This document constitutes a supplement (the "**Supplement**") for the purposes of section 28 paragraph 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*, "**WpPG**") in connection with section 16 paragraph 1 of the German Securities Prospectus Act in the version applicable until 20 July 2019 (*Wertpapierprospektgesetz alte Fassung*, "**WpPG a.F.**") to the base prospectus dated 8 July 2019 for the issuance of Knock-out Securities and Warrants.

Supplement dated 25 May 2020

to the Base Prospectus for the issuance of Knock-out Securities and Warrants dated 8 July 2019

under the Euro 50,000,000,000 Debt Issuance Programme of

UniCredit Bank AG

Munich, Federal Republic of Germany

This Supplement is to be read and construed in conjunction with the base prospectus listed above (a "**Base Prospectus**"), any supplements to the Base Prospectus and in connection with any issue of securities thereunder, with the relevant Final Terms. Therefore, with respect to issues under the Base Prospectus, references in the Final Terms to the Base Prospectus are to be read as references to the Base Prospectus as amended and supplemented.

In accordance with section 28 paragraph 1 WpPG in connection with section 16 paragraph 3 WpPG a.F., investors who have already agreed to purchase or subscribe for securities issued under the Base Prospectus before this Supplement is published shall have the right, exercisable within two working days after the publication of this Supplement, to withdraw their acceptances in the event that the new factor or the mistake arose before the final closing of the offer of such securities to the public and the delivery of the securities.

In accordance with section 28 paragraph 1 WpPG in connection with section 16 paragraph 3 WpPG a.F., withdrawals may be addressed to UniCredit Bank AG, LCD6L3 Legal Structured Solutions, Arabellastrasse 14, 81925 Munich, Germany, Facsimile No.: +49 89 378 13944.

Significant new factors and/or inaccuracies (within the meaning of section 28 paragraph 1 WpPG in connection with section 16 paragraph 1 WpPG a.F.) have arisen due to the publication of the audited financial statements of HVB Group for the fiscal year ended 31 December 2019 and the audited unconsolidated financial statements (*Jahresabschluss*) of UniCredit Bank AG for the fiscal year ended 31 December 2019 (Annual Report UniCredit Bank AG. Thus, the following changes are made to the Base Prospectus.

This Supplement and the Base Prospectus are available during usual business hours on any weekday (except Saturdays and public holidays) at the office of UniCredit Bank AG, LCD6L3 Legal Structured Solutions, Arabellastrasse 14, 81925 Munich, Germany, and are also published on the website www.onemarkets.de/basisprospekte.

1. In the section "**Summary**" in element B.4b on page 5, the whole text shall be replaced as follows:

"The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2020 as well as other remaining imponderables. In this environment, HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived from this on a regular basis."

2. In the section "**Summary**" in element B.10 on pages 5, the whole text shall be replaced as follows:

"Not applicable; Deloitte GmbH Wirtschaftsprüfungsgesellschaft, the independent auditor (*Wirtschaftsprüfer*) of UniCredit Bank, has audited the consolidated financial statements (*Konzernabschluss*) of HVB Group for the financial year ended 31 December 2018 and for the financial year ended 31 December 2019 and the unconsolidated financial statement (*Einzelabschluss*) of UniCredit Bank for the financial year ended 31 December 2019 and has in each case issued an unqualified audit opinion thereon."

3. In the section "**Summary**" in element B.12, "Selected historical key financial information" on pages 5 and 6, the whole text shall be replaced as follows:

"Consolidated Financial Highlights as of 31 December 2019

Key performance indicators	**1/1/2019 – 31/12/2019***	**1/1/2018 – 31/12/2018†**
Net operating profit[1)]	€1,556m	€1,414m
Profit before tax	€1,361m	€392m
Consolidated profit	€810m	€238m
Earnings per share	€0.99	€0.29
Balance sheet figures	**31/12/2019**	**31/12/2018**
Total assets	€303,598m	€286,688m
Shareholders' equity	€18,915m	€17,751m
Key capital ratios	**31/12/2019**	**31/12/2018**
Common Equity Tier 1 capital	€14,987m[2)]	€16,454m[3)]
Core capital (Tier 1 capital)	€14,987m[2)]	€16,454m[3)]
Risk-weighted assets (including equivalents for market risk and operational risk)	€85,454m	€82,592m
Common Equity Tier 1 capital ratio[4)]	17.5%[2)]	19.9%[3)]
Core capital ratio (Tier 1 ratio)[4)]	17.5%[2)]	19.9%[3)]

* Figures shown in this column are audited and taken from the consolidated financial statements of HVB Group for the financial year ended 31 December 2019.

† Figures shown in this column are audited and taken from the consolidated financial statements of HVB Group for the financial year ended 31 December 2018.

1) Net operating profit results from the P/L line items net interest, dividends and other income from equity investments, net fees and commissions, net trading income, net other expenses/income, operating costs and net write-downs of loans and provisions for guarantees and commitments.

2) In accordance with the consolidated financial statements of HVB Group for the financial year ended 31 December 2019 approved by the Supervisory Board of UniCredit Bank AG.

3) In accordance with the consolidated financial statements of HVB Group for the financial year ended 31 December 2018 approved by the Supervisory Board of UniCredit Bank AG.

4) Calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk."

4. In the section "**Summary**" in element B.12, "Statement with regard to no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change" on page 6, the whole text shall be replaced as follows:

"There has been no material adverse change in the prospects of HVB Group since 31 December 2019, the date of its last published audited financial statements."

5. In the section "**Summary**" in element B.12 of section "Description of significant change in the financial position subsequent to the period covered by the historical financial information" on page 7, the whole text shall be replaced as follows:

> "There has been no significant change in the financial position of HVB Group which has occurred since 31 December 2019."

6. In the section "**Summary**" in element D.2, on page 26 et seqq., the whole text shall be replaced as follows:

> "*Potential investors should be aware that in the case of the occurrence of one of the below mentioned risk factors the securities may decline in value and that they may sustain a total loss of their investment.*

- *Risks related to the issuer's financial situation: Liquidity risk*
  (i) Risks that HVB Group will not be able to meet its payment obligations on time or in full and (ii) risks that HVB Group is not able to obtain sufficient liquidity when required or (iii) that liquidity will only be available at higher interest rates and (iv) systemic risk.
- *Risks related to the issuer's financial situation: Risks arising from pension commitments*
  Risk that the pension provider will have to provide additional capital to service the vested pension commitments.
- *Risks related to the issuer's specific business activities: Risk from lending business (credit risk)*
  (i) Credit default risk (including counterparty risk and issuer risk as well as country risk); (ii) Risks from a decrease of the value of loan collaterals or in case of debt enforcement; (iii) Risks from derivative/trading business; (v) Risks from credit exposures to the parent company; (vi) Risks from exposures to sovereigns / public sector.
- *Risks related to the issuer's specific business activities: Risks from trading activities (market risk)*
  Risks mainly arises in the Corporate & Investment Banking (CIB) business segment: (i) Risk for trading books from deterioration in market conditions; (ii) Risk in strategic investments or in liquidity reserve portfolios; (iii) Risks due to decrease in market liquidity and (iv) Interest rate and foreign currency risk.
- *Risks related to the issuer's specific business activities: Risks from other business activities*
  (i) Risks related to real estate and financial investments: Risk of losses resulting from changes in the fair value of the real estate portfolio of HVB Group and (ii) risk of decreases in the value of the investment portfolio of the HVB Group.
- *General risks related to the issuer's business operations: Operational risk*
  Risks due to the use of information- and communication technology, risks due to disruption and/or discontinuity of critical business processes and risks in the course of outsourcing of operations and processes to external providers.
- *General risks related to the issuer's business operations: Reputational risk*
  Risk of a negative effect on the income statement caused by adverse reactions by stakeholders due to a changed perception of HVB Group.
- *General risks related to the issuer's business operations: Business risk*
  Risks of losses arising from unexpected negative changes in the business volume and/or margins.
- *General risks related to the issuer's business operations: Risks from concentrations of risk and earnings*
  Risks from concentrations of risk and earnings indicate increased potential losses and represent a business-strategy risk for HVB Group.
- *Legal and regulatory risk: Regulatory risks*
  Risks arising in connection with the supervision of HVB Group within the single supervisory mechanism (SSM); Risks in connection with regulatory regimes in various local jurisdictions and their disparities; Risk to take wide-ranging measures due to changes of regulatory regimes; Risks in connection with resolution planning, resolution measures and the requirement to meet the minimum requirement for own funds and eligible liabilities (MREL); Risks from stress testing measures imposed on HVB Group and impact on the supervisory review and evaluation process (SREP) on the business performance of HVB.

