



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 60,000,000 SAPPI Papier Holding GmbH Credit-Linked Notes due 20 December 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"), prepared by Absa Bank Limited in connection with the Absa Bank Limited ZAR40,000,000,000 Master Structured Note Programme.

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.

DESCRIPTION OF THE NOTES	
1. Issuer:	Absa Bank Limited ("Absa")
2. Applicable Product Supplement:	2014 Credit Linked Notes 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:	2020-12
7. Tranche Number:	1
8. Aggregate Nominal Amount:	
(a) Series:	ZAR 60,000,000 (Sixty Million South African Rand)
(b) Tranche:	ZAR 60,000,000 (Sixty Million South African Rand)
9. Interest:	Interest-bearing
10. Interest Payment Basis:	Floating Rate Notes
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 will be issued in uncertificated form

	and held by the CSD.
13. Issue Date:	21 February 2020
14. Trade Date:	14 February 2020
15. Specified Denomination:	ZAR1,000,000.00 per Note.
16. Issue Price:	100%
17. Interest Commencement Date	21 February 2020
18. Maturity Date:	20 December 2024
19. Applicable Business Day Convention:	Following Business Day Convention.
20. Business Days:	Johannesburg, London and TARGET
21. Final Redemption Amount:	ZAR 60,000,000 (Sixty Million South African Rand)
22. Credit Event Backstop Date:	Not Applicable
23. Last Date to Register:	The 11th (eleventh) calendar day before each Floating Interest Payment Date, i.e. each of the 9th of March, the 9th of June, the 9th of September and the 9th of December of each calendar year or if such day is not a business day then the close of business on the business day immediately preceding the first day of a books closed period during the period 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 10 th of March to the 19 th of March, the 10 th of June to the 19 th of June, the 10 th of September to the 19 th of September and the 10 th of December to the 19 th of December of each calendar year during the term of the Notes, the first 10 calendar days period being the 10 th of March 2020 to the 19 th of March 2020 and the last period being the 10 th of December 2024 to the 19 th of December 2024.
25. Value of aggregate Nominal Amount of all Notes issued under the Structured	ZAR 22,601,448,395.25

Note Programme as at the Issue Date:		
FLOATING RATE LEG:		
26.	(a) Floating Interest Payment Dates:	Means each of the 20th of March, the 20th of June, the 20th of September and the 20th of December of each calendar year during the term of the Notes, commencing on the 20th of March 2020 and ending on the 20th of December 2024, or, if such day is not a Business Day, the Business Day on which the interest will be paid, as determined in accordance with the applicable Business Day Convention (as specified in this Applicable Pricing Supplement).
	(b) Minimum Interest Rate:	Not Applicable
	(c) Maximum Interest Rate:	Not Applicable
	(d) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision):	The Day Count Fraction is Actual/365 (Fixed).
	(e) Manner in which the Interest Rate is to be determined:	Screen Rate Determination
	(f) Margin:	280 basis points (or 2.80%) to be added to the relevant Reference Rate.
	(h) 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. the, thereafter each of the 20 th of March, the 20 th of June, the 20 th of September, and the 20 th of December, in each calendar year, during the term of the Notes, commencing on the Issue Date and ending on the 20 th of September 2024.
	(iii) Relevant Screen Page	Reuters RIC <SFX3MYLD> on Reuters Page

	and Reference Code:	“SAFEY” (Page number ZA01209).
(i)	If Interest Rate to be calculated otherwise than Screen Determination, insert basis for determining Interest Rate/Margin/ Fallback provisions:	Not Applicable
(j)	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	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 following Interest Payment Date (each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention);
CREDIT EVENT REDEMPTION:		
27.	Type of Credit Linked Note:	Single Name CLN
28.	Redemption at Maturity:	Final Redemption Amount
29.	Redemption following the occurrence of Credit Events:	Applicable
30.	Extension interest:	Not Applicable
31.	Reference Entity:	Sappi Papier Holding GmbH
32.	Financial Statements of the Primary Reference Guarantor:	The financial statements of the Primary Reference Guarantor are available at: http://www.sappi-reports.co.za/results/q1-2020/index.php
33.	Standard Reference Obligation:	Applicable
34.	Reference Obligation:	The obligation identified as follows:

