
APPLICABLE PRICING SUPPLEMENT (GENERAL TERMS AND CONDITIONS)

Applicable Pricing Supplement dated 28 November 2018



Standard Bank Group Limited

(Incorporated with limited liability under Registration Number 1969/017128/06 in the Republic of South Africa)

**Issue of ZAR484,000,000 Unsecured Fixed Rate Tier 2 Notes due 3 December 2028
Under its ZAR50 000 000 000 Domestic Medium Term Note Programme**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The terms and conditions set forth in the section of the Programme Memorandum dated 13 November 2018 (the "**Programme Memorandum**"), as updated and amended from time to time, headed "*General Terms and Conditions*" (the "**General Terms and Conditions**") apply to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the General Terms and Conditions. This Applicable Pricing Supplement must be read in conjunction with such Programme Memorandum. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

DESCRIPTION OF THE NOTES

1.	Issuer	Standard Bank Group Limited
2.	Status of the Notes	Tier 2 Notes Unsecured
3.	(a) Series Number	1
	(b) Tranche Number	1
4.	Aggregate Nominal Amount	ZAR484,000,000
5.	Redemption/Payment Basis	N/A
6.	Type of Notes	Fixed Rate Notes
7.	Interest Payment Basis	Fixed Rate
8.	Form of Notes	Registered Notes
9.	Automatic/Optional Conversion from one Interest/Payment Basis to another	N/A
10.	Issue Date/Settlement Date	3 December 2018
11.	Business Centre	Johannesburg
12.	Additional Business Centre	N/A
13.	Specified Denomination	ZAR1,000,000
14.	Calculation Amount	ZAR1,000,000
15.	Issue Price	100%
16.	Interest Commencement Date	3 December 2018
17.	Maturity Date	3 December 2028, unless redeemed on any Optional Redemption Date
18.	Maturity Period	Tier 2 Notes are issued with such minimum maturities

		as may be required from time to time by the applicable Capital Rules and accordingly Notes will have a minimum Maturity Period of 5 years
19.	Specified Currency	ZAR
20.	Applicable Business Day Convention	Following Business Day
21.	Calculation Agent	The Standard Bank of South Africa Limited
22.	Paying Agent	The Standard Bank of South Africa Limited
23.	Transfer Agent	The Standard Bank of South Africa Limited
24.	Settlement Agent	The Standard Bank of South Africa Limited
25.	Specified office of the Calculation Agent, Paying Agent, Transfer Agent and Settlement Agent	30 Baker Street, Rosebank, 2196
26.	Final Redemption Amount	Aggregate Nominal Amount
PARTLY PAID NOTES		Not Applicable
27.	Amount of each payment comprising the Issue Price	N/A
28.	Date upon which each payment is to be made by Noteholder	N/A
29.	Consequences (if any) of failure to make any such payment by Noteholder	N/A
30.	Interest Rate to accrue on the first and subsequent instalments after the due date for payment of such instalments	N/A
INSTALMENT NOTES		Not Applicable
31.	Instalment Dates	N/A
32.	Instalment Amounts (expressed as a percentage of the aggregate Nominal Amount of the Notes)	N/A
FIXED RATE NOTES		Applicable
33.	(a) Fixed Interest Rate(s)	10.395% per cent. per annum payable semi-annually in arrear
	(b) Interest Payment Date(s)	3 June and 3 December in each year up to and including the Maturity Date or, if such a 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)
	(c) Interest Period(s)	Each period from and including one Interest Payment Date to, but excluding the next Interest Payment Date provided that the first Interest Period shall commence on the Interest Commencement Date (3 December 2018) and the last Interest Period shall commence on 3 September 2028 and conclude on, but exclude the Maturity Date (unless the Notes are redeemed on any Optional Redemption Date), each Interest Payment Date as adjusted in accordance with the applicable Business Day Convention
	(d) Fixed Coupon Amount[(s)]	N/A

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| (e) | Initial Broken Amount | N/A |
| (f) | Final Broken Amount | N/A |
| (g) | Any other terms relating to the particular method of calculating interest | N/A |

