

Corporate and Investment Banking



APPLICABLE PRICING SUPPLEMENT

ABSA BANK LIMITED

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

Issue of ZAR 100,000,000 Credit-Linked Notes due 29 August 2023 : LEC/P/07/2019

under its ZAR40,000,000,000 Master Structured Note Programme approved by the JSE Limited t/a The Johannesburg Stock Exchange and the Stock Exchange of Mauritius Limited ("SEM")

The Noteholder must read this Applicable Pricing Supplement in conjunction with (i) the Master Structured Note Programme Memorandum, dated 27 October 2015, which the JSE Limited t/a The Johannesburg Stock Exchange ("JSE") approved on or about 09 November 2018, as amended and/or supplemented from time to time ("the Master Programme Memorandum") and (ii) the supplemental memorandum dated 29 November 2013 approved by the Stock Exchange of Mauritius Limited on or about 29 November 2013, as amended and/or supplemented from time to time (the "**Mauritius Supplemental Memorandum**") prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

Any capitalised term not defined in this Applicable Pricing Supplement has the meaning ascribed to it in Schedule 1 (Glossary of Terms) to Section II-A (Terms and Conditions of the Notes) of the Master Programme Memorandum. This document constitutes an Applicable Pricing Supplement relating to the Notes described herein issued by the Issuer. The Notes described herein are subject to the Terms and Conditions of the Notes, as replaced, amended and/or supplemented by this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency

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between the provisions of this Applicable Pricing Supplement and the provisions of the Master Programme Memorandum, the provisions of this Applicable Pricing Supplement will prevail for purposes of the Notes which are governed by it.

This Applicable Pricing Supplement supersedes any previous term sheet, pricing supplement, confirmation, or other communication in respect of the Notes described below. By purchasing the Notes, the Noteholder acknowledges and confirms that: (i) it fully understands the nature of the Notes and the extent of their exposure to risks under and imbedded in the Notes, and (ii) it had considered the suitability of the Notes as an investment in the light of its 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 must 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.

DESCRIPTION OF THE NOTES	
1. Issuer:	Absa Bank Limited
2. Applicable Product Supplement:	2014 Credit Linked Note Applicable Product Supplement contained in Section IV-B of the Master Programme Memorandum.
3. 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 (Status of Notes) of the Master Programme Memorandum.)
4. Listing:	Listed Notes
5. Issuance Currency:	ZAR (South African Rand)
6. Series Number:	2019 –58
7. Tranche Number:	ASN.008
8. Aggregate Nominal Amount:	<p>(i) The Initial Aggregate Nominal Amount is 100 000,000 (One Hundred Million Rand Million South African Rand).</p> <p>(ii) On the relevant dates specified below and subject to the Issuer actually receiving payments from the Reference Entity of the relevant amounts, the initial Aggregate Nominal Amount will reduce in line with the partial repayments of the principal amount of the Reference Obligation by the</p>

	Reference Entity actually received by the Issuer in respect of the Reference Obligation held by the Issuer.
(a) Per Series:	As per paragraph 6 above.
(b) Per Tranche:	As per paragraph 7 above.
9. Interest:	Interest-bearing
10. Interest Payment Basis:	Floating Rate
11. Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another:	Not Applicable
12. Form of Notes:	Registered Listed Notes: The Notes in this Tranche are issued in uncertificated form and lodged in the Central Depository & Settlement Co. Ltd.
13. Issue Date:	29 August 2019
14. Trade Date:	22 August 2019
15. Specified Denomination:	ZAR1,000,000.00 per Note.
16. Issue Price:	100% (all-in price: ZAR100 ,000,000)
17. Interest Commencement Date:	The Issue Date
18. Interest Amount Adjustment	If any amount paid in respect of the Reference Obligation in respect of a Interest Period, whether made in part or in full, is required by law or otherwise to be paid or returned to the Reference Entity or any other person (including, without limitation, any bankruptcy trustee or paying agent for the Reference Entity), or if the Issuer pays an Interest Amount but fails (or would have failed had it been a holder of the Reference Obligation) to receive the corresponding amount of interest due in respect of the Reference Obligation in whole (the amount of such shortfall, hereinafter referred to as a "Coupon Amount Deduction"), the amount of such Coupon Amount Deduction must be repaid by the Noteholder to the Issuer within two (2) Business Days of demand by the Issuer. However, if the Noteholder fails to pay such