- *Legal and regulatory risk: Compliance risk*
  Risk in connection with infringements of or non-compliance with laws, regulations, statutory provisions, agreements, mandatory practices and ethical standards.

- *Legal and regulatory risk: Legal and tax risks*
  Risks from legal proceedings and substantial uncertainty regarding the outcome of proceedings and the amount of possible damages.

- *Strategic and macroeconomic risks: Strategic risk*
  Risks arising in connection with economic developments in Germany and by developments on the international financial and capital markets.

- *Strategic and macroeconomic risks: Macroeconomic risk*
  Risks arising in connection with the global spread of the coronavirus (COVID-19) and with interest rate levels."

7. In the section "**Risk Factors**" on page 38, the whole text of sub-section "A. Risks related to the Issuer" shall be replaced as follows:

"1. Risks related to the Issuer´s financial situation

1.1 Liquidity risk

In the course of its business activities, HVB Group must ensure, among other things, that the smooth and orderly processing of foreseeable and unforeseeable business transactions with regard to payment obligations entered into and means of payment available is guaranteed at all times within the regulatory framework. In this context HVB Group is subject to liquidity risk and defines this as the danger that the bank is not able to meet its payment obligations on time or in full and as the risk of not being able to obtain sufficient liquidity when required or that liquidity will only be available at higher interest rates, and/or as the risk that the bank will only be able to liquidate assets on the market at a discount.

For example a financial market crisis could lead to financial instability and to a decline in volume and availability of liquidity in the short-term, medium-term and long-term funding in the market. In such situation an increasing dependence on central bank liquidity could arise. In addition, counterparty risk between banks in particular could increase substantially which could cause a decline in interbank business and could entail a decrease of customers' confidence. In this connection, reduced trust could result in large outflows of deposits in HVB Group, which as a consequence could create liquidity problems for HVB Group and thus could result in a limited ability to fund its activities and meet its minimum liquidity requirements.

Furthermore the access for HVB Group to liquidity could be impeded in case of an inadequate access to bond markets or by the inability to issue bonds or to obtain other forms of interbank loans. Interbank funding costs could increase and reduced availability and/or higher costs of funding, combined with reduced access to similar or other forms of funding and/or the inability of HVB Group to dispose its assets or liquidate its investments could have negative effects on its business activities and on its operating results and financial situation.

Another risk concerns transfers of liquidity between units of HVB Group. These transfers are monitored by the regulatory authorities so that HVB and its subsidiaries could be forced to reduce their lending or borrowing to/from other legal entities within HVB Group and this could negatively impact the ability of HVB Group to meet the liquidity regulations of its subsidiaries through an intra-group transfer of capital, which in turn could have substantial negative effects on the operating results of HVB Group and on its business and financial situation.

Besides there are risks known as ‘systemic risks’. HVB Group routinely processes high volumes of transactions with numerous counterparties in the financial services sector, including business with brokers and traders, commercial banks, investment banks and other institutional clients. Financial services institutions operating transactions with such institutions, are linked through trading, investment, clearing and counterparty relationships, among others. Concerns regarding the stability of one or more of these institutions and/or the countries in which they operate could lead to a serious liquidity shortage (up to and including an entirely frozen interbank business), to losses and/or other institutional defaults. These risks could have detrimental effects on financial intermediaries such as clearing facilities, clearing houses, banks, securities houses and stock exchanges with which HVB

Group interacts on a daily basis. This could in turn have negative effects on the ability of HVB Group to procure new funding.

1.2 Risks arising from pension commitments

HVB Group has undertaken to provide a range of different pension plans to current and former employees, which are largely financed by various forms of investment, some of which are external. Pension risk may arise in connection with the pension plans on both the assets side and the liabilities side (pension commitments). This may be caused by a decline in the fair value of plan assets on the assets side due to disadvantageous changes in market prices as well as by an increase in the obligations on the liabilities side, for instance due to a reduction in the discount rate. Furthermore, actuarial risks, such as longevity risk (changes to the mortality tables) may arise on the obligation side. In this context, pension risk is the risk that the pension provider will have to provide additional capital to service the vested pension commitments.

Low interest rates continue to be seen as the main negative factor for both the amount of the pension commitments disclosed and the amount of the income that can be generated from the plan assets with acceptable risk. It is perfectly conceivable that, should low interest rate levels persist for a longer period of time, the discount rate will have to be lowered again, thus causing the pension obligations to rise further.

Changes in the actuarial assumptions (for example, pension increases, salary increases, career trends and life expectancy) could influence the amount of the pension obligations, resulting in significant increases. Moreover, turmoil in the capital markets and the low interest rate environment could lead to losses in the plan assets of the various pension plans or prevent the achievement of the respective return targets. As a result, funding levels of the individual pension plans may be seriously compromised. All of the detrimental factors can have negative effects on the business results and the capital position of HVB Group, and thus on its financial situation. As of 31 December 2019 the present value of pension commitments in HVB Group was at € 5,653 million, the fair value of plan assets had a volume of € 4,314 million.

2. Risks related to the Issuer´s specific business activities

2.1 Risk from lending business (credit risk)

As a universal bank with a wide range of banking products and services, lending is one of HVB Group's main business areas. The HVB Group is thus exposed to a large extent to credit risks.

The credit risk of HVB Group, consisting of credit default risk including counterparty risk and issuer risk as well as country risk is influenced amongst others by several, unforeseeable factors, regarding economic and political trends, such as recessions, industry specific market developments, foreign currency risks, changes in tax and monetary policies, natural disasters, wars, changes in laws and regulatory requirements, liquidity and expectations of the capital markets as well as consumer behaviour with regard to investments and savings.

The solvency of HVB Group's customers could, among other things, deteriorate as a result of the above mentioned factors, with the result that they may probably not be in a position to meet their entire contractual obligation towards HVB Group as a whole, without having to take recourse to measures like the sale of collateral (where present).

In addition the value of the loan collaterals (e.g. real estate, securities, deposits, ships) could also fall below the amount of outstanding capital or in case of debt enforcement HVB Group could be unable to realise the expected value.

As result HVB Group could be forced to arrange for a revaluation of the loan and/or form additional loan loss provisions and higher reserves leading to losses for HVB Group.

A weakening of demand for financial products or inaccurate assessments of the creditworthiness or the country risk of the customers could also have detrimental effects on the operating results of HVB Group and its business and financial situation.

In addition to traditional banking activities, HVB Group is active in transactions in securities, derivatives, foreign exchange, commodities or securities lending/repurchase transactions. In this context further risks could arise from settlement or performance that is not provided at all or in a timely way by the counterparty as well as from system failures at clearing agencies/houses, stock exchanges or other financial intermediaries (including HVB Group).

A part of the credit risk of HVB Group results from credit exposures to the parent company of HVB Group, the UniCredit (UniCredit S.p.A. together with its consolidated subsidiaries). Changes in German and international laws and regulations with regard to the amount and weighting of intra-group exposures could have substantial negative effects on the internal funding of HVB Group, the costs of this funding (especially when it must be procured externally) and therefore on the business and financial situation of HVB Group.

2.2 Risks from trading activities (market risk)

HVB Group is exposed to market risk, which mainly arise in the Corporate & Investment Banking (CIB) business segment. One part of the market risk is in trading books while the other part – mainly invested in interest-bearing-securities – lie in strategic investments or in liquidity reserve portfolios in the banking book.

