

**ABSA BANK LIMITED**

*(incorporated in the Republic of South Africa with limited liability under company registration number 1986/004794/06)*

**Issue of ZAR50,000,000 Capped Inverse Floating Rate Notes due May 2024  
under its ZAR40,000,000,000 Master Structured Note Programme approved by the JSE Limited t/a the Johannesburg Stock Exchange**

This Applicable Pricing Supplement must be read in conjunction with the Master Structured Note Programme Memorandum dated 7 November 2018 and registered with the JSE on or about 31 October 2018, as amended and/or supplemented from time to time (“the Master Programme Memorandum”).

Any capitalised terms not defined in this Applicable Pricing Supplement have the meanings ascribed to them in Section II-A of the Master Programme Memorandum headed “*Terms and Conditions of the Notes*”, as amended by the Applicable Product Supplement.

This document constitutes the Applicable Pricing Supplement (“this Applicable Pricing Supplement”) relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as replaced, amended and/or supplemented by the Applicable Product Supplement and/or this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the provisions of this Applicable Pricing Supplement and the provisions of the Master Programme Memorandum and/or the Applicable Product Supplement, the provisions of this Applicable Pricing Supplement will prevail for purposes of the Notes described herein.

This Applicable Pricing Supplement supersedes any previous pricing supplement, confirmation, term sheet or other communication with respect to the Notes described herein.

The Holders of the Notes should ensure that: (i) they fully understand the nature of the Notes and the extent of their exposure to risks, and (ii) they consider the suitability of the Notes as an investment in the light of their own circumstances and financial position.

The Notes involve a high degree of risk, including the risk of losing some or a significant part of the Noteholder’s initial investment. A Noteholder should be prepared to sustain a total loss of its investment in the Notes. The Notes represent general, unsecured, unsubordinated, contractual obligations of the Issuer and rank *pari passu* in all respects with each other.

Noteholders are reminded that the Notes constitute obligations of the Issuer only and of no other person. Therefore, potential Noteholders should understand that they are relying on the credit worthiness of the Issuer.

<b>DESCRIPTION OF THE NOTES</b>	
1. Issuer:	Absa Bank Limited
2. Status of Notes:	Unsubordinated and Unsecured. (The default status of the Notes under the Master Structured Note Programme is 'unsubordinated and unsecured' per Condition 5 ( <i>Status of Notes</i> ) on page 37 of the Master Programme Memorandum.)
3. Issuance Currency:	ZAR (South African Rand)
4. Series Number:	2021-58
5. Tranche Number:	1
6. Aggregate Nominal Amount:	
(a) Series:	ZAR50,000,000.00
(b) Tranche:	ZAR50,000,000.00
7. Interest:	Interest-bearing
8. Interest Payment Basis:	Floating Rate
9. Form of Notes:	Registered Listed Notes: The Notes in this Tranche are issued in uncertificated form and held by the CSD.
10. Trade Date:	29 April 2021
11. Issue Date:	06 May 2021
12. Specified Denomination:	ZAR1,000,000 per Note.
13. Issue Price:	100%
14. Interest Commencement Date:	Issue Date
15. Maturity Date:	06 May 2024
16. Applicable Business Day Convention:	Following Business Day
17. Final Redemption Amount:	ZAR50,000,000
18. Last Dates to Register:	The 11 <sup>th</sup> calendar day before the Interest Payment Dates i.e 26 July, 26 October, 26 January and 25 April of every calendar year until the Maturity Date , subject to adjustment in accordance with the Applicable Business Day Convention.

