

Corporate and Investment Banking

# JSE Top 40 Growth Note

***(ZAR) - Issue** AL1 **(Wrapped)***

***For use within the Absa Life Linked Endowment Policy***

Your story matters

cib.absa.africa

## Uncapped Access to the Top 40. Protect Your Capital.

### About the Investment

**Investment type:** Linked long-term insurance policy ('policy').

The JSE Top 40 Growth Note (ZAR) is a five-year investment that offers 100% capital protection at maturity, together with participation in the uncapped performance of the **FTSE/JSE Top 40 Index**, one of South Africa's most recognised equity benchmarks.

The product is made available through the Absa Life Limited Linked Endowment Policy and is designed for investors seeking exposure to leading JSE listed South African companies while preserving their capital at maturity.

**100% Capital Protection in ZAR**
On your initial capital regardless of performance of the underlying index.

**Local Equity Sector Diversification**
The full investment is linked to the performance of the JSE Top 40 Index.

**Term to Maturity**
A 5-year investment.

**Minimum Investment Size**
ZAR 100 000 (One Hundred South African Rands).

**Investment Vehicle**
Linked Endowment.

**FAIS License Category**
Financial advisers must be Fit and Proper for the relevant product categories as follows:
**Investing via the linked endowment life policy:**
1.4 Long-Term Insurance Category C

**Currency**
South African Rand (ZAR).

## Important Dates and Rates

**Application Open Date:**
09 November 2026

**Application Close Date:**
08 December 2026

**Investment Start Date:**
15 December 2026

**Investment Maturity Date:**
15 December 2031

**Participation Rate:** 100%

The Participation Rate is presented after deducting adviser, administration, and insurer fees.

## About the Investment

### Investment Objective(s)

The JSE Top 40 Growth Note (ZAR) is designed for investors seeking exposure to South Africa's largest listed companies without sacrificing capital protection. Over a five-year term, the investment provides 100% capital protection at maturity together with participation in the uncapped performance of the **FTSE/JSE Top 40 Index**, which tracks the 40 largest companies on the JSE by market capitalisation.

The FTSE/JSE Top 40 Index offers diversified exposure to South Africa's best performing businesses across a range of sectors, providing a simple way to participate in the long-term growth potential of the local equity market.

### After five years, you will receive back:

- 100% of your initial capital back, regardless of market performance.
- If the index delivers a positive return, your capital plus the applicable uncapped positive index growth.
- If the index return is negative, your full initial investment amount back.

### Currency Risk

The FTSE/JSE Top 40 Index is denominated in South African rand (ZAR) and your investment is also in ZAR. As a result, investment returns are driven by the performance of the underlying South African equities and are not directly impacted by foreign exchange movements.

### Capital Protection

After five years, if the index return is positive, investors will receive their full Investment Amount back plus uncapped positive index growth. If the index return is negative, investors will receive 100% of their invested capital back.

### Participation Rate (PR)

The Participation Rate determines how much of the positive performance of the FTSE/JSE Top 40 Index is passed on to investors. For this investment, a 100% Participation Rate means investors receive 100% of the uncapped positive index return over the investment term.

If the index delivers a positive return, investors will receive their full initial capital plus the full positive index performance. If the index return is zero or negative, investors will receive 100% of their initial capital back at maturity.

### The Index

The **FTSE/JSE Top 40 Index** is a market capitalisation-weighted index comprising the 40 largest companies in the FTSE/JSE All Share Index. The index provides diversified exposure to South Africa's best performing listed businesses across sectors including financials, resources, telecommunications, consumer goods, healthcare, industrials and real estate. The index is calculated on a Price Return basis, meaning dividends paid by constituent companies are not reinvested and therefore do not contribute to index performance. Returns are driven solely by movements in the share prices of the underlying constituents.

The index factsheet can be found on the structured products website or ask your financial adviser to provide you with a copy.

## Index Performance Calculation

### Initial Index Level (i)

The level of the Index on the Investment Start Date at the valuation time as determined by the calculating agent.

### Final Index Level (f)

The arithmetic average of four monthly levels of the index will be taken over the last four months of the Investment term, at Valuation Times as determined by the Calculation Agent. These dates will be available on the term sheet posttrade and will be made available to investors upon request.

### Index Performance (IP)

IP = (f-i)/i

### Valuation Time

The time at which the official closing level of an index is calculated and published.