FLOATING RATE NOTES	Not Applicable
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| 34. | (a) | Interest Payment Date(s) | N/A |
| | (b) | Interest Period(s) | N/A |
| | (c) | Definitions of Business Day (if different from that set out in Condition 1 (<i>Interpretation</i>)) | N/A |
| | (d) | Interest Rate(s) | N/A |
| | (e) | Minimum Interest Rate | N/A |
| | (f) | Maximum Interest Rate | N/A |
| | (g) | Other terms relating to the method of calculating interest (e.g. Day Count Fraction, rounding up provision, if different from Condition 6.2 (<i>Interest on Floating Rate Notes and Indexed Notes</i>)) | N/A |
| 35. | | Manner in which the Interest Rate is to be determined | N/A |
| 36. | | Margin | N/A |
| 37. | | If ISDA Determination: | |
| | (a) | Floating Rate | N/A |
| | (b) | Floating Rate Option | N/A |
| | (c) | Designated Maturity | N/A |
| | (d) | Reset Date(s) | N/A |
| 38. | | If Screen Rate Determination: | |
| | (a) | Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) | N/A |
| | (b) | Interest Determination Date(s) | N/A |
| | (c) | Relevant Screen Page | N/A |
| | (d) | Relevant Time | N/A |
| | (e) | Reference Banks | N/A |
| 39. | | If Interest Rate to be calculated otherwise than by reference to 37 or 38 above | |
| | (a) | Margin | N/A |
| | (b) | Minimum Interest Rate | N/A |
| | (c) | Maximum Interest Rate | N/A |
| | (d) | Business Day Convention | N/A |
| | (e) | Day Count Fraction | N/A |

	(f)	Default Rate	N/A
	(g)	Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest for Floating Rate Notes	N/A
40.		If different from Calculation Agent, agent responsible for calculating amount of principal and interest	N/A

MIXED RATE NOTES	Not Applicable
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41.		Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) for:	
	(a)	Fixed Rate Notes	N/A
	(b)	Floating Rate Notes	N/A
	(c)	Indexed Notes	N/A
	(d)	Other	N/A

ZERO COUPON NOTES	Not Applicable
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42.	(a)	Implied Yield	N/A
	(b)	Reference Price	N/A
	(c)	Any other formula or basis for determining amount(s) payable	N/A

INDEXED NOTES	Not Applicable
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43.	(a)	Type of Indexed Notes	N/A
	(b)	Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined	N/A
	(c)	Index of Indices	N/A
	(d)	Manner in which the Interest Amount/Final Redemption Amount is to be determined	N/A
	(e)	Initial Index Level	N/A
	(f)	Interest Payment Date(s)	N/A
	(g)	If different from the Calculation Agent, agent responsible for calculating amount of principal and interest	N/A
	(h)	Provisions where calculation by reference to index and/or formula is impossible or impracticable	N/A
	(i)	Minimum Interest Rate	N/A
	(j)	Maximum Interest Rate	N/A
	(k)	Other terms relating to the calculation of the Interest Rate	N/A

EXCHANGEABLE NOTES

44.	Mandatory Exchange applicable?	N/A
45.	Noteholders' Exchange Right applicable?	N/A
46.	Exchange Securities	N/A
47.	Manner of determining Exchange Price	N/A
48.	Exchange Period	N/A
49.	Other	N/A

OTHER NOTES

50.	If the Notes are not Partly Paid Notes, Instalment Notes, Fixed Rate Notes, Floating Rate Notes, Mixed Rate Notes, Zero Coupon Notes, Indexed Notes or Exchangeable Notes or if the Notes are a combination of any of the foregoing, set out the relevant description and any additional terms and conditions relating to such Notes.	N/A
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PROVISIONS REGARDING REDEMPTION/MATURITY

51.	Redemption at the Option of the Issuer (Call Option):	Applicable
	If applicable:	
(a)	Optional Redemption Date(s) (Call)	3 December 2023, and each Interest Payment Date thereafter
(b)	Optional Redemption Amount(s) (Call) and method, if any, of calculation of such amount(s)	100% of Aggregate Nominal Amount
(c)	Minimum period of notice (if different from Condition 8.3 (<i>Redemption at the option of the Issuer (Call Option)</i>))	N/A
(d)	If redeemable in part:	N/A
	Minimum Redemption Amount(s)	N/A
	Higher Redemption Amount(s)	N/A
(e)	Other terms applicable on Redemption	N/A
52.	Redemption at the option of the Noteholders of Senior Notes (Put Option):	N/A
	If applicable:	N/A
(a)	Optional Redemption Date(s) (Put)	N/A
(b)	Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s)	N/A
(c)	Minimum period of notice (if different to Condition 8.4 (<i>Redemption at the option of Noteholders of Senior Notes (Put Option)</i>))	N/A