Market risk is defined as the risk of incurring losses on positions held on and off the balance sheet in the trading or investment books as a result of unfavourable changes in the market value of securities or financial derivatives. The most relevant of these prices are interest rates (used to determine and discount cash flows), share prices, credit spreads (including, but not limited to, changes in these spreads due to credit defaults or rating changes), spot exchange rates, commodity prices and derived prices such as volatilities and correlations between these parameters.

Interest rate fluctuations in Europe and other markets in which HVB Group does business may negatively affect its financial situation and profitability. For example the current low interest rates are causing a decrease in margins, especially on the deposit side, that is having a direct negative impact on earnings. It cannot be guaranteed that there will be no substantial long-term decrease in earnings that would lead to a loss in market value of HVB Group.

HVB Group earns income outside the eurozone and a portion of its transactions is conducted in other currencies than euro. Consequently, HVB Group is exposed to exchange rate risks and risks pertaining to transactions in foreign currencies. Unfavourable changes in exchange rates could therefore negatively affect the business activities of HVB Group and its financial situation.

Market liquidity risk relates to the risk that the Issuer will suffer losses due to the disposal of assets that can only be liquidated on the market at a discount. In extreme cases, HVB Group may not be able to sell such an asset, as the market does not offer enough liquidity or the Issuer holds a position that is too large compared to the market turnover.

2.3 Risks from other business activities

In addition to the core/banking business, the Issuer is also exposed to risks from other business areas like own real estate and financial investments.

Real estate risk covers potential losses resulting from changes in the market value of the real estate portfolio of HVB Group. Besides the real estate owned by HVB, the HVB Group portfolio also includes the real estate owned by the property ownership companies, real estate owned by HVB subsidiaries (according to International Financial Reporting Standards (IFRS) scope of consolidation) and, among others, by the Special Purpose Vehicles (SPVs). Following the introduction of the new IFRS16 accounting principle, rented/leased assets are also considered in the real estate portfolio. No land or properties are included that serve as collateral in lending (credit) transactions. The real estate portfolio value as estimated on 31 December 2019 is equal to €3,894 million. From a geographical perspective, the focus is on the Munich region with 60.4% of the portfolio value located there.

The main risks for the bank-owned portfolio mainly stem from the trend of the market value resp. the trend of the book value (for IFRS properties). The risk drivers are e.g. the future usage by the bank, property rents/bank rents, market rents, occupancy rate, residual term of rental contracts and investment needs. The situation in real estate markets depends on economic trends. Should the growth slow down, a corresponding decline in demand for rental properties is likely. This would probably lead to negative consequences for the operating results and financial situation of HVB Group.

Financial investment risk covers potential losses arising from fluctuations in the measurement of HVB Group's equity interest. Financial investment risk of HVB Group stems from equity held in companies that are not included in the consolidated financial statements according to IFRS principles or are not included in market risk. The financial investment portfolio mainly consists of unlisted interests, private equity investments (co and direct investments), equity derivatives and other fund shares (real-estate funds and other closed funds).

Operational or financial losses to which these companies are exposed could cause decreases in the value of these participations and thus have negative effects on the assets, liabilities and situation of HVB Group.

3. General risks related to the Issuer´s business operations

3.1 Operational risk

Due to its business operations HVB is exposed to operational risks (OpRisk).

HVB defines operational risk as the risk of losses resulting from inadequate or failed internal processes, systems and people or from external events in line with the Capital Requirement Regulation (CRR). The definition of OpRisk includes legal risk, but excludes strategic and reputational risk. Legal risk includes, but is not limited to, exposure to fines, penalties, or punitive damages resulting from supervisory actions, as well as private settlements.

The group of various types of operational risk of the Issuer HVB contains among others:

- Risks due to the use of necessary Information- and Communication Technology (ICT)-systems, e.g. due to unavailability of ICT, hacker attacks (ICT Risk)
- Risks due to disruption and/or discontinuity of critical business processes (business continuity management risk)
- Risks in the course of outsourcing of operations and processes to external providers (outsourcing risk)

In case operational risks occur, financial losses of Issuer HVB could arise, in the worst case leading to a total loss of securities issues.

3.2 Reputational risk

HVB Group defines reputational risk as the risk of a negative Profit and Loss ("**P&L**") effect caused by adverse reactions of stakeholders due to their altered perception of the bank, which can in turn be triggered by the materialization of a primary risk such as credit risk, market risk, operational risk, liquidity risk, business risk, strategic risk or other primary risks. Thus reputational risk potentially arises as an additional risk from the materialization of a primary risks as for example an operational risk of the bank. Moreover reputational risk may also not have to be linked to a primary risk as for example in case of a high-level representative of the bank making adversely perceived public statements concerning matters of the bank.

Basically reputational risk implies a loss of confidence of a stakeholder vis-à-vis the bank. The HVB Group, as part of a Pan-European Banking Group, defines as key stakeholders customers, employees, regulators, rating agencies and creditors. A possible reaction of stakeholders arising from the loss of confidence could be for example that customers cancel their relationship to HVB or rating agencies downgrade the bank’s rating.

The effects of a reputational risk event on the P&L of the bank may be reflected e.g. in the operational risk (e.g. losses due to increased client claims), in the business risk (e.g. decline in sales) or liquidity risk (e.g. increased refinancing costs).

3.3 Business risk

HVB Group defines business risk as potential losses resulting from unexpected negative changes in the business volume and/or margins that are not attributed to other risk types (e.g. credit, market, operational risk). It can lead to serious losses in earnings, thereby reducing the fair value of the company. Business risk can result above all from a serious deterioration in the local and global market environment, changes in the competitive situation, in customer behaviour or in expenses structure, or changes to the legal framework.

Essentially, business risk refers to the possibility that the bank will have lower than anticipated profits or experience a loss rather than taking a profit impairing the company's ability to provide its investors and stakeholders with adequate returns. Given that HVB Group’s activities are mainly concentrated in Germany and Italy, scenarios that would include a deterioration of the macroeconomic conditions in these countries could cause an increase in the business risk of HVB Group.

3.4 Risks from concentrations of risk and earnings

Concentrations are accumulations of risk and/or earnings positions that react similarly to specific developments or events. Risk concentrations may have an impact within a risk type or equally across risk types. They indicate increased potential losses resulting from an imbalance of risk positions held in customers and products or specific industries and countries in line with HVB Group's business model and business strategy.

The largest concentrations of credit risk are in Germany, HVB Group's core market, and in Italy, which is partly due to HVB Group's role as a Group-wide competence centre for UniCredit's market and investment banking activities. In terms of industries, the largest concentrations of credit risk are in the financial institutions (including foreign countries), real estate and the public sector industry groups. The concentration in financial institutions (including foreign countries) and the public sector is partly due to HVB Group's own liquidity investments.

In addition, concentrations of earnings may also occur at individual customers, business segments, products, industries or regions which also represents a business-related strategy risk for HVB Group.

In the case of a deterioration in the economic environment, e.g. in individual sectors or countries in which the Bank is heavily involved, the Bank may be affected to a correspondingly greater extent by possible losses due to an existing concentration risk.

4. Legal and regulatory risks

4.1 Regulatory risks

The activities of HVB Group are regulated and supervised by the central banks and regulatory authorities in the countries and regions where HVB Group does business. Within the Single Supervisory Mechanism (SSM) HVB Group is subject to the supervision by the European Central Bank (ECB).

The bank regulatory regimes in the various local jurisdictions contain disparities and may change at any time. This could have a severe impact on the competitive situation and may require HVB Group to take wide-ranging measures. Apart from e.g. significantly higher capital costs and a significant rise of costs for the implementation of regulatory requirements also changes in the business model may be required.

Should HVB or any of its subsidiaries not fully comply with the regulatory requirements of the respective supervisory authorities, this could lead to sanctioning measures by the relevant Competent Authority supervisor right up to the withdrawal of the licence.

