportunities.

Our Environmental and Social Management Systems Sustainability Risk Standard (ESMS) provides a framework for identifying, assessing, managing, and monitoring the environmental and social risks of loans on an ongoing basis. Additionally, our ESRA manual offers a structured approach to evaluating, tracking, and documenting our customers' environmental and social performance throughout the credit lifecycle. More details on both frameworks are available in our latest Sustainability and Climate Report, and we will continue to refine them as our risk management capabilities evolve.

As a signatory to the Equator Principles since 2009, we remain committed to responsible financing. Our latest Sustainability and Climate Report provides comprehensive disclosures on our adherence to the Equator Principles.

Our external commitment to reaching R100 billion in sustainable finance by 2025, based on a 2021 baseline, was driven by our sustainable product offerings across business clusters: CIB, BB, AR and PPB, with CIB contributing the largest share, supporting us in reaching and exceeding this target this year.

The products and services offered across these clusters align with our net zero strategies, as detailed in our latest Sustainability and Climate Report.

Links and references

Sustainability and Climate Report 2025: Risk identification, assessment and mitigation

Sustainability and Climate Report 2025: Lead the transition to green solutions

Sustainability and Climate Report 2025: Equator Principles

Principle 4: Stakeholders

Briefly describe how the bank consults, engages and collaborates/partners with relevant stakeholders for the purpose of implementing the principles. This could include understanding impacts, setting ambitious targets, advocating for enabling regulatory/policy environments, and creating partnerships that contribute to addressing significant impacts.

Note any changes in the reporting year.

Our Engagement Framework is anchored in the Group Stakeholder Engagement Policy and the Sustainability Framework, which together shape a strategic, stakeholder-inclusive approach to sustainability engagement. Grounded in transparency, accountability and co-creation, we aim to ensure stakeholder perspectives directly inform our sustainability priorities and business decisions, translating dialogue into clear, actionable outcomes that support long-term value creation.

Engagement is embedded within robust governance structures, including oversight by the SSEC, to ensure alignment with ethical standards and regulatory expectations. We prioritise open, trust-building conversations through targeted forums, and use stakeholder sentiment and materiality insights to anticipate emerging issues, strengthen internal and disclosure practices, and manage reputational and conduct risk. Strategic partnerships further amplify impact by enabling collaborative innovation and measurable progress on our material sustainability priorities.

More details about our approach and management of stakeholders can be found in our latest Sustainability and Climate Report and Integrated Report.

Absa engages stakeholders through a structured, governance-led framework, using continuous dialogue (surveys, forums, direct engagement) to integrate stakeholder insights into strategy, risk management and sustainability priorities.

Engagement spans regulators, industry bodies, customers, DFIs and civil society, and is increasingly delivered through partnerships and global platforms (e.g. UNEP FI, WEF, G20/B20), enabling the bank to:

- Understand impacts and transition needs
- Inform target setting and methodologies
- Advocate for enabling policy environments
- Co-develop sustainable finance and inclusion solutions.

In 2025, there is a clear shift from policy-led engagement to more execution-focused collaboration, with deeper technical engagement (e.g. on climate methodologies and transition planning) and expanded partnerships with DFIs, industry bodies and SMEs to drive real-economy impact.

Links and references

Integrated Report 2025: How we engage

Sustainability and Climate Report 2025: Stakeholder engagement and partnerships

Sustainability and Climate Report 2025: 2025 update on stakeholder engagement and partnerships

Annexure 2: Principles for Responsible Banking 2025 continued

Principle 5: Governance and culture

Briefly describe the key governance structures in place (Board and executive level) and related accountability mechanisms to implement the principles. This could include how governance supports your bank's management of significant impacts and risks, including target implementation and monitoring of action/transition plans. In addition, briefly describe how a culture of responsible banking is driven internally (e.g. via employee learning and development). Note any changes or progress in the reporting period.

Absa's Board retains ultimate accountability for sustainability and responsible banking, supported by key committees, including the SSEC (sustainability oversight), GRMC (risk, including climate), GACC (controls and disclosures) and RemCo (incentives). Executive committees implement strategy and monitor delivery against targets and transition plans.

Governance is embedded in risk and performance management through the ERMF, climate risk analysis, and regular reporting on sustainability targets, ensuring oversight of impacts, risks and transition progress.

Reference: Sustainability and Climate Report 2025: Governance and risk management

A responsible banking culture is driven through sustainability-linked incentives, employee capability building and ESG programmes that strengthen internal awareness and execution.

Key enhancements in the reporting period include:

- Stronger data governance and reporting oversight, improving traceability and reliability of ESG data
- Progress on IFRS S1/S2 readiness, strengthening governance over climate-related disclosures
- Enhanced risk integration, including expanded climate scenario analysis and improved sector-level methodologies.

These developments reflect a shift towards more robust, data-driven governance and tighter linkage between sustainability strategy, risk management and performance.

Additionally, Organisational Health metrics remain embedded in our incentive scorecards, accounting for 20% of total score, covering Customer and Digital, Colleague and Sustainability.

For an overview of our Organisational Health outcomes, including sustainability measures within the 2025 short-term incentive and the 2023 long-term incentive, refer to the latest Remuneration Report.

Links and references

Integrated Report 2025: Governance structures

Sustainability and Climate Report 2025: Governance and risk management

Principle 6: Transparency and accountability

Provide reference to additional relevant reports, if not listed as references with P1–P5. Briefly note whether/where assurance of sustainability information has been undertaken (optional).

The following additional reports provide more sustainability-related information:

Sustainability and Climate Report 2025 – Assurance Definition

Sustainability Data Sheet 2025

Sustainability and Climate Report 2025 – Assurance Practitioner's Limited Assurance Report on Selected Information, outlines the full scope of work, procedures, responsibilities, and assurance conclusions.

