



ESG World Impact Autocall

Capital protected investment that is designed to gear its exposure in a low **growth environment** and that tracks top performing global companies.

Structured Solutions

www.absa.co.za/ss

Introduction

The ESG World Impact Autocall Note is designed for investors seeking predefined returns from what they expect to be relatively benign or even slightly downward trending markets over the medium term. In addition, the Notes may be attractive to investors seeking protection from all but the largest falls in markets and insist on a large buffer to be in place before any capital is at risk. Invested capital is at risk if any of the Underlying Assets close below the Protection Barrier level at Maturity. It is not the intention of the Note to track or replicate the performance of the Underlying Assets.

Product Characteristics

Issuer:	International Investment grade bank (S&P Global long-term credit rating of A or better)
Distributor:	Absa Bank Ltd
Term:	6 years
Indicative Investment Return:	Conditional annual coupons paid upon Autocall date
Additional Feature:	Memory Function included
Observation Dates:	Autocall starting in year 3
Underlying Indices:	MSCI USA ESG Rating Select 100 Decrement 4% Index MSCI EMU ESG Rating Select 50 Decrement 5% Index
Important Dates:	Engage your financial advisor or administrator for confirmation of these dates

Note Name	Theme	Underlying Basket (worst-of)	Currency	Autocall Barrier	Conditional Annual Coupon	Soft Capital Protection Barrier*
ESG World Impact Autocall	Environmental, Social, and (Corporate) Governance (ESG)	1. MSCI USA ESG Rating Select 100 Decrement 4% Index 2. MSCI EMU ESG Rating Select 50 Decrement 5% Index	USD	100%	Target 10% annually	60%

*Expressed as a percentage of each Underlying Stock(s) initial level observed on Strike Date.

Description

An investment with a 6-year maturity linked to a basket of Indices.

Conditional Annual Coupons

From the 3rd annual observation date, if all the Underlying Assets close at or above the relevant Autocall Barrier, the Investment return multiplied by the number of years the Note has been running for will be paid. Otherwise no investment return will be paid in that year, and the Note will continue for up to 6 years.

3 opportunities of early redemption

From the 3rd annual observation date, the Notes can redeem early if all the Underlying Assets close at or above the relevant Autocall Barrier. On early redemption, the Notes return 100% of the invested capital.

Repayment at Maturity

In the case there is no early redemption, at the final valuation date:

- Six times the Investment return is paid if all the Underlying Assets close at or above the Final Autocall Barrier, equal to 100% of the initial price.
- The Notes will return 100% of invested capital as long as none of the Underlying Assets close below 60% of their initial level.
- Capital is at risk if any Underlying Assets close below the Protection Barrier of 60% of its initial level, in which case investors will receive the invested capital decreased by the performance of the worst performing Underlying Asset, thus resulting in a partial or total loss of their invested capital.