HVB has therefore established a process in accordance with the Minimum Requirements for Risk Management (MaRisk) which shall ensure the identification und implementation of new regulations by and applicable to HVB. In addition, the potential impacts of relevant new regulations on the Bank are assessed at an early stage according to defined criteria (e.g. relevant implementation costs or their impact on potential earnings or risk weighted assets (RWA)) and relevant measures are taken, if necessary. Moreover external audits and the communication with supervisory authorities are coordinated centrally in HVB.

Nevertheless changes of the regulatory and statutory environment of HVB or cases of non-compliance with regulatory requirements by the supervisors may still occur, which can have a severely disadvantageous impact on certain business activities, the earnings situation and the financial situation of HVB, such as restrictions on the business activity of HVB or its subsidiaries.

According to European and German regime on bank recovery and resolution law credit institutions are obliged to prepare recovery plans and to participate in the preparation of resolution plans by the relevant national resolution authority. The national competent supervisory authority may initiate early intervention measures in order to react to a critical financial situation. If the requirements for resolution are met the competent resolution authority may undertake a range of measures, especially resolution measures. In this case there is a risk of total loss of invested capital for shareholders and creditors.

Furthermore, credit institutions are required to meet the Minimum Requirement for Eligible Liabilities (MREL). The relevant minimum contribution is determined on a yearly basis by the competent resolution authority.

HVB and HVB Group are subject to stress testing measures introduced by the German financial supervisory authorities (German Federal Financial Supervisory Authority ("**BaFin**") and the German Central Bank (Deutsche Bundesbank), European institutions (European Banking Authority (EBA), ECB, European Commission and European Systemic Risk Board (ESRB)) as well as by the supervisory authorities in the countries in which HVB and HVB Group operate.

Since the ECB has classified UniCredit S.p.A. as a systemically important bank, HVB and HVB Group, as a part of UniCredit, were subject to the EU-wide stress tests. As these stress tests were run at the highest level of consolidation, HVB and HVB Group were subject to the EU-wide stress test only as a part of UniCredit, but not on a stand-alone level. HVB and HVB Group, as a part of UniCredit, may be subject to similar measures in the future.

In addition to the participation in EU-wide stress tests, HVB and HVB Group are required to regularly conduct internal stress tests based on macroeconomic scenarios or on ad-hoc basis. The results of these internal stress tests are provided to the top management of HVB and of relevant subsidiaries within HVB Group as well as to the German Central Bank.

In addition, UniCredit S.p.A. and HVB are subject to the Supervisory Review and Evaluation Process (SREP). HVB Group complies with all requirements from SREP 2019.

The business performance of HVB and HVB Group could be negatively affected and it may be required to comply with additional prudential requirements or to take remedial actions (such as raising own funds) in case of poor stress test results or deficiencies being identified in the course of stress testing measures or in connection with SREP by HVB, HVB Group, UniCredit or one of the financial institutions with which they do business.

4.2 Compliance risk

Compliance risk is defined as an existing or future risk to income or capital as a consequence of infringements of or non-compliance with laws, regulations, statutory provisions, agreements, mandatory practices and ethical standards. This may result in fines, compensation for damage and/or contracts being rendered null and void in addition to damaging the HVB Group’s reputation.

This includes the risk of being misused for the purposes of money laundering, terrorist financing and other criminal offences. In HVB Group, the Compliance function supports the management and monitoring of compliance risks with the main focus on breaching of laws and legal rules and regulations. The Compliance function identifies the compliance risk under consideration of external circumstances, potential impacts to the bank and their business activities and works towards the implementation of effective internal procedures and appropriate measures (including controls) to ensure compliance with the material statutory provisions and requirements for the institution. Dedicated risk analyses are therefore performed on a regular basis and follow the requirements from the Minimum Requirements for Risk Management (MaRisk), the German Banking Act (KWG), the German Securities Trading Act (WpHG), the Anti Money Laundering Act (GwG) as well as the Minimum Requirements for Compliance (MaComp).

Besides the regular updates of compliance risk results, ad hoc assessments are carried out in order to reflect newly arising risks. The opening of a new business line and/or structural changes within the bank are examples which could trigger a re-assessment. Risk results are reported on a quarterly basis to the Management Board of HVB. Based on the risk-results, activities within Compliance are managed, such as inter alia second-level controls, advice activities, subject-specific training courses etc. However, cases of non-compliance (e.g. fraud) could occur in the future and cause financial losses as well as a negative public perception of HVB Group.

4.3 Legal and tax risks

With regard to legal risks HVB and other companies belonging to HVB Group are involved in various legal proceedings at the date of this Registration Document. HVB and other companies belonging to HVB Group are required to deal appropriately with various legal and regulatory requirements. Failure to do so may lead to litigation and administrative proceedings or investigations, and subject HVB and other companies belonging to HVB Group to damage claims, regulatory fines or other penalties.

In many cases, there is substantial uncertainty regarding the outcome of the proceedings and the amount of possible damages. These cases include criminal or administrative proceedings by the relevant authority and claims in which the claimant has not specifically quantified the amounts in dispute.

In that regard, HVB Group has processes in place to ensure adequate analysis of procedures and risks as a basis for deciding whether provisions for legal risks must be increased in specific cases or whether they are appropriate under the current circumstances. Following an analysis in each case, HVB Group has created appropriate provisions for legal risks for ongoing proceedings. However, the possibility that the existing provisions are inadequate cannot be ruled out. As of 31 December 2019, the provisions (included in the 2019 annual report) are equal to €801 million. Included in this amount are €312 million in the subitem “other provisions” and therein are €217 million provisions which include legal risks, litigation fees and damage payments.

Regarding tax risks, at the date of this Registration Document external tax audits of HVB and other HVB Group companies are taking place. It cannot be ruled out that these external tax audits of HVB Group will lead to supplementary payments of taxes and interest. Such additional payments could have negative effects on the operating results of HVB Group and/or its business performance and financial situation.

Moreover, if an HVB Group company should violate or be alleged to violate tax laws of one or more of the countries in which HVB Group does business, HVB Group could be exposed to additional tax risks and other risks. This would in turn increase the probability of additional tax proceedings and other official proceedings and could damage the reputation of HVB Group.

5. Strategic and macroeconomic risks

5.1 Strategic risk

HVB Group as a universal bank focuses on the regional management of the German market and also acts as the centre of competence for the investment banking activities of UniCredit as a whole. As a consequence, the profitability and risk profile of HVB Group are influenced in particular by economic developments in Germany and by developments on the international financial and capital markets. In this context, strategic risk results from management either not recognising early enough or not correctly assessing significant developments or trends in the Bank’s environment. As a consequence fundamental management decisions could, in retrospect, prove to be disadvantageous in terms of the Bank’s long-term goals. In addition, some decisions may be difficult to reverse or cannot be reversed at all.

Presently the following areas determined as relevant for the occurrence of strategic risk:

- Economic environment – If, among other things, the stabilising measures of the German government and central banks in the eurozone in particular related to COVID-19 do not take effect and economic growth in Europe permanently slows down, this could have a significant impact on HVB Group's profit situation.
- Strategic orientation of HVB Group’s business model - For example, the persistently low interest rate environment could lead to imbalances in the earnings contributions of the business areas.
- Banking industry specific risks - The intensification of competitive conditions in the financial sector could, for example, lead to further shifts in market shares.
- Regulatory and legal environment - The failure of HVB or one of its subsidiaries to fully satisfy the regulatory requirements of the supervisory authorities could lead to the responsible authority imposing sanctions.
- UniCredit Bank AG’s rating - A rating downgrade could make funding costs higher for HVB or have a negative impact on the business opportunities of HVB as a counterparty in the interbank market or with rating-sensitive customers.

5.2 Macroeconomic risk

Based on the strategic orientation of HVB Group with the business segments Commercial Banking and Corporate & Investment Banking (CIB), their offering of products and concentration on the core market Germany, general economic developments in Germany, in combination with developments on the international financial and capital markets are of great importance for the assets, liabilities, financial position and profit or loss of HVB Group.