	amount on demand, the Issuer will in respect of each Note on each following Floating Interest Payment Date withhold the payment of the relevant Interest Amount until such time as the Issuer has received payment in full from the Reference Obligation in respect of such Coupon Amount Deduction. Should the Notes redeem for any reason whatsoever prior to the Coupon Amount Deduction being repaid to the Issuer, this amount will be deducted from the Final Redemption Amount, the Credit Event Redemption Amount or CLN Cash Settlement Amount as applicable, or be part of the Settlement Expenses in the case of Physical Settlement.
19. Reference Entity Obligation Maturity Date:	29 August 2023
20. Maturity Date:	<p>The earlier to occur of the date occurring two (2) Business Days after (as determined by the Issuer in its sole discretion):</p> <ul style="list-style-type: none"> (i) the date on which the Issuer actually receives payment of the final repayment of the principal amount of the Reference Obligation on or after the Reference Obligation Maturity Date; and (ii) the date on which the Issuer actually receives the prepayment in full of all outstanding amounts payable at the time of prepayment in respect of the Reference Obligation, <p>subject to a Relevant Event Determination Date occurring during the Notice Delivery Period and, provided that all principal, interest, fees and any other applicable payments in respect of the Reference Obligation are actually received in full by the Issuer as holder (the "Relevant Holder") of the Reference Obligation.</p> <p>"Reference Obligation Maturity Date" means 29 August 2023.</p>
21. Applicable Business Day Convention:	Following Business Day Convention
22. Final Redemption Amount:	Provided that the Notes have not been



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	redeemed prior to the Maturity Date of the Notes, on the Maturity Date of the Notes, the Final Redemption Amount will be the then outstanding Aggregate Nominal Amount, determined by the Issuer always provided that the Reference Entity had actually paid and the Issuer had actually received such partial principal repayment amounts in full in accordance with the principal amount repayment provisions of the applicable pricing supplement of the Reference Obligation.
23. Last Date to Register:	The 11 th (eleventh) calendar day before each Floating Interest Payment Date, i.e. the 20 th of November, 20 th of February, 20 th of May and the 20 th of August each year commencing on the Issue Date and ending on the Maturity Date.
24. Books Closed Periods:	The Register will be closed for a period of 10 (ten) calendar days prior to each Floating Interest Payment Date and prior to the Maturity Date, i.e. each of the following periods, the 21 st of November to the 01 st of December, the 21 st of February to the 02 nd of March, the 21 st of May to the 31 st of May and the 21 st of August to the 31 st of August, the first 10 calendar days period being the 21 st of November 2019 to the 01 st of December, 2019 and the last period being the 21 st of August 2023 to the 31 st of August.
25. Interest Period(s)	Means 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 29 th of August to 29 th of November, 29 th of November to 28 th of February, 28 th of February to 29 th of May and 29 th of May to 29 th of August (each Interest Payment date as adjusted in accordance with the applicable Business Day Convention)
26. Value of aggregate Nominal Amount of all Notes issued under the	ZAR 20,043,154,695.25

Structured Note Programme as at the Issue Date:	
FLOATING RATE NOTES	Applicable
(a) Reference Obligation Floating Interest Payment Dates:	In terms of the applicable pricing supplement of the Reference Obligation, the floating interest payment dates of the Reference Obligation are each the 29 th of November, 28 th of February, 29 th of May and 29 th of August of each calendar year during the period commencing on Issue Date and ending on the scheduled Maturity Date, each such day being subject to adjustment in accordance with the Following Business Day Convention.
(b) Floating Interest Payment Dates of these Notes:	<p>Each day that is two (2) Business Days after each Reference Obligation Floating Interest Payment Date (as specified above) during the period commencing on the 2nd Business Day following the 29th of November, 28th of February, 29th of May and 29th of August, subject to the absence of any prior redemption date due to any early redemption (however described) applicable to the Notes on or before the scheduled Maturity Date.</p> <p>The Issuer will pay to each Noteholder in respect of each Note on each Floating Interest Payment Date an amount equal to the amount (if any) actually received by way of interest payments from the Reference Entity calculated in respect of the then outstanding principal amount of the Reference Obligation during the relevant Interest Period (as defined below) ending on (but excluding) such Reference Obligation Floating Interest Payment Date, divided by the number of Notes outstanding (in respect of such Interest Period).</p>
(c) Minimum Interest Rate:	Not Applicable
(d) Maximum Interest Rate:	Not Applicable
(e) Other terms relating to the method of calculating interest	The Issuer has no obligation to make any Interest Amount Payments to any Noteholder