Links and references

Limited assurance report: Sustainability and Climate Report 2025, Annexure, Management assurance report

Annexure 3: Principles for Responsible Investment 2025

We align with six of nine sustainable investing principles, which are part of the UN Principles for Responsible Investing (UN PRI). We seek to embed these principles where we have full discretionary control, influence when we partner with third parties, and disclose sustainable investing practices across our investment solutions. The impact of the sustainable investing philosophy and process is transparency and a commitment to driving transformation through engagement across the industry.

Principle	Alignment status
Incorporate ESG issues into investment analysis and decision-making	Fully integrated
Incorporate ESG issues into our ownership policies and practices	Fully integrated
Seek appropriate disclosure on ESG issues by entities in which we invest	Broadly aligned
Promote acceptance and implementation of principles within the investment industry	Fully integrated
Enhance our effectiveness in implementing the principles	Fully integrated
Report on our activities and progress toward implementing principles	Broadly aligned

Annexure 4: Policies/Standards

Ethics/conduct

- The Absa Way Code of Conduct
- Account [L(1.1)]Acquisition and Management Risk Policy
- Absa Anti-bribery and Anti-corruption Policy
- Anti-money Laundering Policy
- Conflict of Interest Policy
- Client Assessment and Aggregation Policy[L(2.1)]
- Client (client) Money and Asset Policy
- Competition Law Policy
- Contact with Regulators Policy
- Customer Complaints Standard
- Data Privacy Exchange Control Compliance Policy
- Exit from Relationships Policy
- Financial Advisory and Intermediary Services Continuous Professional Development Policy[L(3.1)]
- Gift and Entertainment Standard[L(4.1)]
- Group Media Relations Policy
- Third-party Policy
- Large Shareholding Policy
- Litigation Policy
- Management of Dispensations, Waivers and Breaches Standard
- Market Conduct Policy
- New Regulations Requirements Policy
- OHS Policy
- Supplier Diversity Standard
- Tax Standard
- Whistleblowing Policy

Labour

- Conditions of Service Policy
- Employee Benefits Policy
- Employee Wellness Policy
- Learning Policy
- Talent Acquisition Policy
- Promotion Standard[L(1.1)]
- Remuneration Policy
- Retrenchment and Reassignment Standard
- Sexual Harassment Standard
- Staff Expense Policy and Business Travel Standard

Environmental and social management

- Absa Sustainable Finance Issuance Framework
- Corporate Real Estate Solutions Environmental Management Standard
- Environmental and Social Risk for Lending Standard[L(1.1)]
- Group Environmental, Social and Governance Policy
- Summary Agriculture Financing Standard[L(2.1)]
- Summary Coal Financing Standard
- Summary Environmental and Social Management System Summary Manufacturing Standard
- Summary Mining, Metals, Minerals and Precious/semi-Precious stones Financing Standard
- Summary Oil and Gas Financing Standard
- Summary Real Estate and Construction Financing Standard Summary
- Transport Financing Standard Sustainability Policy
- Sustainability Principal Risk Framework

Citizenship

- Citizenship Policy
- Group Citizenship Standard
- Sponsorship Standard
- Stakeholder Engagement Policy

Risk and compliance

- Business Continuity Management
- Cloud Computing Policy
- Credit Risk Mitigation Policy
- Data Privacy Policy
- Data and Records Management Policy
- Enterprise Risk Management Framework
- Fraud Management Information and Reporting Requirements Policy
- Fraud Risk Policy
- Group Model Risk Policy
- Information Security (and Cyber) Risk Policy
- Investigation of Leaked Information Policy
- Liquidity Risk Policy
- Payment Scheme Group Policy
- Primary Risk Policy
- Process Management
- Technology Risk Policy
- Traded Market Risk Policy

Annexure 5: Alignment with sustainability disclosure standards

Our reporting is informed by several international standards and frameworks. The table below outlines how this report aligns with globally accepted sustainability and climate disclosure practices.

Standard/framework	Relevant sections	Alignment status
IFRS S2 – Climate-related disclosures	Strategy, Risk and Scenario Analysis, Governance	Broadly aligned; quantitative disclosures to be expanded
King V Code of Corporate Governance	Governance, risk, metrics	Fully integrated
ESRS – Materiality and climate disclosure concepts	Strategy, stakeholder engagement, climate metrics	Strong alignment with double materiality and scenario planning concepts
TCFD (legacy reference)	Governance, strategy, risk, metrics	Principles carried forward under IFRS S2 structure

Annexure 6: United Nations Global Compact Index

Human rights

Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	Page 30
Principle 2	Make sure that they are not complicit in human rights abuses	Page 30

Labour

Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Page 39
Principle 4	The elimination of all forms of forced and compulsory labour	Page 39
Principle 5	The effective abolition of child labour	Page 39
Principle 6	The elimination of discrimination in respect of employment and occupation	Page 39

Environment

Principle 7	Businesses should support a precautionary approach to environmental challenges	Pages 14 – 16
Principle 8	Undertake initiatives to promote greater environmental responsibility	Pages 102 – 103
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	Page 65

Anti-corruption

Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Page 33
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Annexure 7: Johannesburg Stock Exchange guidance

G Governance metrics

G1 Board composition

G1.1	Board diversity GRI Index	GRI Index 2-9
G1.2	Board competence	GRI Index 2-9
G1.3	Board independence	GRI Index 2-9

G2 Remuneration

G2.1	Remuneration practices	Remuneration Report
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G3 Ethical behaviour

G3.1	Anti-corruption	GRI Index 205; GRI Index 2-25
G3.2	Lobbying and political contribution	GRI Index 415-1

G4 Compliance and risk management

G4.1	Incidents	GRI Index 2-27
G4.2	Fines and monetary loss	GRI Index 2-27

G5 Tax transparency

G5.1	Tax paid and estimated tax gap	GRI Index 207
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Annexure 7: Johannesburg Stock Exchange guidance continued