It can be expected that the global spread of the coronavirus (COVID-19) will significantly slow down global economic growth in the first half of the year. It is also possible that the burden will last longer depending on the course of the pandemic. However, the strong decline in the first half of the year will lead to a recession in many countries. The negative factors are disruptions in global supply chains as well as a drop in demand due to purchasing restraints in affected countries and quarantine measures among others. Based on current information, the effects on the German economy are still difficult to assess.

Further, it can be expected that global economic growth to slow markedly in the year 2020. In addition to a significant slowdown in the economic development of the US, activity in the eurozone is also likely to decline in the first half of the year before a recovery is expected to set in as the pandemic is pushed back. Many emerging and developing countries will probably also lose momentum initially due to weaker global trade and the economic downturn in the US. A further negative factor for the global economy is expected to be weaker growth in China, which will be dampened by the coronavirus as well as the ongoing transformation of the economy and the normalization process in the Chinese real estate market. Further risks are the unforeseeable consequences of an escalation of protectionist measures by the US government and a hard Brexit.

In Germany, the effects of the coronavirus are likely to have a severe impact on private consumption, investment and export activity in the first half of 2020, possibly even longer depending on the development of the pandemic. In addition, manufacturing companies in particular could suffer from a renewed escalation of trade conflicts in the triad US-China-Europe.

In 2020, political uncertainties will also continue to be at the forefront. These are shaped by US foreign policy and the ongoing Brexit process. In addition to the ongoing effects of the European sovereign debt crisis, there will be increasing political and economic uncertainties concerning the further development of the European Union as a whole. Existing tensions between the European Union (EU) and Turkey, and also with Russia, as well as continuing geopolitical conflicts, especially in Syria, and increasingly frequent terrorist attacks pose further risks with regard to the security, monetary and economic policy situation throughout Europe.

Extremely low interest rates will continue to be one of the main challenges for the financial sector. It is still not foreseeable to what extent and intensity financial markets will react to the overall developments.

If, for example, the stabilising measures in the eurozone fail to have the intended effect, or economic growth increasingly slows down, or further turbulence occurs on the financial and capital markets, this could also have a negative impact on the assets, liabilities, financial position, and profit or loss of HVB Group. Due to the continuing high level of uncertainty in the macro-political environment and the resulting high volatility in financial and capital markets, forward-looking statements regarding future business performance are subject to a high degree of uncertainty."

8. In the section "**Description of the Issuer**" on page 66 (as supplemented by the supplement dated 19 December 2019), the table in the sub-section "**Ratings**" shall be replaced as follows:

"

Moody's	A2 / P-1 (negative)
S&P	BBB+ / A-2 (negative)
Fitch	BBB / F2 (negative)

"

9. In the section "**Description of the Issuer**" on page 66 (as supplemented by the supplement dated 19 December 2019), the paragraph "**Euro-denominated bonds issued by EU Countries**" shall be replaced as follows:

"**<u>Statutory Auditors</u>**

The independent auditors (*Wirtschaftsprüfer*) of UniCredit Bank AG for the financial years 2019 and 2018 have been Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Rosenheimer Platz 4, 81669 Munich. Deloitte is a member of the Chamber of German Public Accountants, an institution incorporated under public law (*Wirtschaftsprüferkammer, Körperschaft des öffentlichen Rechts*), Rauchstrasse 26, 10787 Berlin.

<u>Programme Transform 2019 and Team 23</u>

The three-year group-wide Transform 2019 strategic plan has been implemented. The new four-year Team 23 strategic plan focuses on growth. It is aimed at increasing and strengthening the customer base and at increasing productivity. In this regard, the intention is to deliver sustainable yields – in particular with a view to dealing with resources and the environment.

In the next four years, investments are scheduled in further digitalisation, automation and process optimisation, for example through end-to-end activities. In addition, growth opportunities through greater interaction between business segments and the standardisation of customer platforms shall be created. At the same time, a further adjustment of staffing levels is planned –through socially compatible measures, i.e. to a large extent via natural fluctuation and partial and early retirement solutions. Moreover, new employment prospects will be created by continuing to promote existing initiatives; severance packages will be concluded where this is not possible. An agreement to this effect was concluded between the senior management and the Central Works Council on 5 December 2019. The four-year planning is thus embedded in the group-wide Team 23 strategic plan, which is based on four pillars: grow and strengthen client franchise, transform and maximise productivity, disciplined risk management and controls as well as capital and balance sheet management.

Business segments of HVB Group

The activities of HVB Group are divided into the following business segments:

− Commercial Banking

− Corporate & Investment Banking

− Group Corporate Centre

− Other

Segment reporting is based on the internal organisation and management structure together with internal financial reporting.

Commercial Banking

The Commercial Banking business segment covers customers in Germany with standardised or individual service and advice across a wide range of banking services in the Private Clients Bank and Unternehmer Bank business units. Depending on the service approach, a needs-based distinction is made within Commercial Banking between retail customers, private banking clients, high net worth individuals/ultra high net worth individuals and family offices under Wealth Management, business and corporate customers, and commercial real estate customers.

Unternehmer Bank

Envisaged in Team 23 strategy of Unternehmer Bank (UBK) focused on coverage the range of German companies as well as companies operating in Germany, with anthreshold on revenues > EUR 5 mn, as well as private individuals with ties to such companies. With the exception of customers served by Multinational Corporates (MNC) and subsidiaries positioned in the CIB business segment due to their frequent needs for capital market products, customer relationships in the German "Mittelstand" segment and Commercial Real Estate are serviced within the Unternehmer Bank.

Clients of the Unternehmer Bank are divided into the following segments: Key Account (larger enterprises), Corporates and SME and Commercial Real Estate.

UBK pursues a growth strategy in which it seeks to position itself with clients as holistic and individual provider of solutions on all sales channels relevant to the client. This is established in the Mission Statement 2019 of Unternehmer Bank. Strategic developments for corporate clients are related to corporate succession, digitalisation, foreign trade, internationalization, sustainable finance and the intensified usage of capital market solutions.

The UniCredit Leasing Group comprises the equipment leasing-, hire-purchase and -financing business of Unternehmer Bank, a 100% subsidiary of UniCredit Bank AG.

*Private Clients Bank ("**PBK**")*

The Private Clients Bank serves private clients in the business segments "Retail" and "Private Banking", covering all banking needs with a focus on Affluent and Private Banking Customers. Specific sales channels and responsibilities take into account the sometimes divergent and individual needs of these customer segments, promoting the transition of wealthy investment customers into Private Banking while making efficient use of shared specialist, management and support units.

To respond to the challenging market environment, the attractive growth expectations in Wealth Management, Private Banking and Affluent as well as the increasing demand for digital financial solutions, a rethinking of the current PBK divisional perimeter is envisaged in Team 23 strategy, comprising the development of an integrated Private Banking & Wealth Management service model as well as the full exploitation of synergies stemming from overlapping customer needs and efficiencies for Business Clients (incl. Business Easy).

The route of modernization will be continued through a new seamless omni-channel service model, in particular for mass market customers based on the seamless integration among network, remote center and digital channels. Objective is to grow while lowering the cost-to-serve. This should be supported by highest individual consulting expertise, the val*you* loyalty programme as well as front-to-back modernization of processes and technological capabilities. In particular, Private Banking & Wealth Management follow a clear growth strategy with the holistic advisory approach, a nationwide network and comprehensive product spectrum of investment and financing products.

The two subsidiaries WealthCap, and UniCredit Direct Services are supporting this strategy: WealthCap is a product factory for closed-end funds, with the focus on real estate and private equity funds. UniCredit Direct Services is the customer call and service centre of HVB Group. The primary focus of the service and sales activities is on customer relationship management by telephone, e-mail and internet.

Corporate & Investment Banking (CIB)

CIB is a global business division of UniCredit Group. It is organised in a matrix structure and has operations in the three major legal entities of the Group: UniCredit Bank AG, UniCredit Bank Austria AG and UniCredit S.p.A.

CIB's business success is based on the interaction between coverage and the product units, but also from cooperation with other countries and UniCredit Group business segments, as well as the responsible Credit Risk management units.

