

This document constitutes a supplement (the "**Supplement**") pursuant to Article 13 of the Luxembourg Law of 10 July 2005 on prospectuses for securities as amended by the Law of 3 July 2012 (the "**Prospectus Law**")



2nd Supplement dated 22 May 2019

(the "**Supplement**")

to the following base prospectus

Base Prospectus

for the issuance of

**Single Underlying and Multi Underlying Securities
(without capital protection)**

under the Euro 1,000,000,000 Issuance Programme of

UniCredit S.p.A.

dated

4 February 2019

(the "**Base Prospectus**")

This Supplement is to be read and construed in conjunction with the Base Prospectus, the 1st supplement dated 19 February 2019 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.

UniCredit S.p.A. ("**Issuer**") accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that this is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Investors who have already agreed to purchase or subscribe for securities which are issued under the Base Prospectus before the Supplement is published shall have the right, exercisable within two working days after the publication of the Supplement, to withdraw their acceptances (Article 13 section 2 of the Prospectus Law). Investors may therefore withdraw their declarations up until 24 May 2019.

This Supplement, the Base Prospectus as well as any further supplements to the Base Prospectus are published on the websites www.investimenti.unicredit.it and www.onemarkets.deor any successor page. Furthermore, this Supplement and the documents incorporated by reference into the Base Prospectus by virtue of this Supplement will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The Commission de Surveillance du Secteur Financier, Luxembourg ("**CSSF**") is the competent authority for the approval of this Supplement.

Purpose of the Supplement

The purpose of the submission of this Supplement is to (A) update the "SUMMARY" section of the Base Prospectus, (B) update the "RISK FACTOR" section of the Base Prospectus, (C) update the "DESCRIPTION OF THE ISSUER" section of the Base Prospectus, and to (D) update the "GENERAL INFORMATION" section of the Base Prospectus.

CHANGES TO THE BASE PROSPECTUS

A. "SUMMARY" section of the Base Prospectus

The "SUMMARY" section of the Base Prospectus shall be amended as follows:

1. Element B. 4b

Element B.4b, on page 6 of the Base Prospectus, shall be deleted and replaced as follows:

B.4b	Trend information	Not applicable. There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for its current financial year.
------	-------------------	---

2. Element B.5

Element B.5, on page 6 of the Base Prospectus, shall be deleted and replaced as follows:

B.5	Description of the group and the	The UniCredit banking Group, registered with the Register of Banking Groups held by the Bank of Italy pursuant to Article 64 of Legislative Decree No. 385 of 1 September 1993 as amended (the " Banking Act ") under
-----	----------------------------------	--

issuer's position within the group	number 02008.1 (the " Group " or the " UniCredit Group ") is a strong pan-European Group with a simple commercial banking model and a fully plugged in Corporate & Investment Bank, delivering its unique Western, Central and Eastern European network, with 3,815 branches ³ and 86,786 full time equivalent employees (FTEs) ⁴ , to its client franchise. UniCredit offers local expertise as well as international reach and accompanies and supports its clients globally, providing clients with access to leading banks in its 14 core markets and operations in another 18 countries. UniCredit's European banking network includes Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Slovakia, Slovenia, Serbia and Turkey.
------------------------------------	--

3. Element B.9

Element B.9, on page 6 of the Base Prospectus, as supplemented, shall be deleted and replaced as follows:

B.9	Profit forecast or estimate	Not applicable. No profit forecasts or estimates have been made in the Base Prospectus.
-----	-----------------------------	---

4. Element B.12

Element B.12, on page 6 et seq. of the Base Prospectus shall be deleted and replaced as follows:

B.12	Selected historical key financial information	Income Statement																												
		The table below sets out summary information extracted from the audited consolidated annual financial statements as at and for each of the financial years ended 31 December 2018 and 31 December 2017 for the UniCredit Group:																												
		<table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>Year ended 31 December 2018 (*)</th> <th>Year ended 31 December 2017 (**)</th> <th>Year ended 31 December 2017 (***)</th> </tr> </thead> <tbody> <tr> <td>Operating income of which:</td> <td>19,723</td> <td>19,941</td> <td>19,619</td> </tr> <tr> <td>– net interest</td> <td>10,856</td> <td>10,633</td> <td>10,299</td> </tr> <tr> <td>– dividends and other income from equity investments</td> <td>738</td> <td>638</td> <td>638</td> </tr> <tr> <td>– net fees and commissions</td> <td>6,756</td> <td>6,695</td> <td>6,708</td> </tr> <tr> <td>Operating costs</td> <td>(10,698)</td> <td>(11,338)</td> <td>(11,350)</td> </tr> <tr> <td>Operating profit (loss)</td> <td>9,025</td> <td>8,603</td> <td>8,268</td> </tr> </tbody> </table>	<i>€ millions</i>	Year ended 31 December 2018 (*)	Year ended 31 December 2017 (**)	Year ended 31 December 2017 (***)	Operating income of which:	19,723	19,941	19,619	– net interest	10,856	10,633	10,299	– dividends and other income from equity investments	738	638	638	– net fees and commissions	6,756	6,695	6,708	Operating costs	(10,698)	(11,338)	(11,350)	Operating profit (loss)	9,025	8,603	8,268
		<i>€ millions</i>	Year ended 31 December 2018 (*)	Year ended 31 December 2017 (**)	Year ended 31 December 2017 (***)																									
		Operating income of which:	19,723	19,941	19,619																									
		– net interest	10,856	10,633	10,299																									
		– dividends and other income from equity investments	738	638	638																									
		– net fees and commissions	6,756	6,695	6,708																									
Operating costs	(10,698)	(11,338)	(11,350)																											
Operating profit (loss)	9,025	8,603	8,268																											

³ Retail branches only. The branches of of sub-group Koc Finansal Hizmetler AS are not included. Data as of 31 December 2018.