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(e.g.: Day Count Fraction, rounding up provision):	<p>unless and until the Issuer as holder of the Reference Obligation has actually received from the Reference Entity the corresponding interest payment in accordance with the provisions of the applicable pricing supplement of the Reference Obligation. The same principle applies to any other payments, such as voluntary prepayment fees, in relation to the Reference Obligation. For clarity purposes, the Issuer will pay on each Floating Interest Payment Date an amount equal to the relevant interest payment actually received from the Reference Entity in respect of the Reference Obligation.</p> <p>The Issuer records that in terms of the applicable pricing supplement of the Reference Obligation, the interest amount paid by the Reference Entity to holders of the Reference Obligation is calculated by using 3 month JIBAR and adding to it a spread of 465 bps (or Four Hundred and Sixty Five basis points or 4.65%.</p>
(f) Manner in which the Interest Rate is to be determined:	As specified in the Reference Obligation.
(g) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated):	ZAR-JIBAR-SAFEX (3 months)
(h) Spread:	435 basis points to be added to the relevant Reference Rate
(i) 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.
CREDIT-LINKED FEATURES OF THE NOTES:	
CREDIT EVENT REDEMPTION:	
27. Type of Credit Linked Note:	Single Name CLN
28. Redemption at Maturity:	Final Redemption Amount



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29. Redemption following the occurrence of a Credit Event:	Applicable
30. Extension interest:	Not Applicable
31. Reference Entity:	Umuzi Finance (Rf) Limited Registration Number : 2016/041986/06
32. Reference Obligation(s):	<p>In respect of the Reference Entity, the obligation summarised as follows:</p> <p>Primary Obligor: Subscription Agreement between the Reference Entity and the Issuer dated 22 August 2019, and specifically the Senior Debt Instrument therein created in terms of the Applicable Pricing Supplement dated 22 August 2019.</p> <p>Maturity: 29 August 2023</p> <p>Original Issue Amount: ZAR100,000,000</p> <p>Ticker : UFS013U</p>
33. Issuer's holding of the Reference Obligation:	<p>The Issuer will hold the Reference Obligation during the period that these Notes remain outstanding in order to hedge its obligations in respect of these Notes. The Issuer will not pledge or outright transfer the Reference Obligation in security to any other person or entity. The Issuer will only dispose of its interest in such Reference Obligation if such disposal arises in connection with redemption of these Notes on or prior to the scheduled Maturity Date in accordance with their terms (including any early redemption, howsoever described).</p> <p>In the event of an Issuer default, the Issuer agrees to physically settle and deliver the Reference Obligation to the Noteholder</p>
34. All Guarantees:	Applicable
35. Reference Price in respect of the Credit-Linked features of the Notes:	100 per cent
36. Conditions to Settlement:	<p>Credit Event Notice: Applicable</p> <p>Notice of Physical Settlement: Applicable</p> <p>Notice of Publicly Available Information: Not Applicable</p> <p>Public Sources of Publicly Available</p>

	Information: Not Applicable
37. Credit Events:	<p>The following Credit Events apply:</p> <p>Bankruptcy</p> <p>Failure to Pay</p> <p style="padding-left: 40px;">Grace Period Extension: Applicable</p> <p style="padding-left: 40px;">Payment Requirement: ZAR1,000,000.00 or its equivalent in the relevant Obligation Currency determined as of the occurrence of the relevant Failure to Pay</p> <p>Obligation Default</p> <p>Obligation Acceleration</p> <p>Repudiation/Moratorium</p> <p>Restructuring</p> <p>Default Requirement: ZAR1,000,000.00 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event.</p>
38. Obligation(s):	<p>Obligation Category: Reference Obligation Only</p> <p>Obligation Characteristics: None</p>
39. Excluded Obligations (if any):	None
40. Credit Event Accrued Interest:	Applicable
41. Issuer CLN Settlement Option:	Not Applicable
42. CLN Settlement Method:	Physical Settlement
43. Fallback CLN Settlement Method:	Cash Settlement
Terms Relating to Cash Settlement:	
44. Final Price:	To be determined as specified in the 2014 Credit Linked Conditions.
45. CLN Valuation Date:	Single CLN Valuation Date
46. CLN Valuation Time:	As specified in and/or determined in accordance with the relevant provisions of the 2014 Credit Linked Conditions.
47. Quotation Method:	Bid
48. Quotation Amount:	Representative Amount