UniCredit Bank AG aims to build stable, strategic business partnerships by providing services and solutions in both corporate and investment banking.

The CIB is the competence centre of UniCredit Bank AG for international markets and investment banking. The local CIB strategy is closely aligned with the global CIB strategy to provide clients with consistent support.

UniCredit Bank AG serves local as well as international clients through its extensive network. The CIB division is active in the European markets and is also present in the top financial centres worldwide such as New York, Hong Kong, Singapore and Tokyo.

CIB Product Lines

Besides the coverage of corporate and institutional clients, the Corporate & Investment Banking division comprise three product lines: Global Transaction Banking (GTB), Financing & Advisory (F&A) and Markets. Through close collaboration between the CIB product specialists and the coverage units of CIB and the Commerical Bank, CIB products are being delivered to a broad client range from small and medium size enterprises to large and multinational corporate clients as well as institutional clients and financial sponsors.

Coverage is set up horizontally: Financial Institutions Group (FIG), Multinational Corporates (MNC) and Family Offices & Investment Holdings (GFO), CIB Americas and CIB Asia Pacific. Three Product lines are set up vertically:

Global Transaction Banking (GTB) offers traditional and innovative products in the area of Cash Management and Trade Finance. Based on these, it provides services with regard to payment transactions, account information, cash-flow optimisation, liquidity management and predominantly short-term import and export financing of transaction-oriented customers.

Key product areas in Cash Management are clearing and FX, client access through electronic access channels, payment products with funds transfers and account information, liquidity management with cash pooling and other optimisation methods, cash innovations with corporate customer cards and retailer solutions as well as sight deposits business.

Trade & Working Capital offers solutions along the value chain of customers' receivables and supply chain finance, as well as traditional Foreign Trade products such as Guarantees, Letters of Credit, Collections etc.

Financing & Advisory F&A supports the Financial Sponsors Solutions, Infrastructure & Power Project Finance, Natural Resources, Commodity Trade Finance, and Structured Trade and Export Finance customers at a global level. Further global business lines are Global Syndicate & Capital Markets and Corporate Finance Advisory. The local business units Corporate Structured Finance (CSF) and Real Estate Structured Finance (RESF) cooperate closely with the Commercial Banking business divisions. Global Shipping as a local unit follows transactions worldwide. Portfolio & Pricing Management (PPM) is responsible for management of all UniCredit Group's LP (Leveraged and Project Finance, covered by the business lines Financial Sponsor Solutions, Infrastructure & Power Project Finance and Natural Resources) portfolio transactions. RESF and CSF portfolios are managed at UniCredit Bank AG level by PPM in conjunction with sales channel representatives. In addition, it offers support to the subsidiary Ocean Breeze Energy GmbH & Co KG.

Sustainable Finance Advisory is the new Global Function created in September 2019 for advising corporate clients, financial institutions and the public sector on all issues related to sustainability strategies.

Markets is a client driven business line which supports UniCredit Group's Corporate and Institutional Business as an integral part of the CIB value chain. The product unit covers all asset classes: Rates, Currencies, Commodities and Equity Derivatives. It provides risk management solutions and investment services for Institutional Clients, Corporations and Private Investors via own and external networks.

Group Corporate Centre

The Group Corporate Centre business unit includes profit contributions that do not fall within the jurisdiction of the individual business segments. Among other items, this includes the CFO, CRO and the CEO business units as well as the profits and losses of consolidated subsidiaries and non-consolidated holdings, provided they are not assigned to the other business segments. Furthermore, this business unit incorporates the net income from securities holdings for which the Management Board is responsible. Also incorporated in this business unit are the amounts arising from decisions taken by management with regard to asset/liability management. This includes contributions to earnings from securities and money trading activities involving UniCredit S.p.A. and its subsidiaries. The Group Corporate Centre business segment also includes the Real Estate Restructuring (RER) customer portfolio.

Other

The Other business segment encompasses the Chief Operating Office. It acts as a central internal service provider for customers and employees. The Chief Operating Office activities extend to purchasing, organisation, corporate security, logistics and facility management, cost management and back-office functions for credit, accounts, foreign exchange, money market and derivatives as well as in-house consulting. Payments, securities settlement, IT application development and IT operations have been outsourced. Strategic real estate management at HVB is similarly the responsibility of the Chief Operating Office business unit and is carried out by the Real Estate unit (GRE), HVB Immobilien AG, Munich and UniCredit Services S.C.p.A., Milan, respectively, as engaged by HVB Immobilien AG, Munich by way of an operating contract.

Principal Markets

In the opinion of HVB Group, it has a developed network of branches in Germany, particularly in Bavaria and the greater Hamburg area, which was modified to accommodate changed patterns of customer behaviour. As of 31 December 2019, HVB Group had 498 offices around the world (including 348 HVB branches in Germany) and 12,194 employees (in full-time equivalents, FTEs) (2018: 12,205).

Management and Supervisory Bodies

Like all German stock corporations, UniCredit Bank AG has a two-tier board system. The Management Board (*Vorstand*) is responsible for management and the representation of HVB with respect to third parties. The Supervisory Board (*Aufsichtsrat*) appoints and removes the members of the Management Board and supervises the Management Board's activities.

In accordance with Section 24 (1) sent. 2 of the German Act on the Co-determination of Employees in Connection with a Cross-border Merger (MgVG) in conjunction with Section 95 sent. 1 and 3 and Section 96 of the German Stock Corporation Act (*AktG*) and Section 8 of the Articles of Association, the Supervisory Board consists of 12 members, comprising an equal number of employee and shareholder representatives in accordance with the co-determination provisions. When new members of the Supervisory Board are appointed, care is taken to ensure that they have the required knowledge and skills and do not serve on governing bodies or perform advisory functions for key competitors. The members of the Supervisory Board are obliged to act in the interests of the company. Under the Supervisory Board's by-laws, any conflicts of interest must be disclosed to the Supervisory Board.

The Management Board is directly responsible for managing the company and works with the other bodies of the company and the employee representatives in the interests of the company. It develops the strategic orientation of the company, coordinates this with the Supervisory Board and is responsible for putting it into practice.

The members of the Management Board and the Supervisory Board of HVB may be contacted at their business address (UniCredit Bank AG, Arabellastrasse 12, 81925 Munich, Germany).

As of the date of this Registration Document, the composition of the Management Board and of the Supervisory Board of HVB and the functions and major activities performed by members of the Management Board outside HVB Group and the principal occupations of the members of its Supervisory Board are as follows:

Management Board

Name	**Areas of Responsibility**	**Major activities outside HVB Group**
Sandra Betocchi Drwenski	Chief Operating Officer	
Markus Beumer	Commercial Banking - Unternehmer Bank	DAW SE, Ober-Ramstadt (Member of the Advisory Board)
Jörg Frischholz	Commercial Banking – Private Clients Bank	-
Ljiljana Čortan	Chief Risk Officer	-

Name	Areas of Responsibility	Major activities outside HVB Group
Dr Michael Diederich	Spokesman of the Management Board Human Capital/Arbeit und Soziales	FC Bayern München AG, Munich (Member of the Supervisory Board)
		ESMT European School of Management and Technology GmbH, Berlin (Member of the Supervisory Board)
Jan Kupfer	Corporate & Investment Banking	Bayerische Börse Aktiengesellschaft, Munich (Member of the Supervisory Board)
Simone Marcucci	Chief Financial Officer	Zagrebačka banka d.d., Zagreb, Croatia (Chairman of the Supervisory Board)