S Social metrics

S1 Labour standards

S1.1	Diversity and inclusion	GRI Index 2-7 and data sheets; GRI Index 406-1; GRI Index 2-23
S1.2	Pay equality	GRI Index 2-21; Remuneration Report: Implementation report
S1.3	Wage level and living wage	GRI Index 202-1; Remuneration Report: Implementation report
S1.4	Freedom of association and collective bargaining	GRI Index 2-30
S1.5	Characteristics of employees and workers in workforce	Absa at a glance; GRI Index 2-7; GRI Index 2-8; Sustainability data sheet
S2.2	Skills for the future	GRI Index 404
S2.3	Employment and wealth creation	GRI Index 401-1
S2.4	Economic contribution	GRI Index 201-1; GRI Index 201-4; GRI Index 203-1; GRI Index 203-2; GRI Index 204-1

S3 Health and safety

S3.1	Workplace health and safety	GRI Index 403
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S4 Customer responsibility

S4.1	High-risk products and services	N/A
S4.2	Product innovation	GRI Index FS 7; FS8
S4.3	Customer data privacy	Integrated Report; GRI Index 418

S5 Supply chain

S5.1	Supply chain	GRI Index 2-6
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Annexure 7: Johannesburg Stock Exchange guidance continued

E Environmental

E1 Climate change

E1.1	GHG emissions	GRI Index 305-1 to 305-3
E1.2	Energy mix	GRI Index 302
E1.3	Science-based targets	GRI Index 305
E1.4	Just transition	Sustainability and Climate Report 2025

E2 Water security

E2.1	Water usage	GRI Index 303
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E3 Biodiversity and land use

E3.1	Biodiversity footprint	GRI Index F57
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E4 Pollution and waste

E4.1	Solid waste	GRI Index 306
E4.2	Single-use plastic	GRI Index 306
E4.3	Atmospheric pollution	GRI Index 305
E4.4	Water pollution	GRI Index 303

E5 Supply chain and materials

E5.1	Supply chain	GRI Index 2-6
E5.2	Materials of concern	–

Annexure 8: Global Reporting Initiative (GRI) reference

Absa Group Limited has reported with reference to the GRI Standards for the period 1 January to 31 December 2025.

GRI 1: Foundation		
2 General disclosure		
1 The organisation and its reporting practices		
2-1	Organisational details	Sustainability and Climate Report 2025: Absa at a glance; Back page Integrated Report 2025: Absa at a glance
2-2	Entities included in the organisation's sustainability reporting	Sustainability and Climate Report 2025: About our Sustainability and Climate Report Annual Consolidated and Separate Financial Statements 2025
2-3	Reporting period, frequency and contact person	Sustainability and Climate Report 2025: About our Sustainability and Climate Report
2-4	Restatement of information	Annual Consolidated and Separate Financial Statements 2025: Accounting policies 1.1 and Reporting changes 1.21 Sustainability and Climate Report 2025: About our Sustainability and Climate Report
2-5	External assurance	Sustainability and Climate Report 2025: Independent Assurance Practitioner's Limited Assurance Report 2025 Principles for Responsible Banking Report 2025: Independent Assurance Practitioner's Limited Assurance Report 2025
2 Activities and workers		
2-6	Activities, value chain and other business relationships	Integrated Report 2025: Our business model Integrated report 2025: Our relationship with others Financial Results booklet 2025 – Segment performance Sustainability and Climate Report 2025: Diversity, equity, inclusion and belonging – Sustainable procurement
2-7	Employees	Integrated Report 2025: Absa at a glance Sustainability Data Sheet 2025
2-8	Workers who are not employees	Additional sustainability disclosures on labour relations and Occupational Health and Safety

Annexure 8: Global Reporting Initiative (GRI) reference continued

3 Governance		
2-9	Governance structure and composition	Sustainability and Climate Report 2025: Our Group governance structure Integrated Report 2025: Protecting value through strong governance Board committees: www.absa.africa/about-us/corporate-governance/ Additional sustainability disclosures on governance
2-10	Nomination and selection of the highest governance body	Integrated Report 2025: Protecting value through strong governance Absa Group Board of Directors Policy on Conflict of Interest: https://www.absa.africa/wp-content/uploads/2026/01/Board-of-Directors-Conflict-of-Interest-Policy-Approved-3-December-2025.pdf Absa Group Director Nomination Policy: https://www.absa.africa/wp-content/uploads/2026/01/Directors-Nomination-Policy-Approved-3-December-2025.pdf
2-11	Chair of the highest governance body	Additional sustainability disclosures on governance Integrated Report 2025: Protecting value through strong governance: https://www.absa.africa/wp-content/uploads/2026/01/Board-of-Directors-Conflict-of-Interest-Policy-Approved-3-December-2025.pdf www.absa.africa/about-us/board-and-management/
2-12	Role of the highest governance body in overseeing the management of impacts	Integrated Report 2025: Protecting value through strong governance Integrated Report 2025: Rewarding value creation
2-13	Delegation of responsibility for managing impacts	Integrated Report 2025: Protecting value through strong governance Sustainability and Climate Report 2025: Governance/Group governance structure
2-14	Role of the highest governance body in sustainable reporting	Sustainability and Climate Report 2025: About this report; Our Group governance structure Integrated report 2025: Materiality determination www.absa.africa/about-us/corporate-governance/ – Board responsibilities
2-16	Conflicts of interest	Integrated Report 2025: Protecting value through strong governance Absa Group Board of Directors Policy on Conflict of Interest: https://www.absa.africa/wp-content/uploads/2026/01/Board-of-Directors-Conflict-of-Interest-Policy-Approved-3-December-2025.pdf
2-16	Communication of critical concerns	Additional sustainability disclosures on governance
2-17	Collective knowledge of the highest governance body	Integrated Report 2025, Board performance evaluation Sustainability and Climate Report 2025: Our climate action deliverables and Board empowerment and capacity building Sustainability and Climate Report 2025: Sustainability skills development and capacity building Additional sustainability disclosures on governance
2-18	Evaluation of the performance of the highest governance body	Integrated Report 2025, Board performance evaluation