19. Books Closed Periods:	The Register will be closed for a period of 10 calendar days before the Interest Payment Date i.e. 27 July, 27 October, 27 January and 26 April of every calendar year until the Maturity Date, subject to adjustment in accordance with the Applicable Business Day Convention.
20. Value of aggregate Nominal Amount of all Notes issued under the Structured Note Programme as at the Issue Date:	ZAR 36,696,201,408.63
<b>FLOATING RATE NOTES</b>	
21. (a) Floating Interest Payment Dates:	06 August, 06 November, 06 February and 06 May of every calendar year during the term of the Notes, commencing on 06 August 2021 and ending on the Maturity Date or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention.
(b) Minimum Interest Rate:	0% per cent per annum
(c) Maximum Interest Rate:	Not Applicable
(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision):	<p>In respect of each Note, the interest amount for each Interest Period will be determined and calculated by the Calculation Agent in accordance with the following formula:</p> $I = SD * ("FIX" - "FIR") * DCF$ <p>Where:</p> <p>“I” means the relevant Interest Amount per Note taking into account that the Interest Amount shall at all times be floored at R0.00;</p> <p>“SD” means the Specified Denomination per Note;</p> <p>“FIX” means 10.35%;</p> <p>“FIR” means the Floating Interest Rate, being the Reference Rate;</p> <p>“DFC” means the Day Count Fraction being Act/365 (Fixed); and</p> <p>“*” means “multiplied by”.</p>

(d)	Manner in which the Interest Rate is to be determined:	Screen Rate Determination
(e)	Margin:	0%
(f)	If Screen Determination:	
(i)	Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated)	ZAR-JIBAR-SAFEX (3 months)
(ii)	Interest Rate Determination Dates:	The first Interest Determination Date will be the Issue Date i.e. 06 May 2021. Thereafter, every 06 August, 06 November, 06 February and 06 May of every calendar year until the Maturity Date, subject to adjustment in accordance with the Applicable Business Day Convention.
(iii)	Relevant Screen Page and Reference Code:	Reuters Page "SAFEY" (Page number ZA01209)
(g)	Calculation Agent responsible for calculating amount of principal and interest	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
(k)	Interest Period	Each period commencing on (and including) an Interest Payment Date and ending on (but excluding) the following Interest Payment Date; provided that the first Interest Period will commence on (and include) the Interest Commencement Date and end on (but exclude) the following Interest Payment Date (each Interest Payment Date as adjusted in accordance with Following Business Day Convention).
<b>PROVISIONS REGARDING REDEMPTION/MATURITY</b>		
22.	Redemption at the option of the Issuer:	No
23.	Redemption at the Option of Noteholders:	No

24. Early Redemption Amount(s) payable on redemption for taxation reasons or Change in Law or on Event of Default (if required):	Yes
If yes:	
(a) Method of calculation of amount payable:	<p>An amount in ZAR determined and calculated by the Calculation Agent (which amount will not be less than zero), acting in its sole and absolute discretion and in a commercially reasonable manner, equal to the sum of:</p> <ul style="list-style-type: none"> <li>(i) the ZAR amount equal to the market value of USD funding instrument(s) actually entered into by the Issuer in respect of or in relation to the Notes less any and all costs, losses and/or expenses, funding and liquidity charges howsoever incurred and/or suffered by the Issuer in closing out, settling or unwinding the relevant funding instruments as a result of the early redemption of the Notes, and</li> <li>(ii) the ZAR amount equal to the market value of the USDZAR cross-currency basis swap actually entered into by the Issuer in respect of or in relation to the Notes less any and all costs, losses and/or expenses howsoever incurred and/or suffered by the Issuer in closing out, settling or unwinding the relevant hedging instruments as a result of the early redemption of the Notes.</li> <li>(iii) A ZAR amount equal to the market value of ZAR interest rate cap transaction actually entered into by the Issuer in respect of or in relation to the Notes less any and all costs, losses and/or expenses howsoever incurred and/or suffered by the Issuer in closing out, settling or unwinding the relevant hedging instruments as a result of the early redemption of the Notes.</li> </ul>
<b>GENERAL</b>	
25. Financial Exchange	JSE Limited t/a The Johannesburg Stock Exchange
26. Settlement, Calculation & Paying Agent	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
27. Calculation Agent City	Johannesburg