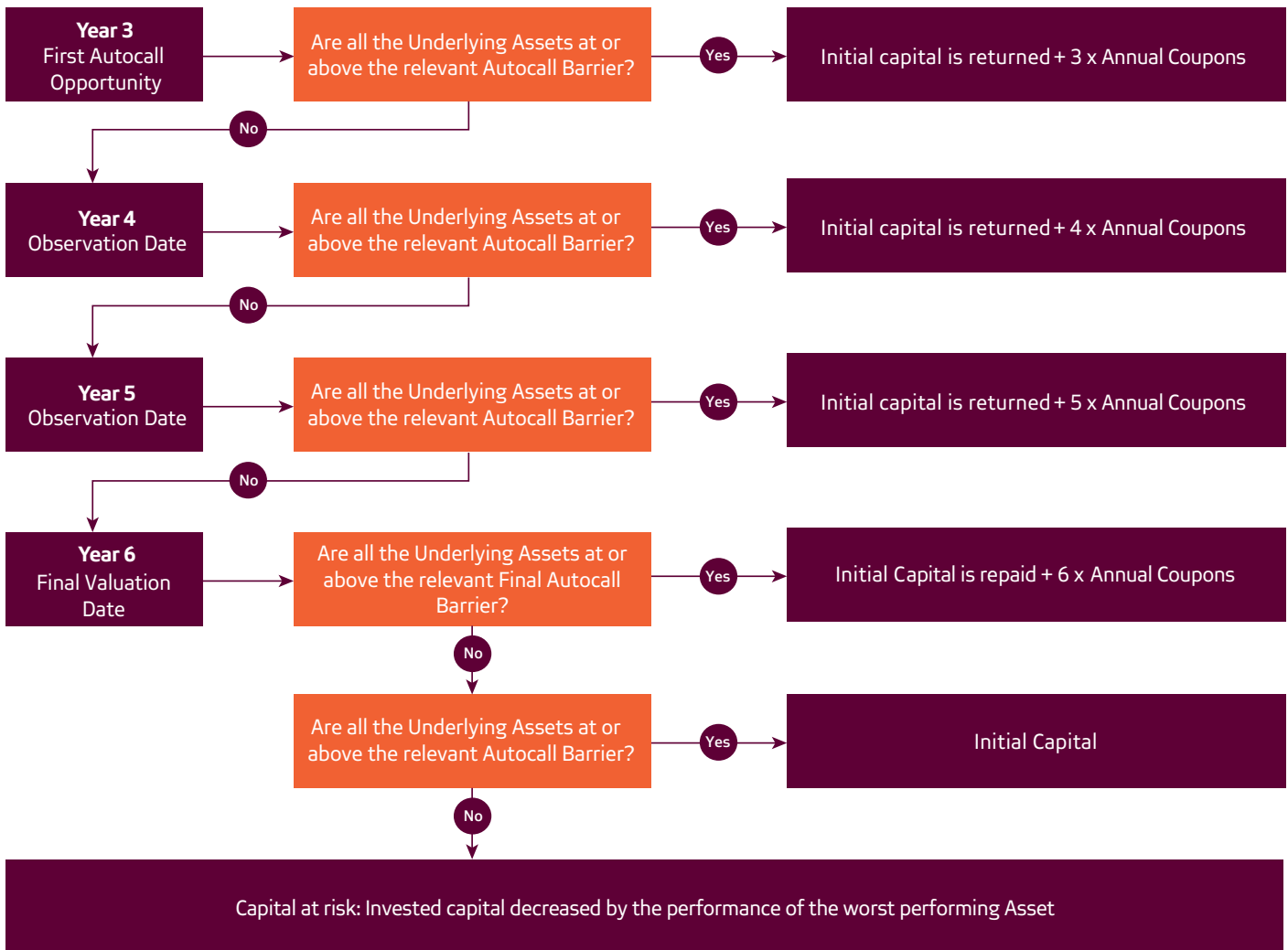
Advantages

- Potential for predefined returns, in a flat or moderately falling market conditions.
- Early redemption if both of the Underlying Indices are equal to or above the Autocall Barrier (100% of strike), from the third anniversary.
- Capital Protection at Maturity if the Underlying Indices close at or above the Protection Barrier (60%) and there is no default by the issuer.
- Memory Feature that allows all previously missed Conditional Annual Coupons to be recaptured at Autocall observation.

Key risks

- Investment return potential may be capped since investors do not participate directly in any capital growth in the Underlying Indices.
- Risk of partial or total loss of capital: If any of either of the Underlying Indices close below the Protection Barrier at Maturity, Capital repayment will be decreased by the performance of the worst Underlying Index. In this case the return could be lower than a direct investment in the Underlying Indices.
- Risk of no return if the Underlying Indices close below the coupon barrier: Risk of no return if the Underlying Indices close below the Autocall Barrier at the maturity date.
- Credit Risk: Risk of partial or total loss of capital and no income in the case of bankruptcy or payment default by the issuer.
- Selling out of the Note early may result in a capital loss: If the Notes are sold or redeemed prior to Autocall or Maturity, the redemption price will be set by the issuer of the Note, upon request. The price will depend on numerous factors, including the level of volatility of the Underlying Indices, the remaining time to Maturity, interest rates and the perception of the issuer's credit quality, and may be less than the amount initially invested.
- In the extraordinary event of (merger, acquisition or default) of any indices included in the investment, the issuer reserves the right to unwind any Underlying Asset related to the hedging arrangements in the absolute discretion of the issuer and requires the calculation agent to determine in its sole discretion the appropriate adjustment.

Payoff diagram



The Underlying Indices

Index methodology

MSCI ESG Ratings use a rules-based methodology designed to measure a company's resilience to long-term, industry-material Environmental, Social, and (Corporate) Governance (ESG) risks. Leveraging Artificial Intelligence (AI), machine learning and natural language processing augmented with a 200+ strong team of analysts, whom research and rate companies on a 'AAA' to 'CCC' scale according to their exposure to industry-material ESG risks and their ability to manage those risks relative to peers. Thereafter, companies that are associated with business that have high negative social impact as well as those with a high negative environmental impact are excluded. Finally, top securities are selected based on highest ESG score. Only single security per issuer is selected. The indices are further diversified by capping issuers to avoid concentration.