49.	Minimum Quotation Amount:	An amount as determined in accordance with relevant provisions of the 2014 Credit Linked Conditions.
50.	Dealer(s):	The Dealers appointed in accordance with the relevant provisions of the 2014 Credit Linked Conditions.
51.	Settlement Currency:	ZAR
52.	Credit Event Redemption Date:	Five (5) Business Days after the calculation of the Credit Event Redemption Amount.
53.	Credit Event Redemption Amount:	Means in respect of each Note an amount equal to the greater of (a) zero and (b) the CLN Cash Settlement Amount (as defined below) minus such Note's pro rata share of the Settlement Expenses.
54.	CLN Cash Settlement Amount:	Means the ZAR amount actually received by the Relevant Holder for the sale of the Reference Obligation in an amount equal to the outstanding Aggregate Nominal Amount, provided that this amount may be zero if the Reference Obligation was fully pre-paid or fully redeemed by the issuer of the Reference Obligation.
55.	Quotations:	Include Accrued Interest
56.	Valuation Method:	Market
57.	Additional Business Centre Delivery Method:	Not Applicable
58.	Other Provisions:	None
PROVISIONS REGARDING REDEMPTION/MATURITY		
59.	Redemption at the option of the Issuer:	Yes, if a Reference Obligation Early Redemption Event (as defined and contemplated in paragraph 59(a) below) occurs.
(a)	Optional Redemption Date(s):	The Issuer may redeem the Notes on any Business Day selected by the Issuer on or after the occurrence of a Reference Obligation Early Redemption Event. For purposes of the above, "Reference Obligation Early Redemption Event" means the redemption of

	the Reference Obligation by the Reference Entity as issuer of the Reference Obligation for any reason whatsoever, in whole or in part, prior to its final maturity date in accordance with, and as contemplated in, the terms and conditions of the applicable pricing supplement of the Reference Obligation, as determined by the Issuer.
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	<p>In respect of a Note, an amount determined and calculated by the Issuer, equal to the aggregate of:</p> <ul style="list-style-type: none"> (i) CLN Cash Settlement Amount (as determined and calculated by the Issuer), plus (ii) any partial or full redemption or partial or full pre-payment amounts actually received by the Issuer as the holder of the Reference Obligation (provided that such amounts have not been paid to the holder of the Note at the time of determination and calculation of the Optional Redemption Amount), minus (iii) the <i>pro rata</i> share of Settlement Expenses applicable to the Note.
(c) Minimum period of notice (if different from Condition 8.3 (<i>Redemption at the Option of the Issuer</i>)):	One (1) Business Day.
(d) If redeemable in part:	Not Applicable
(e) Other terms applicable on Redemption:	The sentence in line 2 of Condition 8.3 of the Terms and Conditions of the Notes "the Issuer may, having given not less than 15 (fifteen) nor more than 60 (sixty) calendar days' irrevocable notice to the Noteholders in accordance with Condition 16 (Notices)" is deemed to be deleted and replaced by the following sentence "the Issuer may, having given not less than 1(one) Business Day's irrevocable notice to the Noteholders in accordance with Condition 16 (Notices)" for the purposes of the Notes.
60. Redemption at the Option of Noteholders:	No

61.	Early Redemption Amount(s) payable on redemption for taxation reasons or on Event of Default (if required):	Yes
	If yes:	
(a)	Amount payable; or	Not Applicable
(b)	Method of calculation of amount payable:	In respect of a Note, an amount determined and calculated by the Issuer equal to the aggregate of: (i) the CLN Cash Settlement Amount (as determined and calculated by the Issuer), minus (ii) the <i>pro rata</i> share of Settlement Expenses applicable to the Note.
GENERAL		
62.	Financial Exchange:	The Stock Exchange of Mauritius Ltd (the "SEM").
63.	Calculation Agent	The Issuer acting through its Corporate and Investment Banking division or an affiliate thereof.
64.	Calculation Agent City:	Johannesburg
65.	Paying Agent:	MCB Registry & Securities Ltd
66.	Specified office of the Calculation Agent, Transfer Agent and Paying Agent:	Sir William Newton Street, Port Louis, Mauritius
67.	Transfer Agent:	MCB Registry & Securities Ltd
68.	Provisions relating to stabilisation:	Not Applicable
69.	Stabilising manager:	Not Applicable
70.	Additional selling restrictions:	Not Applicable
71.	ISIN No.:	N/A
72.	Stock Code:	N/A
73.	Method of distribution:	Private Placement
74.	If syndicated, names of Managers:	Not Applicable