Annexure 8: Global Reporting Initiative (GRI) reference continued

2-19	Remuneration policies	Remuneration Report 2025: Remuneration Policy
2-20	Process to determine remuneration	Remuneration Report 2025: Remuneration Policy The 2025 annual general meeting voting outcomes, https://www.absa.africa/wp-content/uploads/2025/04/Absa-Group-Limited-Notice-of-Annual-General-Meeting.pdf The 2025 annual general meeting voting outcomes will be published on www.absa.africa following the meeting that will be held on 03 June 2025.
2-21	Annual total compensation ratio	Remuneration Report 2025
4 Strategy, policies and practices		
45710	Statement on sustainable development strategy	Sustainability and Climate Report 2025: Chief Executive Officer's message
2-22	Policy commitments	Sustainability and Climate Report 2025: Human rights Human Rights Statement: https://www.absa.africa/wp-content/uploads/2022/09/Absa_Human_Right_Statement.pdf The Absa Way Code of Ethics Handbook Sustainability and Climate Report 2025: Annexure 2 Sustainability and Climate Report 2025: Protecting value through strong governance Integrated report 2025: Protecting value through strong governance Additional sustainability disclosures on ethics and conduct
2-23	Embedding policy commitments	Additional sustainability disclosures on ethics and conduct The Absa Way Code of Ethics Handbook Our Human Rights Booklet: www.absa.africa/wp-content/uploads/2023/06/The-Absa-Group-Human-Rights-Booklet.pdf Integrated Report 2025: Protecting value through strong governance
2-24	Processes to remediate negative impacts	Additional sustainability disclosures on ethics and conduct Integrated Report 2025: An Ethical bank Sustainability and Climate Report 2025: Promoting sustainability decarbonisation efforts
2-25	Mechanisms for seeking advice and raising concerns	Sustainability and Climate Report 2025: Ethics and empowering our employees and clients to do the right thing Integrated Report 2025: Protecting value through strong governance Additional sustainability disclosures on ethics and conduct
2-26	Compliance with laws and regulations	Additional sustainability disclosures on ethics and conduct Sustainability and Climate Report 2025: Ethics and empowering our employees and clients to do the right thing
2-27	Membership associations	Sustainability and Climate Report 2025: Annexure

Annexure 8: Global Reporting Initiative (GRI) reference continued

5 Stakeholder engagement		
2-29	Approach to stakeholder engagement	Sustainability and Climate Report 2025: Stakeholder engagement approach Integrated Report 2025: Protecting value through strong governance
2-30	Collective bargaining agreements	Sustainability and Climate Report 2025: Responsible employment and remuneration Remuneration Report 2025: Implementation Report Sustainability Data Sheet 2025
3 Material topics		
3-1	Process to determine material topics	Sustainability and Climate Report 2025: Our sustainability-related material matters
3-2	List of material topics	Sustainability and Climate Report 2025: Our sustainability-related material matters
3-3	Management of material topics	Sustainability and Climate Report 2025: Our sustainability-related material matters
Economic performance		
201-1	Direct economic value generated and distributed	Integrated Report 2025: Economic value created and distributed
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability and Climate Report 2025: Risk identification, assessment and mitigation
201-3	Defined- benefit plan obligations and other retirement plans	Annual Consolidated and Separate Financial Statements for the year ended 31 December 2025: Post-retirement benefits Additional sustainability disclosures on economic performance
201-4	Financial assistance received from government	Additional sustainability disclosures on economic performance
Market presence		
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	Remuneration Report 2025: Implementation Report
202-2	Proportion of senior management hired from the local community	Broad-Based Black Economic Empowerment Report 2025: Management control
Indirect economic impacts		
203-1	Infrastructure investments and services supported	Additional sustainability disclosures on financial services sector and membership associations
203-2	Significant indirect economic impacts	Sustainability and Climate Report 2025: Regulatory compliance: Strengthening governance and risk management Integrated report 2025: Our external environment in 2025

Annexure 8: Global Reporting Initiative (GRI) reference continued

Procurement practices		
204-1	Proportion of spending on local suppliers	Broad-Based Black Economic Empowerment Report 2025 Sustainability and Climate Report 2025: Ethics and empowering our employees and customers to do the right thing Sustainability and Climate Report 2025: Sustainable procurement Sustainability Data Sheet 2025: Social
Anti-corruption		
205	Management approach disclosures – Anti-corruption	Sustainability and Climate Report 2025: Anti-corruption and financial crime Additional sustainability disclosures on anti-corruption and anti-competitive behaviour
205-1	Operations assessed for risks related to corruption	Additional sustainability disclosures on anti-corruption and anti-competitive behaviour
205-2	Communication and training about anti-corruption policies and procedures	Sustainability and Climate Report 2025: Empowering our employees and customers to do the right thing Additional sustainability disclosures on anti-corruption and anti-competitive behaviour
205-3	Confirmed incidents of corruption and actions taken	Sustainability and Climate Report 2025: Empowering our employees and clients to do the right thing Sustainability Data Sheet 2025
Anti-competitive behaviour		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Additional sustainability disclosures on anti-corruption and anti-competitive behaviour
Tax		
207-1	Approach to tax	Tax Transparency Report 2025: The story behind our tax approach
207-2	Tax governance, control, and risk management	Tax Transparency Report 2025: Governance and risk
207-3	Stakeholder engagement and management of concerns related to tax	Tax Transparency Report 2025: Advocating for fair and equitable tax systems
207-4	Country-by-country reporting	Tax Transparency Report 2025: Country-by-Country Report Consolidated AFS
Environment		
Materials		
203-1	Materials used by weight or volume	Sustainability and Climate Report 2025: Our own carbon emissions performance Sustainability and Climate Report 2025: Climate – High-emissions sector
203-2	Recycled input materials used	Sustainability and Climate Report 2025: Our own carbon emissions performance
Energy		
302-1	Energy consumption within the organisation	Sustainability and Climate Report 2025: Climate – Our own carbon emissions performance
302-3	Energy intensity	Sustainability and Climate Report 2025: Climate – Our own carbon emissions performance Sustainability and Climate Report 2025: Climate – Energy consumption
302-4	Reduction of energy consumption	Sustainability and Climate Report 2025: Climate – Our own carbon emissions performance Sustainability and Climate Report 2025: Climate – Energy efficiency