28.	Specified office of the Settlement, Calculation & Paying Agent	15 Alice Lane Sandton 2196 Gauteng South Africa
29.	Provisions relating to stabilisation	Not Applicable
30.	Stabilising manager	Not Applicable
31.	Additional selling restrictions	Not applicable
32.	ISIN No.	ZAG000176132
33.	Stock Code	ASN613
34.	Method of distribution	Private placement
35.	If syndicated, names of Managers	Not Applicable
36.	If non-syndicated, name of Dealer	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
37.	Governing law:	Law of the Republic of South Africa
38.	Pricing Methodology:	Standard JSE pricing methodology
39.	Other provisions:	<p>(i) The Notes will be inward listed securities listed on the JSE in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank</p> <p>(ii) Condition 9 titled “Taxation” in the section II-A of the Master Programme Memorandum titled “Terms and Conditions of the Notes” is amended in relation to this Tranche of Notes by:</p> <p>(a) the replacement of the phrase after the dash in Condition 9.3 with the phrase “provided that this exception will only apply to that portion of the withholding or deduction which could lawfully have been so reduced”,</p> <p>(b) the deletion of Condition 9.8, and</p> <p>(c) the insertion of the following additional paragraphs immediately after Condition 9.7:</p> <p>“9.8 where such withholding or deduction is imposed on a pay-</p>

	<p>ment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC (or any other directive implementing the conclusions of the 2312th Economic and Financial Affairs Council (ECOFIN) meeting of 26 and 27 November 2000) on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such directive; or</p> <p>9.9 held by or on behalf of a Noteholder in circumstances where such party could lawfully reduce the amount of taxation otherwise levied or leviable upon the principal or interest by virtue of any tax treaty or non-South African tax laws applicable to such Noteholder, whether by way of a tax credit, rebate deduction or reduction equal to all or part of the amount withheld or otherwise, and whether or not it is actually claimed and/or granted and/or allowed; or</p> <p>9.10 in respect of any present or future taxes, duties, assessments or governmental charges of whatever nature which are payable otherwise than by withholding from payment of principal or interest, if any, with respect to such Note; or</p> <p>9.11 where any combination of the scenarios or occurrences contemplated in Conditions 9.1 to 9.10 above occur.</p> <p>The Issuer is not liable for or otherwise obliged to pay any taxes that may arise as a result of the ownership, transfer or redemption of any Note.</p> <p>If the Issuer becomes subject generally at any time to any taxing jurisdiction,</p>
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	authority or agency other than or in addition to South Africa, references in Conditions 8.2 (Redemption for Tax Reasons or due to a Change in Law) and 9 (Taxation) to South Africa will be read and construed as references to South Africa and/or to such other jurisdiction, authority or agency.”
40. Issuer Central Securities Depository Participant (CSDP):	Absa Bank Limited
41. Issuer Rating on Issue Date:	Issuer Rating: zaAA being the National Long-Term Credit Rating as assigned by Standard & Poor’s on 26 November 2019 and to be reviewed by Standard & Poor’s from time to time.
42. Debt Listing Requirements:	In accordance with Section 4.17 of the Debt Listing Requirements, the Issuer confirms that the Programme Amount has not been exceeded at the time of the issuing of the Notes.
43. Material Change in Financial or Trading Position	The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or trading position of the Issuer and its subsidiaries since the date of the Issuer’s audited financial statements for the twelve months ended 31 December 2020. This statement has not been confirmed nor verified by the auditors of the Issuer.

### Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that this Applicable Pricing Supplement contains all information required by law and the JSE Debt Listing Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Applicable Pricing Supplement and the annual financial report of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE’s approval of the registration of the Programme Memorandum and listing of the debt securities is not to be taken in any way as an indication



of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Application is hereby made to list this issue of Notes 06 May 2021 for and on behalf of

**ABSA BANK LIMITED**

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Name:

Capacity:

Date:

Who warrants his/her authority hereto

\_\_\_\_\_  
Name:

Capacity:

Date:

Who warrants his/her authority hereto