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75. If non-syndicated, name of Dealer:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof
76. Governing law:	The laws of the Republic of South Africa
77. Pricing Methodology:	N/A
78. Other provisions:	<p>(i) Pass through of all the Reference Obligation benefits:</p> <p>All payments actually received from the Reference Entity by the Issuer as holder of the Reference Obligation, (including without limitation, interest payments, fees, prepayment penalties and swap break costs) will be paid by the Issuer to the Noteholder without material delay. The Issuer will not reinvest such payments received, except for investments in cash or cash equivalents (as defined in IAS 7 Statement of Cash Flows) during the short settlement period from the date of receipt to the date of required remittance to the holders of the Notes, in which event the interest earned on such investments will be passed to the holders of the Notes on the payment date.</p> <p>(ii) The Issuer will hold the Reference Obligation during the period commencing on the Issue Date and ending on the Maturity Date. For the duration of the Transaction, the Issuer agrees to pledge the Reference Obligation in security to the Noteholder. The Issuer will only dispose of its interest in such Reference Obligation if such disposal arises in connection with the redemption of these Notes on or prior to the Maturity Date (including any early redemption, howsoever described herein).</p> <p>(iii) Condition 9 ("Taxation") in Section II-A ("Terms and Conditions of the Notes") of the Master Programme Memorandum is deemed to be</p>

	<p>amended in relation to this Tranche of Notes by:</p> <ul style="list-style-type: none">(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”,(b) the deletion of Condition 9.8, and(c) the insertion of the following additional paragraphs immediately after Condition 9.7: “9.8 where such withholding or deduction is imposed on a payment 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 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 9.10 in respect of any present or
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	<p>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 occurs 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, authority or agency other than or in addition to the republic of 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 the Republic of South Africa and/or to such other jurisdiction, authority or agency.”</p>
79. Issuer Rating and Issue Date:	<p>Issuer National Rating: Aa1.za as assigned by Moody’s on 20 June 2018 and to be reviewed by Moody’s from time to time.</p> <p>Issuer National Rating: zaAA+ as assigned by Standard & Poor on 02 July 2018 and to be reviewed by Standard & Poor from time to time.</p>
80. Debt Listing Requirements	<p>In accordance with Section 4.22 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.</p>
81. Material Change in Financial or Trading Position	<p>The Issuer confirms that as at the date of this Applicable Pricing Supplement, there has been no material change in the financial or</p>



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	trading position of the Issuer and its subsidiaries since the date of the Issuer's latest audited financial statements for the twelve months ended 31 December 2017. This statement has not been confirmed nor verified by the auditors of the Issuer.
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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. This Applicable Pricing Supplement contains all information required by the Stock Exchange of Mauritius Ltd (SEM) Listing Rules. The Issuer accepts full responsibility for the accuracy of the information contained in this Applicable Pricing Supplement, annual financial reports, amendments to annual financial reports or any supplements from time to time.

Neither the Listing Executive Committee (LEC) of the SEM nor the SEM nor the Financial Services Commission (FSC) assumes any responsibility of the contents of this document. The LEC, the SEM and the FSC make no representation as to the accuracy or completeness of any of the statements made or opinions expressed in this document and expressly disclaim any liability whatsoever for any loss arising from or in reliance upon the whole or part thereof.

The Issuer is solely responsible for the settlement and payment of the Final Redemption Amount and not the SEM, nor the CDS, and or the Paying and Transfer Agent.

for and on behalf of

ABSA BANK LIMITED



Name: KELLY CHETTY

Capacity: PRINCIPAL

Date: 26/08/2019



Name: L. INCE

Capacity: PRINCIPAL

Date: 26/08/2019