Annexure 8: Global Reporting Initiative (GRI) reference continued

Water and effluents		
303-1	Interactions with water as a shared resource	Sustainability and Climate Report 2025: Water Conservation
303-2	Management of water discharge-related impacts	Sustainability and Climate Report 2025: Water Conservation
303-3	Water withdrawal	Sustainability and Climate Report 2025: Water Conservation
303-4	Water discharge	Sustainability and Climate Report 2025: Water Conservation
303-5	Water consumption	Sustainability and Climate Report 2025: Water Conservation
Biodiversity		
304-1	Operational sites owned, leased, managed in or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Sustainability and Climate Report 2025: Climate – Nature-related risk
Emissions		
305-1	Direct (Scope 1) greenhouse gas emissions	Sustainability and Climate Report 2025: Greenhouse gas emissions
305-2	Energy indirect (Scope 2) greenhouse gas emissions	Sustainability and Climate Report 2025: Greenhouse gas emissions
305-3	Other indirect (Scope 3) greenhouse gas emissions	Sustainability and Climate Report 2025: Greenhouse gas emissions
305-4	Greenhouse gas emissions intensity	Sustainability and Climate Report 2025: Renewable energy and energy efficiency
305-5	Reduction of greenhouse gas emissions	Sustainability and Climate Report 2025: Renewable energy and energy efficiency
Waste		
306-1	Waste generation and significant waste-related impacts	Sustainability and Climate Report 2025: Waste reduction
306-2	Management of significant waste-related impacts	Sustainability and Climate Report 2025: Waste reduction
306-3	Waste generated	Sustainability and Climate Report 2025: Waste reduction
306-4	Waste diverted from disposal	Sustainability and Climate Report 2025: Waste reduction
306-5	Waste diverted to disposal	Sustainability and Climate Report 2025: Waste reduction
Employment		
401-1	New employee hires and employee turnover	Sustainability Data Sheet 2025
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Sustainability and Climate Report 2025: Responsible employment and remuneration Sustainability Data Sheet 2025
401-3	Parental leave	Sustainability and Climate Report 2025: Responsible employment and remuneration Sustainability Data Sheet 2025

Annexure 8: Global Reporting Initiative (GRI) reference continued

Labour/management relations		
402-1	Minimum notice periods regarding organisational change	Additional sustainability disclosures on labour relations and Occupational Health and Safety
OHS		
403-1	Occupational health and safety management system	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-3	Occupational health services	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-5	Worker training on occupational health and safety	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-6	Promotion of worker health	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-7	Prevention and mitigation of OHS impacts directly linked by business relationships	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-8	Workers covered by an OHS management system	Additional sustainability disclosures in labour relations and Occupational Health and Safety
403-9	Work-related injuries	Sustainability Data Sheet 2025
403-10	Work-related ill health	Sustainability Data Sheet 2025
Training and education		
404-1	Waste diverted from disposal	Sustainability and Climate Report 2025: Training and development
		Sustainability Data Sheet 2025
404-2	Waste diverted to disposal	Sustainability and Climate Report 2025: Training and development
		Sustainability Data Sheet 2025
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability and Climate Report 2025: Performance and career development reviews
Diversity and equal opportunity		
405-1	Diversity of governance bodies and employees	Sustainability and Climate Report 2025: Board governance and oversight of sustainability and climate-related risks and opportunities
		Integrated Report 2025: Protecting value through strong governance
		Sustainability Data Sheet 2025

Annexure 8: Global Reporting Initiative (GRI) reference continued

Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Additional sustainability disclosures on sustainable business matters
Security practices		
410-1	Security personnel trained in human rights policies or procedures	Additional sustainability disclosures on sustainable business matters
Public policy		
415	Political contributions	Additional sustainability disclosures on sustainable business matters
Customer health and safety		
416-1	Assessment of the health and safety impacts of product and service categories	Additional sustainability disclosures in labour relations and Occupational Health and Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Additional sustainability disclosures in labour relations and Occupational Health and Safety
Non-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Additional sustainability disclosures on sustainable business matters
Security practices		
410-1	Security personnel trained in human rights policies or procedures	Additional sustainability disclosures on sustainable business matters
Public policy		
415	Political contributions	Additional sustainability disclosures on sustainable business matters
Customer health and safety		
416-1	Assessment of the health and safety impacts of product and service categories	Additional sustainability disclosures in labour relations and Occupational Health and Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Additional sustainability disclosures in labour relations and Occupational Health and Safety
Customer privacy		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Additional sustainability disclosures on sustainable business matters