## Final Redemption Amount

### Final Redemption Amount calculation:

FRA = Investment Amount x (100% + PR x MAX [0%; IP])

PR= Participation Rate
IP = Index Performance

## About the Product Providers

### Product Issuer

Absa Bank Limited.

### Issuer credit rating

Absa Bank Limited provides the capital protection of your Investment. They are rated by Moody's National as Aaa.za and by S&P National as zaAAA at the time of the preparation of this document.

### Administrator

Most LISPs or Stockbrokers in South Africa could be the Administrator of the Investment. Please contact them to confirm if they can offer this service and for valuations, settlements and any administrative queries and full terms and conditions.

### Product (Policy) Provider

Absa Life Limited is the long term insurer. Please refer to your quotation and policy terms and conditions.

## Fees and charges (paid upfront)

### Investment Amount

All fees below are integrated into the structure of the Investment, so the calculated returns will be based on 100% of the money invested.

| | |
|---|---|
| Financial Adviser Fee | 2.875% (incl VAT) |
| Administration Fee | 1.50% (incl VAT) |
| Insurer's Fee | 1.00% |
| **Total Fees** | **5.375% (incl VAT)** |

## FAIS License Category

Financial advisers must be Fit and Proper for the relevant product categories as follows:

**Investing via the linked endowment life policy:**
1.4 Long-Term Insurance Category C

# Example return scenarios

The return scenario below illustrates how the Investment would work based on an Investment Amount of R 100 000 after 5 years factoring a Participation Rate of 100%in any positive index growth. These are for illustrative purposes only and are based on the assumption that no early withdrawals are made and are pre any tax implications.

| Scenarios | Investment Amount | Initial Level | Final Index Level at 5Y | Index Performance | Index Returns | Investment Payout |
|---|---|---|---|---|---|---|
| Consistent Positive Markets | R100 000 | 110 000 | 220 000 | 100% | 100% | R200 000 = R100 000 *(100%+100%) |
| Volatile Markets | R100 000 | 110 000 | 280 000 | 154.55% | 154.55% | R254 550 = R100 000 *(100% + 154.55%) |
| Flat Markets | R100 000 | 110 000 | 120 000 | 9.09% | 9.09% | R109 090 = R100 000 *(100%+9.09%) |
| Consistent Negative Markets | R100 000 | 110 000 | 105 000 | -4.55% | 0% | R100,000 = R100,000 *(100%+0.00%) |

***The final index return is calculated based on the average of four months index levels leading to maturity including the maturity date, and the 110 000 (initial index level) multipled by the participation rate.*

Source: Absa, Corporate and Investment Banking, October 2026

# Other important information

### Early Redemptions

Your investment is designed to be held until maturity. Please note that any early withdrawal (prior to the investment's final maturity date) will be processed at the prevailing market value of the investment. As a result, you may receive less than your initial investment amount. Any withdrawal request must be made in accordance with the terms and conditions of the policy. Daily valuations are available on the Structured Products website and are also published on the JSE. These valuations are based on the mark-to-market (MtM) value of the investment and reflect factors such as prevailing interest rates, index performance, and other relevant market conditions.

### Tax implications of the product

The tax treatment of this investment will depend on the specific circumstances of the individual investor and may change over time. As returns are linked to the performance of the underlying index and are not guaranteed upfront, any gains realised may be treated differently from interest income for tax purposes, depending on the applicable tax rules and the investor's circumstances.

This information is provided for general informational purposes only and does not constitute tax advice. Investors should seek independent professional tax advice before investing.

### Cooling-off Period

You have a 31- (thirty one) calendar day cooling-off period (the "Cooling-off Period") from investment start date in which to change your mind about your Investment.

If you change your mind within this period, we will sell the at market value and pay you this plus any financial adviser fees that have been included in the cost of the Investment. This value may be lower than your initial Investment Amount.

If you surrender your Investment after the Cooling-off Period, we will sell the instruments and pay you the current market value. This will be seen as an Early Redemption – see section above.

# Important information about the Investment

## About Absa the Issuer

Absa Bank Limited ('Absa'/'the Issuer') 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 Cairo, serving clients across 14 countries and is an award-winning provider of structured products.

This Investment is issued and the capital protection provided by Absa. Banks and other issuers of investments are assigned credit ratings to indicate to investors how capable they are of meeting any payments due to holders of investments. (See 'Credit Risk' section). Current credit ratings are detailed in the Investment Schedule.

# Investor Declaration

The Investor hereby confirms that they have read and understood the information contained in this Investment Schedule.

Signed at

Investor full name

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)

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