	<p>Reference Obligation : Sappi Papier Holding GmbH</p> <p>Maturity: 15/04/2026</p> <p>CUSIP/ISIN: XS1961852750</p> <p>Primary Reference Guarantor: SAPPI Ltd</p>
35. Transaction Type:	Standard Emerging European Corporate
36. All Guarantees:	Applicable
37. Conditions to Settlement:	<p>Applicable</p> <p>Credit Event Notice: Applicable</p> <p>Notice of Publicly Available Information: Applicable</p>
38. 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;">Grace Period: 30 calendar days</p> <p style="padding-left: 40px;">Payment Requirement: ZAR10,000,000.00</p> <p>Obligation Default</p> <p>Obligation Acceleration</p> <p>Repudiation/Moratorium</p> <p>Restructuring</p> <p style="padding-left: 40px;">Mod Mod R Applicable</p> <p style="padding-left: 40px;">Multiple Holder Obligation: Applicable</p> <p>Governmental Intervention</p> <p>Default Requirement: ZAR10,000,000.00</p>
39. Credit Event Accrued Interest:	Not Applicable
40. Obligations:	<p>Obligation Category: Bond or Loan</p> <p>Obligation Characteristics:</p> <p>Not Subordinated</p> <p>Not Domestic Law</p> <p>Not Domestic Currency</p>

	Not Domestic Issuance	
41. Excluded Obligations:	None	
42. Issuer CLN Settlement Option:	Not Applicable	
43. CLN Settlement Method:	Auction Settlement	
44. CLN Fallback Settlement Method:	Physical Settlement	
Deliverable Obligations:	Deliverable Obligation Category:	Deliverable Obligation Characteristics:
	Bond or Loan	Not Subordinated
		Specified Currency: USD
		Not Contingent
		Assignable Loan
		Consent Required Loan
		Transferable
		Maximum Maturity: 30 years
		Not Bearer
Dealers:	A dealer (other than the Issuer or the Noteholder or an Affiliate of one of the parties) in obligations of the type of the Reference Obligation for which Quotations are to be obtained as selected by the Calculation Agent acting in good faith and in a commercially reasonable manner.	
PROVISIONS REGARDING REDEMPTION / MATURITY		
45. Redemption at the option of the Issuer:	No	
46. Redemption at the Option of Noteholders: If yes:	No	

47.	Early Redemption Amount(s) payable on redemption for taxation reasons, Change in Law or on Event of Default (if required):	Yes
	If yes:	
	(a) Amount payable; or	The Early Redemption Amount determined and calculated by the Calculation Agent in accordance with Condition 8.5 of the Terms and Conditions of the Notes.
	(b) Method of calculation of amount payable:	Not Applicable
GENERAL		
48.	Financial Exchange:	JSE Limited t/a The Johannesburg Stock Exchange
49.	Calculation and Paying Agent:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
50.	Calculation Agent City:	Johannesburg
51.	Specified office of the Calculation and Paying Agent:	15 Alice Lane Sandton 2196 Gauteng Republic of South Africa
52.	Settlement Agent	Standard Chartered Bank
53.	Specified office of the Settlement Agent:	4 Sandown Valley Crescent, Sandton, South Africa
54.	Additional selling restrictions:	Not Applicable
55.	ISIN No.:	ZAG000166489
56.	Stock Code:	ASN415
57.	Method of distribution:	Private Placement

58. If syndicated, names of Managers:	Not Applicable
59. If non-syndicated, name of Dealer:	Absa Corporate and Investment Banking (a division of Absa Bank Limited) or an affiliate thereof.
60. Governing law:	The laws of the Republic of South Africa
61. Issuer Rating on Issue Date:	Issuer Rating: Aa1.za being the National Long-Term Credit Rating as assigned by Standard & Poor's on 02 July 2018 and to be reviewed by Standard & Poor's from time to time.
62. Issuer Central Securities Depository Participant (CSDP):	Standard Chartered Bank
63. Debt Listing Requirements:	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.
64. Other Provisions:	<p>Condition 9 titled "<i>Taxation</i>" in the section II-A of the Master Programme Memorandum titled "<i>Terms and Conditions of the Notes</i>" is amended in relation to this Tranche of Notes by (i) the replacement of the words after the dash in Condition 9.3 with the words "<i>provided that this exception shall only apply to that portion of the withholding or deduction which could lawfully have been so reduced</i>", (ii) the deletion of Condition 9.8 and (iii) 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 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</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</p>

	<p>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 occurs.</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, authority or agency other than or in addition to South Africa, references in Conditions 8.2 (<i>Redemption for Tax Reasons or due to a Change in Law</i>) and 9 (<i>Taxation</i>) to South Africa shall be read and construed as references to South Africa and/or to such other jurisdiction, authority or agency.”</p> <p>Inward Listing. The Notes will be inward listed securities listed on the Financial Exchange in terms of the authority granted by the Financial Surveillance Department of the South African Reserve Bank.</p>
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<p>65. Material Change in Financial or Trading Position</p>	<p>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 latest unaudited condensed consolidated interim financial results for the reporting period ended 30 June 2019. This statement has not been confirmed nor verified by the auditors of the Issuer.</p>
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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 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.

ABSA BANK LIMITED



Name: **Martin Kariuki**
Capacity: **Principal**
Date: 18/02/20



Name: **Opy Ramaremisa**
Capacity: **Principal**
Date: 18/02/20