Supervisory Board

Name	Principal Occupation
Gianpaolo Alessandro, Milan Chairman	Group General Counsel, Head of Group Legal and Secretary of the Board of Directors der UniCredit S.p.A., Milan
Florian Schwarz, Munich, Deputy Chairman(1)	Employee of UniCredit Bank AG
Dr Wolfgang Sprissler, Sauerlach, Deputy Chairman	Former Board Spokesman of UniCredit Bank AG
Paolo Cornetta, Milan	Head of Group Human Capital of UniCredit S.p.A., Milan
Olivier Khayat, Milan	Co-CEO Commercial Banking Western Europe of UniCredit S.p.A, Milan
Professor Dr Annette G. Köhler, Düsseldorf	University Professor and Chair of Accounting, Auditing and Controlling, University of Duisburg-Essen, Faculty for Business Administration - Mercator School of Management, Duisburg
Dr Marita Kraemer, Frankfurt am Main	Former Member of the Management Board of Zurich GI Management Aktiengesellschaft (Deutschland), Frankfurt am Main, and former Member of the Management Board of Zurich Service GmbH, Bonn
Klaus-Peter Prinz, Trier(1)	Employee of UniCredit Bank AG Luxembourg Branch, Luxembourg
Claudia Richter, Fürth(1)	Employee of UniCredit Bank AG

Name	Principal Occupation
Christian Staack, Hamburg(1)	Employee of UniCredit Bank AG
Oliver Skrbot, Buttenwiesen(1)	Employee of UniCredit Bank AG
Gregor Völkl, Munich(1)	District Secretary (Bezirksfachbereichssekretär) of Vereinte Dienstleistungsgewerkschaft ver.di, Division 1 - Financial Services Munich district, Munich

(1) Representative of Employees

As at the date of this Registration Document, there are no potential conflicts of interest between the duties to HVB of the above-mentioned members of the Management Board and members of the Supervisory Board of HVB and their private interests and/or other duties.

Audit opinion of the Auditors

Deloitte, the independent auditors of HVB for the financial years 2019 and 2018 have audited the consolidated financial statements of HVB Group and the unconsolidated financial statements of HVB as of and for the years ended 31 December 2019 and 31 December 2018 and have issued an unqualified audit opinion thereon.

Legal and Arbitration Proceedings

Legal risks

HVB and other companies belonging to HVB Group are involved in various legal proceedings. The following is a summary of cases against HVB or other companies belonging to HVB Group, which individually or collectively in the respective subject areas have a value in dispute exceeding €50 million or are of substantial significance for HVB for other reasons.

In many cases, there is substantial uncertainty regarding the outcome of the proceedings and the amount of possible damages. These cases include criminal or administrative proceedings by the relevant authority and claims in which the petitioner has not specifically quantified the amounts in dispute. In all proceedings where it is possible to reliably estimate the amount of possible losses, and the loss is considered likely, provisions have been set up based on the circumstances and consistent with IFRS accounting principles applied by HVB Group.

VIP 4 Medienfonds Fund

Various investors in Film & Entertainment VIP Medienfonds 4 GmbH & Co. KG to whom the Bank issued loans to finance their participation, brought legal proceedings against HVB. In the context of the conclusion of the loan agreements the plaintiffs claim that inadequate disclosure was provided by the Bank about the fund structure and the related tax consequences. A settlement was reached with the vast majority of the plaintiffs. An outstanding final decision with respect to the question of HVB's liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*) which is pending at Munich Higher Regional Court, will affect only a few pending cases.

Derivative transactions

The number of complaints and lawsuits filed against HVB by customers in connection with inadequate advice in the context of the conclusion of derivative transactions is declining. Among other things, the arguments raised are that the Bank allegedly did not sufficiently inform the customer with respect to potential risks related to such transactions and especially did not inform the customer about a potential initial negative market value of the derivative. Experience gained so far shows that the characteristics of the relevant product and the individual circumstances of each case are decisive for assessing the risks. In particular, the statute of limitations, the client's economic experience and risk tolerance, and the actual investment advice given play a crucial role.

Proceedings related to claims for withholding tax credits

On 31 July 2014 the Supervisory Board of HVB concluded its internal investigation into the so-called "cum-ex" transactions (the short selling of equities around dividend dates and claims for withholding tax credits on German share dividends) at HVB. The findings of the Supervisory Board's investigation indicated that the bank sustained losses due to certain past acts/omissions of individuals. The Supervisory Board has brought proceedings for compensation against three individual former members of the management board, not seeing reasons to take any action against the current members. These proceedings are ongoing.

In addition, criminal investigations have been conducted against current or former employees of HVB by the Prosecutors in Frankfurt on the Main, Cologne and Munich with the aim of verifying alleged tax evasion offences on their part. HVB cooperated - and continues to cooperate - with the aforesaid Prosecutors who investigated offences that include alleged tax evasion in connection with cum-ex transactions both for HVB's own book as well as for a former customer of HVB. Proceedings in Cologne against HVB and its former employees were closed in November 2015 with, inter alia, the payment of a fine of €9.8 million by HVB. The investigations by the Frankfurt on the Main Prosecutor against HVB under section 30 of the Administrative Offences Act (the Ordnungswidrigkeitengesetz) were closed in February 2016 by the payment of a fine of €5 million. The investigation by the Munich Prosecutor against HVB was closed in April 2017 with legally binding effect following the payment of a forfeiture of €5 million.

In December 2018, in connection with an ongoing investigation against former bank employees by the Cologne prosecutor, HVB was informed of the initiation of an investigation in connection with an administrative offence regarding "cum-ex" transactions involving Exchange Traded Funds ("ETF"). In April 2019 these investigations were extended to so called Ex/Ex-transactions, in which an involvement of the bank in the sourcing of cum/ex transactions of other market participants on the ex-day is suspected. The facts are examined internally. HVB cooperates with the authorities.

The Munich tax authorities are currently performing a regular field audit of HVB for the years 2013 to 2016 which includes, among other things, review of other transactions in equities around the dividend record date. During these years HVB performed, among other things, securities-lending transactions with different domestic counterparties which include, but are not limited to, different types of security transactions around the dividend date. It remains to be clarified whether, and under what circumstances, tax credits can be obtained or taxes refunded with regard to different types of transactions carried out close to the dividend record days, and what the further consequences for the bank will be in the event of different tax treatment. It cannot be ruled out that HVB might be exposed to tax-claims in this respect by relevant tax-offices or third party claims under civil law. HVB is in constant communication with relevant regulatory authorities and the competent tax authorities regarding these matters. HVB has made provisions.

Lawsuit for consequential damages

A customer had filed an action against HVB for consequential damages of €236 million for the following reasons: In 2010, HVB was ordered by Frankfurt Higher Regional Court to pay damages in the amount of €4.8 million to the plaintiff due to the faulty handling of a bill of exchange and in addition to compensate further damages suffered by the plaintiff as a result of this deficiency. In 2011, the plaintiff filed an action against HVB with Frankfurt Regional Court for alleged consequential damages in the amount of €33.7 million and extended this action several times to a total of €236 million in the meantime. By ruling dated 31 August 2017, Frankfurt Regional Court dismissed the claim and followed HVB's opinion on the claim being unfounded and the allegations raised by the plaintiff being unreasonable. The appeal of the plaintiff against the court ruling filed with the Frankfurt Higher Regional Court was dismissed on 19. March 2019. The Frankfurt Higher Regional Court fully acknowledged the justification given by the Regional Court and did not permit an appeal. The plaintiff filed a complaint against not admitting the case to the third instance to the Federal Court of Justice, which was dismissed in December 2019.

Claim in relation to collateral enforcement

In late 2019, a holding company of a German industrial group brought a claim against HVB, in its capacity as security agent for a group of noteholders and lenders, aiming at obtaining the annulment and/or damages in relation to an allegedly fraudulent collateral enforcement. The alleged claim is still under evaluation.

Lehman Brothers Special Financing Claim

The Lehman Brothers Special Financing Claim (LBSF) relates to HVB's holding of: (A) 2005-1 EUR 19,000,000 Class A2-A9 notes issued by Ruby Finance PLC ("Ruby"), and (B) 2004-1 Upper Thames EUR 25,000,000 Credit-Linked Synthetic Portfolio Notes due in 2043 and issued by Quartz Finance PLC ("Quartz").