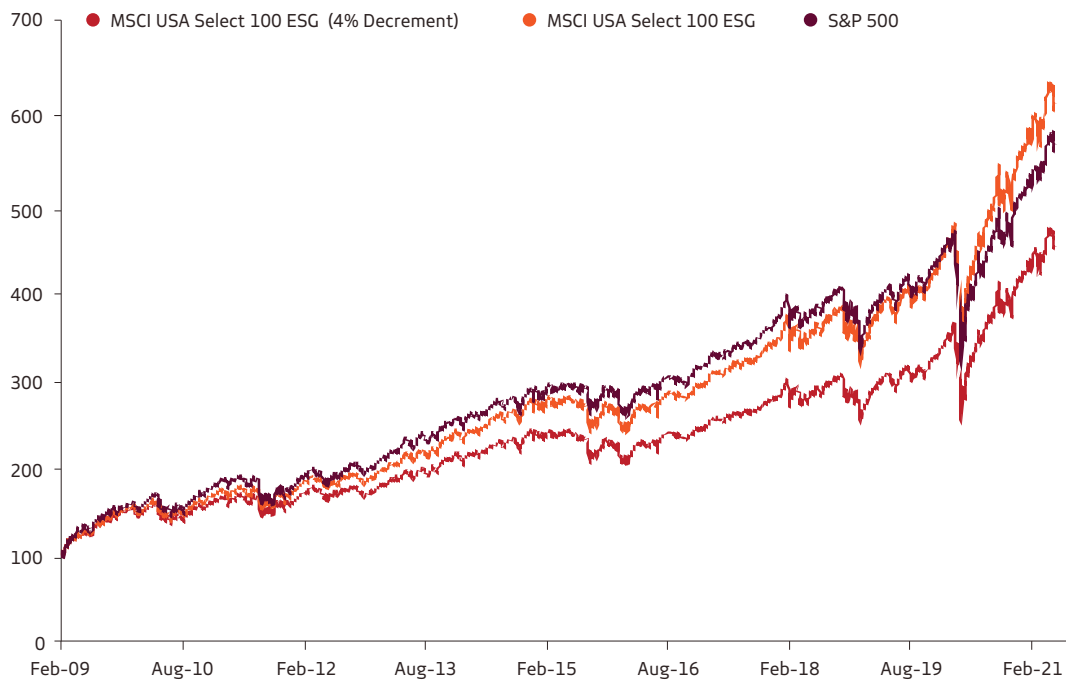
The Indices reviewed on a quarterly basis, coincide with the May and November Semi-Annual Index Reviews and the February and August Quarterly Index Reviews of the Parent Index.

How do Decrement Indices work?

The MSCI Decrement Indices are designed to represent the performance of a strategy tracking a given MSCI Index from which a predetermined amount ('synthetic dividend') is withdrawn at predefined intervals. MSCI calculates the MSCI Decrement Indexes based upon any given MSCI index ("Parent Index"). In this instance, the parent indices are the MSCI USA ESG Rating Select 100 and EMU ESG Rating Select 50.

Source: MSCI

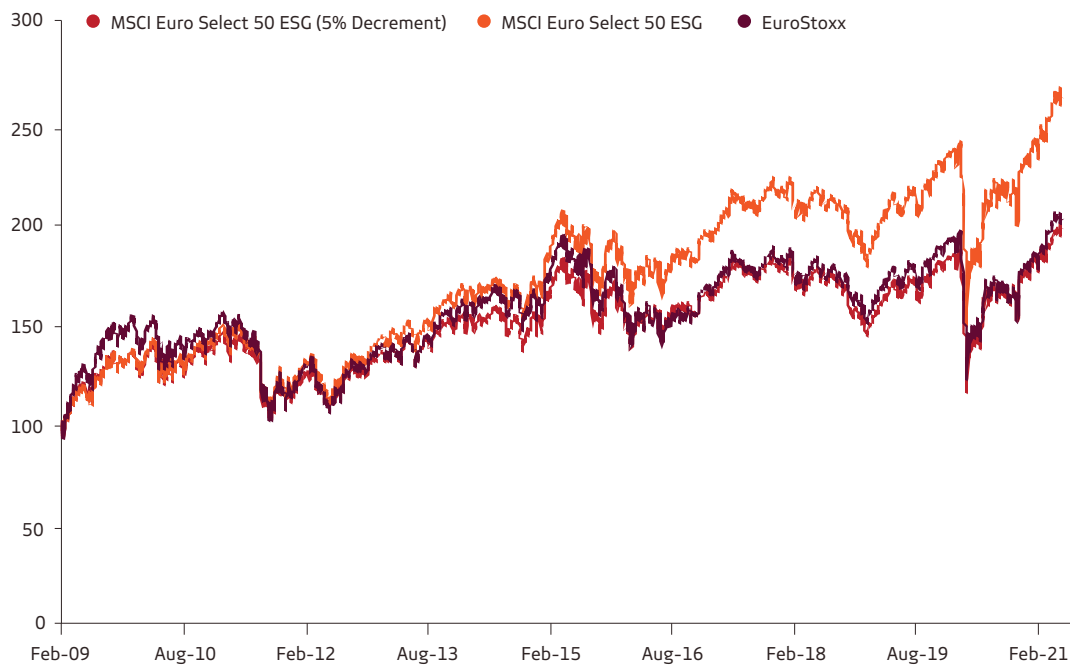
MSCI USA ESG Rating Select 100 Decrement 4% Index (USD)



