

ABSA GROUP LIMITED

(Incorporated with limited liability in South Africa under registration number 1986/003934/06)

Bond Issuer Code: ABGI

("ABSA Group" or "ABGI")

ABSA BANK LIMITED

(Incorporated with limited liability in South Africa under registration number 1986/004794/06)

Bond Issuer Code: BIABS

Bond Issuer Code: ABSP

("Absa Bank")

ABSA GROUP LIMITED AND ABSA BANK LIMITED: MOODY'S RATING ACTION

Moody's Investor Services ("Moody's") advised they have changed their methodology for rating South Africa banks following the introduction of an operational resolution regime for the banking system in South Africa. Moody's have applied their Advanced Loss Given Failure (Advanced LGF) analysis to banks operating in jurisdictions with Operational Resolution Regimes. The Advanced LGF framework assesses the potential impact of a bank's failure on its various debt classes and deposits, taking into account the subordination of more junior liabilities and the volume of each class of liabilities.

As a result of the methodology change the long-term deposit ratings of rated banks were upgraded by two notches, where applicable, while the senior unsecured programme ratings of South Africa's four largest banks were upgraded by one notch; and the long-term issuer ratings of the two rated banking holding companies were upgraded by one notch.

The application of Moody's change on 06 March 2024 resulted in an upgrade of the long-term local currency and foreign currency deposit ratings of Absa Bank Limited to Baa3 from Ba2, and the long-term issuer ratings of Absa Group Limited to Ba2 from Ba3. The outlook on both ratings is stable.

For additional details on the rationale of the ratings action please see the press release by Moody's on 06 March 2024 titled "*Moody's upgrades deposit ratings of rated South African banks following the Banks Methodology update*"

Summary of credit rating change:

	To	From
Absa Group Limited		
Long-term issuer rating	Ba2	Ba3
Absa Bank Limited		
Long-term local currency	Baa3	Ba2
Long-term foreign currency	Baa3	Ba2
Long-term counterparty risk rating	Baa3	Ba1
Short-term counterparty risk rating	P-3	NP

Johannesburg
19 April 2024

Debt sponsor to ABSA Group Limited and Absa Bank Limited:
Absa Bank Limited, acting through its Corporate and Investment Banking division