Annexure 8: Global Reporting Initiative (GRI) reference continued

Financial services sector disclosure		
FS1	Policies with specific environmental and social components applied to business lines	Additional sustainability disclosures on financial services sector and membership associations
FS2	Procedures for assessing and screening environmental and social risks in business lines	Sustainability and Climate Report 2025: Screening and assessment of environmental and social risks
FS3	Processes for monitoring clients' implementation of, and compliance with, environmental and social requirements included in agreements or transactions	Additional sustainability disclosures on financial services sector and membership associations
FS4	Processes for improving staff competence to implement the environmental and social policies and procedures as applied to business lines	Additional sustainability disclosures on financial services sector and membership associations
FS5	Interactions with clients/investors/business partners regarding environmental and social risks and opportunities	Sustainability and Climate Report 2025: Our stakeholders
		Sustainability and Climate Report 2025: Our Stakeholder Engagement Framework
		Integrated Report 2025: Protecting value through strong governance
FS6	Percentage of the portfolio for business lines by specific region, size (e.g., micro/SME/ large) and by sector	Financial Results for the reporting period ended 31 December 2023: Note 8
		Financial Results booklet 2025 – Segment performance
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose	Sustainability and Climate Report 2025: Inclusive products and services
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line, broken down by purpose	Sustainability and Climate Report 2025: Risk Management
FS13	Access points in low-populated or economically disadvantaged areas by type	Broad-Based Black Economic Empowerment Report 2025: Access to financial services
FS14	Initiatives to improve access to financial services for disadvantaged people	Broad-Based Black Economic Empowerment Report 2025: Access to financial services
FS15	Policies for the fair design and sale of financial products and services	Additional sustainability disclosures on financial services sector and membership associations
FS16	Financial literacy	Broad-Based Black Economic Empowerment Report 2025: Access to financial services
		Sustainability and Climate Report 2025: Inclusive accessibility

Independent Assurance Practitioner's Limited Assurance Report on Selected Key Information

To the Directors of Absa Group Limited

Report on selected key information

We have undertaken a limited assurance engagement on selected key information, as described below, and presented in the Integrated Report ("IR") and Sustainability and Climate Report ("SCR") 2025 of Absa Group Limited. ("Absa") for the year ended 31 December 2025 (the Reports). This engagement was conducted by a multidisciplinary team including environmental and assurance specialists with relevant experience in sustainability reporting.

Subject matter

We have been engaged to provide a limited assurance conclusion in our report on the following selected key information, marked with a "LA-EA" to be published in the Reports and to be prepared in accordance with the Bank's criteria for reporting supported by the Global Reporting Initiative ("GRI") Standards and self-determined reporting criteria ("reporting criteria"). The reporting criteria will be available on the Bank's website. The reporting criteria is available on:

<https://www.absa.africa/reporting-disclosures/>

Selected key Information	Unit of measure-ment	Boundary	Report & Page
Total non-renewable energy use	kWh	Group: electricity South African operations: natural gas and diesel AR: Electricity & diesel	SCR - pg. 100
Total renewable energy use	kWh	South African operations	SCR - pg. 100
Total energy use	kWh	Group: electricity South African operations: natural gas, diesel, solar photovoltaic and wind AR: Electricity & diesel	SCR - pg. 100
Scope 1 greenhouse gas missions	tCO ₂ e	South African operations AR: diesel emissions	SCR - pg. 99
Scope 2 greenhouse gas emissions – location based	tCO ₂ e	Group	SCR - pg. 99
Scope 3 greenhouse gas emissions	tCO ₂ e	Group: local and international flights, transmission and distribution from grid electricity South African operations: car hire, employee kilometre claims	SCR - pg. 99
Total greenhouse gas emissions	tCO ₂ e	Group: electricity, local and international flights, transmission and distribution from grid electricity South African operations: natural gas, diesel, fuel used for company-owned/fleet vehicles, car hire, employee kilometre claims AR: Electricity & diesel	SCR - pg. 99
Own carbon emissions reduction (2018 baseline – 2025)	%	Group	SCR - pg. 98
Total water consumption per FTE	Kl	South Africa	SCR - pg. 100
Total waste generated (Recycled waste + Landfill)	t	South Africa	SCR - pg. 101
Women in senior leadership	%	Group	SCR - pg. 8
Green deposit	R	Group	SCR - pg. 112
Syndicated green loans	R	Group	SCR - pg. 112
Sustainable bonds	R	Group	SCR - pg. 111
Aggregated ESG Loans	R	Group	IR - pg. 61
Scope 3 financed emissions: real estate, commercial property finance (CPF) (December 2025)	tCO ₂ e	Group	SCR - pg. 95
Scope 3 financed emissions: real estate, mortgages (December 2025)	tCO ₂ e	Group	SCR - pg. 95
Scope 3 financed emissions: fossil fuels, oil and gas (December 2024)	gCO ₂ e/MJ	Group	SCR - pg. 95
Scope 3 financed emissions: fossil fuels, coal (December 2024)	tCO ₂ e	Group	SCR - pg. 95
Drawn exposure Fossil fuel sector: Coal	R'bn	Group	SCR - pg. 97
Drawn exposure Fossil fuel sector: Oil	R'bn	Group	SCR - pg. 97
Drawn exposure Fossil fuel sector: Gas	R'bn	Group	SCR - pg. 97
Number of employees that received training for the preventing financial crime curriculum	Number	Group	SCR - pg. 31
Investment in Financial Education	R	Group	SCR - pg. 69
Investment in Entrepreneurship education and youth employability	R	Group	SCR - pg. 73
Equator Principle - Transaction	Number of EP transactions	Group	SCR - pg. 109
The Bank's response and description of activities to meet the requirements of the following 4 principles of responsible banking: 2.1 Impact analysis 2.2 Target setting 2.3 Target implementation and monitoring 5.1 Governance structure for the implementation of the principles		Group	SCR - pg. 118-120 (Annexure 2)

Independent Assurance Practitioner's Limited Assurance Report on Selected Key Information continued

Directors' responsibilities

The Directors are responsible for the selection, preparation and presentation of the selected key information in accordance with Absa's reporting criteria. This responsibility includes the identification of stakeholders and stakeholder requirements, material issues, commitments with respect to sustainability performance and design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error. The Directors are also responsible for determining the appropriateness of the measurement and reporting criteria in view of the intended users of the selected key information and for ensuring that those criteria are publicly available to the Report users.

