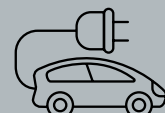
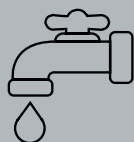


2024 GREEN BOND ALLOCATION AND IMPACT REPORT



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FirstRand

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Certain entities within the FirstRand group are authorised financial services and credit providers.
This report is available on the group's website: **www.firstrand.co.za**

Email questions to investor.relations@firstrand.co.za

Introduction

For an overview of FirstRand Limited (FirstRand or the group), its approach to climate change and its commitment to deliver on its purpose of shared prosperity, please refer to the group's climate-related disclosures at www.firstrand.co.za/investors/integrated-reporting-hub/climate/, and the latest report to society at www.firstrand.co.za/investors/integrated-reporting-hub/societal/.

In addition, the FirstRand sustainability bond framework (the framework) under which the bonds discussed in this report were issued, is available on the group's website at www.firstrand.co.za/investors/debt-investor-centre/sustainable-finance/.

FirstRand Bank green bond issuance – October 2023

On 12 October 2023, FirstRand Bank Limited (FRB) issued two green bonds (total funds raised: R3.5 billion):

- FRJ28G – R1 714 million five-year green bond; and
- FRJ30G – R1 798 million seven-year green bond.

Given that only partial allocation was achieved on both the FRJ28G and FRJ30G bonds in the first post-issuance reporting cycle at 30 June 2024*, FRB will:

- provide further allocation and impact reports (until full allocation); and
- ensure all unallocated proceeds are fully allocated within 24 months of the issuance date (i.e. by 12 October 2025) and managed in accordance with section 5.3 of the framework.

Allocated eligible projects by category	Number of eligible projects	FRJ28G		FRJ30G	
		R thousand	% of proceeds	R thousand	% of proceeds
Renewable energy (project finance)	2	694 088	41%	694 088	39%
Renewable energy (asset-based finance – solar)	211	155 957	9%	155 957	9%
Green buildings (ecoEnergy home loans)	40	41 646	2%	41 646	2%
Total allocated at 30 June 2024**		891 691^{LA}	52%	891 691^{LA}	50%
Refinancing of existing and new assets [#]	1	433 510	49%	433 510	49%
Financing of future assets [†]	252	458 181	51%	458 181	51%
Total unallocated at 30 June 2024		822 309	48%	906 309	50%

* The allocation and impact reporting process for this FRB green bond issuance began after the group's 2024 financial year end and was followed by a limited assurance (LA) process. This was aligned to FirstRand's sustainability bond framework, which outlines the reporting requirements (sections 5.4 and 6.2).

** The total allocated against eligible projects has been subject to a limited assurance process by PricewaterhouseCoopers Inc. The assurance report is available at: <https://www.firstrand.co.za/investors/debt-investor-centre/sustainable-finance/>. Allocations are completed as per on-balance sheet exposure, which is aligned to external reporting requirements.

^{LA} Independent limited assurance provided over use of proceeds.

[#] Existing and new assets as defined in the sustainability bond framework were originated no more than 24 months prior to the bond issuance.

[†] Future assets for the purpose of this report were originated post bond issuance and prior to the date of this report.

The impact indicators for the proceeds allocated at 30 June 2024 as per FirstRand's sustainability bond framework are outlined in the table below.

Eligible loans/assets	Impact
Renewable energy (project finance)	<ul style="list-style-type: none"> • Installation of 118 MW of capacity. • Potential greenhouse gas (GHG) emissions reduction/avoidance of 312 090 tCO₂e per year.
Renewable energy (asset-based finance – solar)	<ul style="list-style-type: none"> • 23 MW of estimated installed capacity. • 34 175 tCO₂e of estimated emissions avoided per year.
Green buildings (ecoEnergy home loans)	<ul style="list-style-type: none"> • 40 green housing projects funded with eligible certification (IFC EDGE-certified green buildings). • 53 applicants provided with access to green housing.

FirstRand Bank green bond issuance – May 2024

On 16 May 2024, FRB issued three green bonds (total funds raised: R3.4 billion):

- FRJ27G – R500 million three-year green bond;
- FRJ29G – R1 713 million five-year green bond; and
- FRJ31G – R1 146 million seven-year green bond.

Given that only partial allocation has been achieved on the FRJ27G, FRJ29G and FRJ31G bonds in the first post-issuance reporting cycle at 30 June 2024*, FRB will:

- provide further allocation and impact reports (until full allocation); and
- ensure all unallocated proceeds are fully allocated within 24 months of the issuance date (i.e. by 16 May 2026) and managed in accordance with section 5.3 of the framework.

Allocated eligible projects by category	Number of eligible projects	FRJ27G		FRJ29G		FRJ31G	
		R thousand	% of proceeds	R thousand	% of proceeds	R thousand	% of proceeds
Renewable energy (project finance)	1	193 346	39%	193 346	11%	193 346	17%
Total allocated at 30 June 2024**	1	193 346^{LA}	39%	193 346^{LA}	11%	193 346^{LA}	17%
Refinancing of existing and new assets [#]	–	–	0%	–	0%	–	0%
Financing of future assets [†]	1	193 346	100%	193 346	100%	193 346	100%
Total unallocated at 30 June 2024		306 654	61%	1 519 654	89%	952 654	83%

* The allocation and impact reporting process for this FRB green bond issuance began after the group's 2024 financial year end and was followed by a limited assurance (LA) process. This was aligned to FirstRand's sustainability bond framework, which outlines the reporting requirements (sections 5.4 and 6.2). This allocation and impact report has been published ahead of the first issuance anniversary.

** The total allocated against eligible projects has been subject to a limited assurance process by PricewaterhouseCoopers Inc. The assurance report is available at: <https://www.firstrand.co.za/investors/debt-investor-centre/sustainable-finance/>. Allocations are completed as per on-balance sheet exposure, which is aligned to external reporting requirements.

^{LA} Independent limited assurance provided over use of proceeds.

[#] Existing and new assets as defined in the sustainability bond framework were originated no more than 24 months prior to the bond issuance.

[†] Future assets for the purpose of this report were originated post bond issuance and prior to the date of this report.

The impact indicators for the proceeds allocated at 30 June 2024 as per the FirstRand sustainability bond framework are outlined in the following table.

Eligible loans/assets	Impact
Renewable energy (project finance)	<ul style="list-style-type: none"> • Installation of 91 MW of capacity. • Potential GHG emissions reduction/avoidance of 271 148 tCO₂e per year.

Independent limited assurance report

FRB commissioned PricewaterhouseCoopers Inc. (PwC) to provide independent limited assurance in accordance with *International Standard on Assurance Engagements 3000 (Revised)*, *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* regarding the use of proceeds, marked with the letters LA, as set out on pages 2 and 3 of this annual allocation and impact report, dated 11 October 2024. The assurance report should be read in conjunction with the FirstRand sustainability bond framework, which is available at <https://www.firststrand.co.za/investors/debt-investor-centre/sustainable-finance/>.

PwC's independent limited assurance report, dated 11 October 2024, is available online at: <https://www.firststrand.co.za/investors/debt-investor-centre/sustainable-finance/>.



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