Year	MSCI USA ESG Rating Select 100 Decrement 4%	S&P 500
20	25.71%	16.26%
19	28.58%	28.88%
18	-5.78%	-6.24%
17	16.41%	19.42%
16	7.37%	9.54%
15	-5.72%	-0.73%
14	10.72%	11.39%
13	26.25%	29.60%
12	7.63%	13.40%
11	18.00%	0.00%
10	5.82%	12.78%

Source: MSCI

MSCI EMU ESG Rating Select 50 Decrement 5% Index



Year	MSCI EMU ESG Rating Select 50 Decrement 5%	S&P500
20	-2.11%	-5.14%
19	24.48%	24.78%
18	-16.6%	-14.34%
17	6.19%	6.49%
16	2.12%	0.70%
15	6.51%	3.85%
14	-1.03%	1.20%
13	16.57%	17.95%
12	13.71%	13.79%
11	-14.75%	-17.05%
10	0.72%	-5.81%

Source: MSCI

Note Summary

Note Type:	Autocall
Investment Term:	A Maximum of 6 years
Underlying Indices:	MSCI EMU ESG Rating Select 50 Decrement 5% Index MSCI USA ESG Rating Select 100 Decrement 4% Index (USD)
Issuer of the Securities:	International Investment grade bank (S&P Global long-term credit rating of A or better)
Potential Investment Return:	Target of 10% + annual coupon payable only if note kicks out
Currency:	USD
Autocall Barrier (kicks out level):	The note will Autocall if the worst performing Underlying Index is at our above 100% of strike level is achieved, from 3 the observation date
Capital Protection:	The investor will suffer a loss of capital, should the worst performing Underlying Index fall below the risk barrier (60% of strike) at the maturity date
Issue Date:	25 June 2021
Early Withdrawal:	If the Notes are sold or redeemed prior to maturity, the value received may be less than the amount initially invested
Minimum Investment Value:	\$50 000

*For additional information, refer to the material above. Alternatively, direct all enquiries to your Investment specialist prior to investing in the Note.

Important information about the Investment

About Absa Bank Limited

Absa Bank Limited is a leading African bank. We have been serving clients locally for more than 100 years and we have one of the largest distribution networks across Africa. As a winner of major banking awards, we have the capacity to meet your in-country needs and deliver a wealth of local knowledge.

Absa Corporate and Investment Banking has a diverse footprint that extends from Cape Town to London, serving clients across 12 countries and is an award-winning provider of structured products.

Tax implications

The tax implications of this product can be complex and depends on the facts and circumstances of each investor. Please obtain your own tax advice, relevant to your circumstances, prior to investing.

Fees and charges

Only a Financial Adviser Fee of 2.30% (incl. VAT) is priced into the product and paid by the issuer of the Note to Absa Bank Ltd as distributor of the note. Platform, custody and administration fees will be paid separately by the client at a rate of dependent on the provided selected.

If iTransact is selected as provider the fee of 0.80% (incl. VAT) would be levied against the amount allocated.

Important information and disclaimer

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Investor Declaration

The Investor hereby confirms that they have read and understood the information contained in this Brochure as it relates to the World Impact Autocall Thematic Autocall.

Investor full name

Date (dd-mm-ccyy)

Signed at

Signature of Investor (or duly authorised person/s for minor Investors)

Date (dd-mm-ccyy)

Signature of Contact Person or Legal Guardian

Date (dd-mm-ccyy)

Signature of authorised and mandated Financial Adviser

Date (dd-mm-ccyy)

Contact us

Investor

If you have any questions about this Investment or any other Absa investments, please contact your financial adviser.

Complaints

Please contact your financial adviser or our compliance officer on:

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