Inherent limitations

The Greenhouse Gas (GHG) emission quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our independence and quality management

We have complied with the independence and other ethical requirements of the *Code of Professional Conduct for Registered Auditors* issued by the Independent Regulatory Board for Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*.

Deloitte applies the International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance practitioner's responsibility

Our responsibility is to express a limited assurance conclusion on the selected key information based on the procedures we have performed and the evidence we have obtained. We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information* and, in respect of greenhouse gas emissions, in accordance with the International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board. These Standards requires that we plan and perform our engagement to obtain limited assurance about whether the selected key information are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 (Revised) and ISAE 3410 involves assessing the suitability in the circumstances of Absa's use of its reporting criteria as the basis of preparation for the selected key information, assessing the risks of material misstatement of the selected key information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the selected key information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgement and included inquiries, observation of processes followed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process;
- Inspected documentation to corroborate the statements of management and senior executives in our interviews;
- Performed a walkthrough processes and systems to generate, collate, aggregate, monitor and report the selected key information;
- Inspected supporting documentation on a sample basis and performed analytical procedures to evaluate the data generation and reporting processes against the reporting criteria; and
- Evaluated whether the selected key information presented in the Reports are consistent with our overall knowledge and experience of sustainability management and performance at Absa.

The procedures performed in a limited assurance engagement vary in nature and timing and are less in extent than for a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether Absa's selected key information has been prepared, in all material respects, in accordance with the accompanying Absa's reporting criteria.

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the selected key information as set out in the Subject Matter paragraph above for the year ended 31 December 2025 are not prepared, in all material respects, in accordance with the reporting criteria.

Other matters

Our report includes the provision of limited assurance on the selected key information listed below, and we were previously not required to provide assurance for the selected key information.

- Drawn exposure Fossil fuel sector: Coal
- Drawn exposure Fossil fuel sector: Oil
- Drawn exposure Fossil fuel sector: Gas
- Number of employees that received training for the preventing financial crime curriculum
- Investment in Financial Education
- Investment in Entrepreneurship education and youth employability
- Equator Principle – Transaction.

The maintenance and integrity of the Absa's website is the responsibility of Absa's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to either the information in the Report or our independent limited assurance report that may have occurred since the initial date of its presentation on Absa's website.

Restriction of liability

Our work has been undertaken to enable us to express a limited assurance conclusion on the selected key information to the Directors of Absa in accordance with the terms of our engagement, and for no other purpose. We do not accept or assume liability to any party other than Absa, for our work, for this report, or for the conclusion we have reached.

Deloitte & Touché
Registered Auditors
Per Jayne Mammatt
Chartered Accountant (SA)
Registered Auditor
Partner

1 April 2026

5 Magwa Crescent
Waterfall City, Waterfall
Private Bag x6,
Gallo Manor,
2052
South Africa

Abbreviations

Absa	Amalgamated Bank of South Africa
ADB	African Development Bank
AfCFTA	African Continental Free Trade Area
AFDB	African Development Bank
AFS	Annual Financial Statements
AGM	Annual General Meeting
AI	Artificial Intelligence
AIC	African Indian and Coloured
APRM	African Peer Review Mechanism
APS	Announced Pledges Scenario
AR	Africa Regions
ATM	Automated Teller Machine
AU	African Union
B20	Business Twenty
BAU	Business As Usual
BB	Business Banking
B-BBEE	Broad-Based Black Economic Empowerment
BBES	Bounce Back Energy Scheme
BCBS	Basel Committee on Banking Supervision
BCM	Business Continuity Management
BDS	Business Development Support
BEN	Business Ethics Network
BES	Business Environment Scanning
BESS	Battery Energy Storage System
BO	Black-Owned
BUSA	Business Unity South Africa
BWO	Black Women-Owned
CBAM	Carbon Border Adjustment Mechanism
CDP	Carbon Disclosure Project
CET	Community Education and Training
CIB	Corporate and Investment Banking
CIPC	Companies and Intellectual Property Commission
CIPS	Chartered Institute of Procurement and Supply
COGTA	Cooperative Governance and Traditional Affairs
COP 29	Conference of Parties 2029
CPF	Commercial Property Finance
CPI	Consumer Price Index
CRES	Corporate Real Estate Services
CRMF	Credit Risk Management Framework

CRST	Credit Risk Stress Testing
CSA	Corporate Sustainability Assessment
DAC	Directors' Affairs Committee
DBE	Department of Basic Education
DEI	Diversity, Equity and Inclusion
DEIB	Diversity, Equity, Inclusion and Belonging
DEL	Department of Employment and Labour
DFI	Development Finance Institutions
DFIs	Development Finance Institutions
DIRCO	Department of International Relations and Cooperation
DSS	Dynamic Skills Strategy
EAD	Exposure at Default
EAP	Employee Assistance Programme
EB	Everyday Banking
EBP	Energy Bounce-Back Programme
EBS	Ethics Breach System
ECRST	Enterprise Credit Risk Stress Testing
ED	Enterprise Development
EDGE	Excellence in Design for Greater Efficiencies
EDHE	Entrepreneurship Development in Higher Education (South Africa)
EL	Expected Loss
ELIB	Entry Level Inclusive Banking
ENCORE	Exploring Natural capital Opportunities, Risks and Exposures
EP	Equator Principles
EPC	Energy performance Certificate
ER	Employee Relations
ERMF	Enterprise Risk Management Framework
ES	Environmental and Social
ESD	Enterprise and Supplier Development
ESDD	Environmental and Social Due Diligence
ESG	Environmental, Social and Governance
ESMS	Environmental and Social Management System
ESRA	Environmental and Social Risk Assessment
FAW	Financial Alliance for Women
FET	Further Education and Training
FI	Finance Inclusion
FITE	Financial Inclusion Through Entrepreneurship
FMCG	Fast Moving Consumer Goods
FSTC	Financial Sector Transformation Council