Both Ruby and Quartz entered into contracts for derivatives with Lehman Brothers Special Financing, Inc.. LBSF included these credit derivative transactions in omnibus avoidance proceedings commenced before the US Bankruptcy Court on 1 October 2010 (LBSF v Bank of America, N.A. et. al. Adv. Pro. No. 10-03547; the "Adversary Proceeding"). On 18 July 2012, LBSF amended its First Amended Complaint in the Adversary Proceeding, in order to, among other things, add the London Branch of HVB as a "Noteholder Defendant", in an attempt to claw-back distributions for the benefit of LBSF (as derivative counterparty) already made by both Ruby and Quartz to HVB (as noteholder).

The U.S. Bankruptcy Court held a hearing on 4 May 2016 on an omnibus motion to dismiss filed by the Noteholder Defendants, and on 28 June 2016 the decision of Bankruptcy Judge Chapman on the omnibus motion was issued. In her decision, Judge Chapman dismissed the case against HVB and the other Noteholder Defendants.

LBSF unsuccessfully appealed such decision to the US District Court for the Southern District of New York.

On 13 April 2018, LBSF filed notice of appeal to the Second Circuit Court of Appeals. The parties exchanged pleadings. The Appeal hearing was held on 26 June 2019 and judgement is awaited.

Euro-denominated bonds issued by EU Countries

On 31 January 2019, UniCredit S.p.A. and HVB received a Statement of Objections from the European Commission referring to the investigation by the European Commission of a suspected violation of antitrust rules in relation to European government bonds. The subject matter of the investigation extends to certain periods from 2007 to 2012, and includes alleged activities by HVB in a part of this period. The Statement of Objections does not prejudge the outcome of the proceeding; should the Commission conclude that there is sufficient evidence of an infringement, a decision prohibiting the conduct and imposing a fine could be adopted, with any fine subject to a statutory maximum of 10% of company's annual worldwide turnover.

HVB had access to the entirety of the European Commission's file on the investigation from 15 February 2019 onwards. As a result of the assessment of the files, the Bank regards it no longer remote but possible, even though not likely, that a cash outflow might be required to fulfill a potential fine arising from the outcome of the investigation. On the basis of the current information, it is not possible to reliably estimate the amount of any potential fine at the present date.

UniCredit S.p.A. and HVB have responded to the raised objections on 29 April 2019 and participated in a hearing before the European Commission on 22-24 October 2019. Proceedings are ongoing. There is no legal deadline for the Commission to complete antitrust inquiries.

On 11 June 2019, HVB and UniCredit Capital Markets LLC were named, among other financial institutions, as defendants in a putative class action already pending in the United States District Court for the Southern District of New York. The third amended class action complaint, filed December 3, 2019, alleges a conspiracy among dealers of Euro-denominated bonds issued by European central banks to fix and manipulate the prices of those bonds, among other things by widening the bid-ask spreads they quoted to customers. The putative class consists of those who purchased or sold Euro-denominated bonds issued by European central banks in the US between 2007 and 2012. The third amended class action complaint does not include a quantification of damages claimed. The proceedings are in their inception. Motions to dismiss — a procedural device contemplated by the United States Federal Rules of Civil Procedure which provides defendants with an opportunity to challenge the legal sufficiency of a complaint and present arguments that the complaint should be dismissed — will likely be fully briefed before the end of the second quarter of 2020 and will likely include the argument that the complaint fails to state a claim."

10. In the section "**Description of the Issuer**" on page 66, the list of the information regarding the Issuer which is incorporated by reference into the Base Prospectus shall be replaced as follows:

"(i) The description of the Issuer included in the Registration Document of UniCredit Bank AG dated 17 April 2019,

(ii) the audited consolidated financial statements, comprising the consolidated income statement, the consolidated balance sheet, the statement of changes in consolidated shareholders' equity, the consolidated cash flow statement, the notes to the consolidated financial statements and the independent auditors' report of HVB Group as of 31 December 2019, contained in the Annual Report HVB Group 2019,

(iii) the audited consolidated financial statements, comprising the consolidated income statement, the consolidated balance sheet, statement of changes in consolidated shareholders' equity, the statement of cash flows and the notes to the consolidated financial statements and the auditors' report of HVB Group as of 31 December 2018 contained in the Annual Report HVB Group 2018, and

(iv) the audited unconsolidated financial statements, comprising the income statement of UniCredit Bank AG, the balance sheet of UniCredit Bank AG and the notes to the unconsolidated financial statements, and the auditors' report as of 31 December 2019, contained in the Annual Report UniCredit Bank AG (HVB) 2019."

11. In the section "**General Information – Availability of Documents**" on pages 269 et seq., the list of available documents shall be replaced as follows:

"(1) articles of association of the Issuer,

(2) the consolidated annual reports in respect of the fiscal years ended 31 December 2019 of the HVB Group,

(3) the consolidated annual reports in respect of the fiscal years ended 31 December 2018 of the HVB Group,

(4) the unconsolidated annual financial statements of the Issuer in respect of the fiscal year ended 31 December 2019 prepared in accordance with the German Commercial Code (*Handelsgesetzbuch*),

(5) the forms of the Global Notes,

(6) the Final Terms

(7) the Agency Agreement, as amended and restated and

(8) the French Agency Agreement."

12. In the section "**General Information – Significant Changes in HVB's Financial Position and Trend Information**" on page 270, the whole text shall be replaced as follows:

"The performance of HVB Group will depend on the future development on the financial markets and the real economy in 2020 as well as other remaining imponderables. In this environment, HVB Group will continuously adapt its business strategy to reflect changes in market conditions and carefully review the management signals derived from this on a regular basis.

There has been (i) no significant change in the financial position of the HVB Group which has occurred since 31 December 2019, and (ii) no material adverse change in the prospects of the HVB Group since 31 December 2019, the date of its last published audited financial statements (Annual Report 2019)."

13. In the section "**General Information – Information incorporated by reference in this Base Prospectus**" on page 273 et seqq. (as supplemented by the supplement dated 19 December 2019), the rows from "Registration Document of UniCredit Bank AG, dated 17 April 2019[1)]" to "Unaudited half-yearly financial report of HVB Group as at 30 June 2019" shall be replaced as follows:

"

Registration Document of UniCredit Bank AG, dated 17 April 2019[1)]		
UniCredit Bank AG		
- Information about HVB, the parent company of HVB Group	p. 10	p. 66
Business Overview		
- Principal Activities	p. 10	p. 66
Major Shareholders	p. 15	p. 66
Proceedings Related to Actions by the Regulatory Authorities	p. 17 to 18	p. 66
Audited financial statements of HVB Group for the fiscal year ended 31 December 2019 (Annual Report HVB Group 2019)[2)]		
- Consolidated Income Statement	p. 88 to 89	p. 66
- Consolidated Balance Sheet	p. 90 to 91	p. 66
- Statement of Changes in Consolidated Shareholders' Equity	p. 92 to 93	p. 66
- Consolidated Cash Flow Statement	p. 94	p. 66
- Notes	p. 95 to 254	p. 66
- Declaration by the Management Board	p. 255	p. 66
- Auditors' Report	p. 256 to 261	p. 66
Audited financial statements of HVB Group for the fiscal year ended 31 December 2018 (Annual Report HVB Group 2018)[2)]		
- Consolidated Income Statement	p. F-1 to F-2	p. 66
- Consolidated Balance Sheet	p. F-3 to F-4	p. 66
- Statement of Changes in Consolidated Shareholders' Equity	p. F-5 to F-7	p. 66
- Consolidated Cash Flow Statement	p. F-8	p. 66
- Notes	p. F-9 to F-181	p. 66
- Independent Auditors' Report	p. F-183 to F-188	p. 66
Audited unconsolidated financial statements (*Jahresabschluss*) of UniCredit Bank AG for the fiscal year ended 31 December 2019 (Annual Report UniCredit Bank AG (HVB) 2019)[2)]		
- Income Statement of UniCredit Bank AG	p. 78 to 79	p. 66
- Balance Sheet of UniCredit Bank AG	p. 80 to 85	p. 66
- Notes	p. 86 to 143	p. 66
- Declaration by the Management Board	p. 144	p. 66
- Auditors' Report	p. 145 to 150	p. 66

"