	(d)	If redeemable in part:	N/A
		Minimum Redemption Amount(s)	N/A
		Higher Redemption Amount(s)	N/A
	(e)	Other terms applicable on Redemption	N/A
	(f)	Attach <i>pro forma</i> Put Notice(s)	N/A
53.		Early Redemption Amount(s) payable on redemption pursuant to the provisions of Conditions 8.2 (<i>Redemption for Tax reasons or Change in Law</i>), Condition 8.5 (<i>Redemption following the occurrence of a Capital Disqualification Event</i>) or Condition 12 (<i>Events of Default</i>) and/or the method of calculating same (if required or if different from that set out in Condition 8.9 (<i>Early Redemption Amounts</i>))	100% of Aggregate Nominal Amount
54.		Optional Redemption for Subordinated Notes upon a Change in Law	Applicable
55.		Substitution and Variation for Tier 2 Notes	Applicable
56.		Substitution and Variation for Tier 2 Notes upon a Change in Law	Applicable
57.		Option to dis-apply Non-viability Loss Absorption Condition for Tier 2 Notes pursuant to Condition 5.5 (<i>Disapplication of Non-Viability Loss Absorption</i>)	Applicable

GENERAL

58.		Material Changes	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 interim financial statements, dated 30 June 2018. As at the date of this Applicable Pricing Supplement, there has been no involvement by KPMG or PwC, the auditors of the Issuer, in making the aforementioned statement.
59.		Other terms or special conditions	Notes qualify as Tier 2 Capital under the Banks Act
60.		Board approval for issuance of Notes obtained	Yes
61.		Additional selling restrictions	N/A
62.	(a)	International Securities Identification Number (ISIN)	ZAG000155714
	(b)	Stock Code	SBT203
63.	(a)	Financial Exchange	JSE Limited
	(b)	Relevant sub-market of the Financial Exchange	Interest Rate Market
	(c)	Clearing System	Strate Proprietary Limited
64.		If syndicated, names of managers	N/A
65.		Receipts attached? If yes, number of Receipts attached	No

66.	Coupons attached? If yes, number of Coupons attached	No
67.	Credit Rating assigned to the Issuer	<p>Fitch:</p> <p>Issuer Local: Long term BB+</p> <p>Issuer Foreign: Short term B Long term BB+</p> <p>Issuer National: Short term F1+(zaf) Long term AA(zaf)</p> <p>Moody's:</p> <p>Issuer Rating Local: Long term Ba1</p> <p>Issuer Rating Foreign: Long term Ba1</p>
68.	Date of issue of Credit Rating and date of next review	<p>Fitch affirmed ratings on 16 November 2018. Review expected semi-annually.</p> <p>Moody's affirmed the ratings on 27 March 2018. Review expected semi-annually.</p>
69.	Applicable Rating Agency	<p>Fitch Ratings Limited</p> <p>Moody's Investors Services Inc.</p>
70.	Stripping of Receipts and/or Coupons prohibited as provided in Condition 14.4 (<i>Prohibition on Stripping</i>)?	N/A
71.	Governing law (if the laws of South Africa are not applicable)	N/A
72.	Other Banking Jurisdiction	N/A
73.	Last Day to Register, which shall mean that the "books closed period" (during which the Register will be closed) will be from each Last Day to Register to the applicable Payment Day until the date of redemption	17h00 23 May and 22 November in each year
74.	Books Closed Period	The Register will be closed from 24 May and 23 November in each year until the applicable Interest Payment Date
75.	Stabilisation Manager (if any)	N/A
76.	Method of distribution	Dutch Auction
77.	Authorised amount of the Programme	ZAR50,000,000,000
78.	Total Notes in issue (including current issue)	<p>ZAR8,544,000,000</p> <p>The Issuer confirms that aggregate Nominal Amount of all Notes Outstanding under this Programme is within the Programme Amount.</p>
79.	Rights of cancellation	<p>The Notes will be delivered to investors on the Issue Date through the settlement system of the Central Depository, provided that:</p> <p>(i) no event occurs prior to the settlement process being finalised on the Issue Date which the Dealers (in their sole discretion) consider to be a <i>force majeure</i> event; or</p>

- (ii) no event occurs which the Dealers (in their sole discretion) consider may prejudice the issue, the Issuer, the Notes or the Dealers,

(each, a "**Withdrawal Event**").

If the Issuer decides to terminate this transaction due to the occurrence of a Withdrawal Event, this transaction shall terminate and no party hereto shall have any claim against any other party as a result of such termination. In such event, the Notes, if listed, will immediately be de-listed.

80. Responsibility statement

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 the Programme Memorandum as read together with this Applicable Pricing Supplement contains all information required by Applicable Laws and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum as read together with the annual financial statements and this Applicable Pricing Supplement and the annual reports and any amendments or any supplements to the aforementioned documents, except as otherwise stated therein or herein.

The JSE takes no responsibility for the contents of the information contained in the Programme Memorandum as read together with this Applicable Pricing Supplement and any amendments or any supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of any of the Applicable Pricing Supplement and any amendments or any 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 or the Issuer or of any of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever and the Issuer further confirms that the authorised amount of the Programme of ZAR50 000 000 000 has not been exceeded.