FTE	Full-time Employees
G20	Group of Twenty
GBCSA	Green Building Council South Africa
GBF	Kunming-Montreal Global Biodiversity Framework
GBV	Gender-Based Violence
GCEO	Group Chief Executive Officer
GDP	Gross Domestic Product
GET	General Education and Training
GHG	Greenhouse Gas
GIBS	Gordon Institute of Business Science
GICS	Global Industry Classification Standard
GJ	Giga Joules
GLA	Gross Leasable Area
GRI	Global Reporting Initiative
GW	Giga Watt
HC	Human Capital
HQLA	High-Quality Liquid Asset
HR	Human Resources
ICMA	International Capital Market Association
IEA	International Energy Agency
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
ILO	International Labour Organisation
IPCC	Intergovernmental Panel on Climate Change
IR	Integrated Report
IRM	Installation, Repair and Maintenance (IRM) Initiative
IRP	Integrated Resource Plan
ISAE	International Standard on Assurance Engagements
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
ITC	International Trade Centre
JASA	Junior Achievement South Africa
JSE	Johannesburg Stock Exchange
KI	Kilolitre
KPI	Key Performance Indicator
kW	Kilowatt
kWh	Kilowatt-hour
KYC	Know Your Customer
LED	Light Emitting Diodes

Abbreviations continued

LGBTQ+	Lesbian, Gay, Bisexual, Transgender and Queer
LGD	Loss Given Default
LMA	Loan Market Association
LRF	Loan Repayment Fund
MAGC	Market Accelerator for Green Construction
MIGA	Multilateral Investment Guarantee Agency
MSME	Micro, Small and Medium Enterprise
MW	Megawatt
MWh	Megawatt-hour
NAAMSA	National Association of Automobile Manufacturers of South Africa
NBC	National Bank of Commerce
NBI	National Business Initiative
NDCs	Nationally Determined Contributions
NGFS	Network for Greening the Financial System
NGOs	Non-Governmental Organisations
NWPG	North West Provincial Government (South Africa)
NZBA	Net-Zero Banking Alliance
OBA LMS	Outcomes-Based Approach Learning Management System
OECD	Organisation for Economic Co-operation and Development
OGDC	Oil and Gas Decarbonisation Charter
OHS	Occupational Health and Safety
PA	Prudential Authority
PCAF	Partnership for Carbon Accounting Financials
PCC	Presidential Climate Commission
PD	Probability of Default
PP	Preferential Procurement
PPA	Power Purchase Agreement
PPB	Personal and Private Banking
PPP	Public-Private Partnership
PRB	Principles for Responsible Banking
PRCL	Project-Related Corporate Loans
PSC	The Product Solution Cluster operating segment of the Group
PV	Photovoltaic
PwC	PricewaterhouseCoopers Inc.
QSE	Qualifying Small Enterprise (B-BBEE)
RAG	Red–Amber–Green (status rating)
RB	Relationship Banking
RDARR	Risk Data Aggregation and Risk Reporting

RECs	Renewable energy certificates
REIPPPP	Renewable Energy Independent Power Producer Procurement Programme
RemCo	Remuneration Committee
RoE	Return on Equity
ROI	Return on Investment
RTW	Ready to Work
SA	South Africa
SADC	Southern African Development Community
SANEF	South African National Editors' Forum
SAPVIA	South African Photovoltaic Industry Association
SARB	South African Reserve Bank
SASB	Sustainability Accounting Standards Board
SBTi	Science-Based Targets Initiative
SD	Supplier Diversity
SDG	Sustainable Development Goals
SFIF	Sustainable Finance Issuance Framework
SIC	Standard Industrial Classification
SLL	Sustainability-Linked Loans
SMEs	Small, medium Enterprises
SMMEs	Small, Medium and Micro Enterprises
SRI	Solidarity Research Institute
SSEC	Social, Sustainability and Ethics Committee
SSEG	Small Scale Embedded Generation
SSR	Strategic, Sustainability and Reputational Risk
SSRRMF	Strategic, Sustainability and Reputational Risk Management Framework
STEM	Science, Technology, Engineering, and Mathematics
TCFD	Task Force on Climate-related Financial Disclosures
TMPS	Targeted Measured Procurement Spend
TNFD	Taskforce on Nature-related Financial Disclosures
TOC	Theory of Change
UGX	Uganda shillings
UIF	Unemployment Insurance Fund
UN	United Nations
UN PRI	United Nations-supported Principles for Responsible Investment
UNEP FI	United Nations Environment Programme Finance Initiative
UNGC	United Nations Global Compact

UNGP	United Nations Guiding Principles on Business and Human Rights
UNICEF	United Nations International Children's Emergency Fund
USD	United State Dollars
UWASA	Urban Water Supply and Sanitation Authority
VAT	Value added Tax
VNR	Voluntary National Review
WECONA	Women Empowerment and Gender Equality Council of South Africa
WEF	World Economic Forum
WIB	Women in Business
WOVSA	Women of Value South Africa
WTO	World Trade Organisation
YAEI	Young African Entrepreneurs Institute
YAW	Young Africa Works
YES	Youth Employment Service
YESP	Youth Entrepreneurship Skills Programme
YET	Youth Entrepreneurship Tour
YEW	Youth Entrepreneurship Week
ZAR	South African Rand

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