81. Commercial Paper Regulations

Applicable – see Annexure "A" to this Applicable Pricing Supplement

82. Other provisions

The amount of any interest payable in respect of the Notes will be announced on SENS at least 3 Business Days before the relevant Interest Payment Date.

Application is hereby made to list this issue of Notes 3 December 2018. The Programme was registered with the JSE on 13 November 2018.

SIGNED at Rosebank on this 28th day of November 2018.

For and on behalf of
STANDARD BANK GROUP LIMITED
Issuer

A stylized, handwritten signature in black ink, appearing to read 'Jan Bafu', written over a horizontal line.

Name: Jan Bafu
Capacity: Authorised Signatory
Who warrants his/her authority hereto

A handwritten signature in black ink, appearing to read 'Ann Hunter', written over a horizontal line.

Name: Ann Hunter
Capacity: Authorised Signatory
Who warrants his/her authority hereto

ANNEXURE "A" TO THE APPLICABLE PRICING SUPPLEMENT
COMMERCIAL PAPER REGULATIONS

Disclosure requirements in terms of paragraph 3(5) of the Commercial Paper Regulations

The information required to be disclosed in terms of paragraph 3(5) of the Commercial Paper Regulations is set out in this Annexure "A" (except where such information is disclosed in the Programme Memorandum and/or the Applicable Pricing Supplement):

1. **Issuer and Ultimate Borrower** (paragraph 3(5)(a) of the Commercial Paper Regulations)
The Issuer of the relevant Tranche of Notes is Standard Bank Group Limited (incorporated with limited liability under registration number 1969/017128/06 in South Africa).
The "*ultimate borrower*" is the Issuer.
2. **Going concern** (paragraph 3(5)(b) of the Commercial Paper Regulations)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments, thereby reflecting the adequacy of the liquidity and solvency of the Issuer.
3. **Auditor** (paragraph 3(5)(c) of the Commercial Paper Regulations)
The auditors of the Issuer as at the Issue Date are KPMG Incorporated and PricewaterhouseCoopers Incorporated.
KPMG Incorporated and PricewaterhouseCoopers Incorporated have acted as the auditors of the Issuer's latest audited financial statements.
4. **Total amount of Commercial Paper** (paragraph 3(5)(d) of the Commercial Paper Regulations)
 - (a) The Issuer has, prior to the Issue Date, issued "*commercial paper*" (as defined in the Commercial Paper Regulations) in an aggregate amount of ZAR3,000,000,000.
 - (b) After the Issue Date, to the best of the Issuer's knowledge and belief, the Issuer estimates that it will not issue any further "*commercial paper*" (as defined in the Commercial Paper Regulations) during the remaining part of the Issuer's current financial year (excluding this Tranche of Notes).
5. **Other information** (paragraph 3(5)(e) of the Commercial Paper Regulations)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in this Tranche of Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
6. **Material adverse change** (paragraph 3(5)(f) of the Commercial Paper Regulations)
Save as disclosed in the Programme Memorandum and the Issuer's latest unaudited interim financial statements, dated 30 June 2018, there has been no material adverse change in the Issuer's financial position since the date of the Issuer's last audited financial statements.
7. **Listing** (paragraph 3(5)(g) of the Commercial Paper Regulations)
This Tranche of Notes will be listed on the Interest Rate Market of the JSE.
8. **Use of proceeds** (paragraph 3(5)(h) of the Commercial Paper Regulations)
The proceeds of the issue of this Tranche of Notes will be used by the Issuer for its general corporate purposes.
9. **Security** (paragraph 3(5)(i) of the Commercial Paper Regulations)
This Tranche of Notes is unsecured.
10. **Auditors confirmation** (paragraph 3(5)(j) of the Commercial Paper Regulations)
KPMG Incorporated, being one of the Issuer's auditors as at the Issue Date, have confirmed in writing that nothing has come to their attention which causes them to believe that the issue of this Tranche of Notes under the Programme, pursuant to the Programme Memorandum (as read with the Applicable Pricing Supplement) will not comply in all material respects with the provisions of the Commercial Paper Regulations.

11. **Audited financial statements** (paragraphs 3(5)(j)(i) and (j)(ii) of the Commercial Paper Regulations)

Where, in relation to the issue and placing of this Tranche of Notes, the Programme Memorandum and/or the Applicable Pricing Supplement is distributed and/or made available for inspection in South Africa, a copy of the Issuer's latest audited annual financial statements will at all times separately accompany (either by electronic delivery or by physical delivery) the Programme Memorandum and/or the Applicable Pricing Supplement, as required by the Commercial Paper Regulations.