⁴ "Full time equivalent" data (FTE): number of employees counted for the rate of presence. Employees of sub-group Koc Finansal Hizmetler AS are not included. Data as of 31 December 2018.

		Profit (loss) before tax	3,619	4,148	4,148																																				
		Net profit (loss) attributable to the Group	3,892	5,473	5,473																																				
		<p>(*) The financial information relating to the financial year ended 31 December 2018 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2018, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.</p> <p>(**) The comparative figures as at 31 December 2017 in this column have been restated. The amounts related to year 2017 differ from the ones published in the "2017 Consolidated Reports and Accounts".</p> <p>(***) As published in the "2017 Consolidated Reports and Accounts".</p> <p>The figures in this table refer to the reclassified income statement.</p>																																							
		<p>The table below sets out summary information extracted from the unaudited consolidated interim report as at 31 March 2019 – Press Release of UniCredit and the unaudited consolidated interim report as at 31 March 2018 – Press Release of UniCredit:</p> <table border="1"> <thead> <tr> <th><i>€ millions</i></th> <th>31 March 2019 (****)</th> <th>31 March 2018 (*****)</th> <th>31 March 2018 (*****)</th> </tr> </thead> <tbody> <tr> <td>Operating income of which:</td> <td>4,952</td> <td>5,105</td> <td>5,114</td> </tr> <tr> <td>- net interest</td> <td>2,649</td> <td>2,630</td> <td>2,636</td> </tr> <tr> <td>- dividends and other income from equity investments</td> <td>170</td> <td>189</td> <td>189</td> </tr> <tr> <td>- net fees and commissions</td> <td>1,655</td> <td>1,747</td> <td>1,750</td> </tr> <tr> <td>Operating costs</td> <td>-2,614</td> <td>-2,728</td> <td>-2,738</td> </tr> <tr> <td>Operating profit</td> <td>2,338</td> <td>2,376</td> <td>2,376</td> </tr> <tr> <td>Profit (loss) before tax</td> <td>2,047</td> <td>1,389</td> <td>1,389</td> </tr> <tr> <td>Net profit (loss) attributable to the Group</td> <td>1,387</td> <td>1,112</td> <td>1,112</td> </tr> </tbody> </table> <p>(****) The financial information relating to 31 March 2019 has been extracted from UniCredit's unaudited Consolidated Interim Report as at 31 March 2019 – Press Release.</p> <p>(*****) In 2019 Reclassified income statement, comparative figures as at 31 March 2018 have been restated.</p> <p>(*****) As published in "UniCredit Unaudited Consolidated Interim Report as at 31 March 2018 – Press Release".</p> <p>The figures in this table refer to the reclassified income statement.</p>				<i>€ millions</i>	31 March 2019 (****)	31 March 2018 (*****)	31 March 2018 (*****)	Operating income of which:	4,952	5,105	5,114	- net interest	2,649	2,630	2,636	- dividends and other income from equity investments	170	189	189	- net fees and commissions	1,655	1,747	1,750	Operating costs	-2,614	-2,728	-2,738	Operating profit	2,338	2,376	2,376	Profit (loss) before tax	2,047	1,389	1,389	Net profit (loss) attributable to the Group	1,387	1,112	1,112
<i>€ millions</i>	31 March 2019 (****)	31 March 2018 (*****)	31 March 2018 (*****)																																						
Operating income of which:	4,952	5,105	5,114																																						
- net interest	2,649	2,630	2,636																																						
- dividends and other income from equity investments	170	189	189																																						
- net fees and commissions	1,655	1,747	1,750																																						
Operating costs	-2,614	-2,728	-2,738																																						
Operating profit	2,338	2,376	2,376																																						
Profit (loss) before tax	2,047	1,389	1,389																																						
Net profit (loss) attributable to the Group	1,387	1,112	1,112																																						
		<p>Statement of Financial Position</p> <p>The table below sets out summary information extracted from UniCredit Group's consolidated audited statement of financial positions as at and for each of the financial years ended 31 December 2018 and 31 December 2017:</p>																																							

<i>€ millions</i>	Year ended 31 December 2018 (*)	Year ended 31 December 2017 (**)	Year ended 31 December 2017 (***)
Total assets	831,469	836,790	836,790
Financial assets held for trading	65,231	74,686	74,686
Loans and receivables with customers of which:	471,839	438,895	447,727
– Non-Performing loans (****)	14,903	21,112	21,192
Financial liabilities held for trading	43,111	55,784	55,784
Deposits from customers and debt securities in issue of which:	560,141	561,498	561,498
– deposits from customers	478,988	462,895	462,895
– securities in issue	81,153	98,603	98,603
Group Shareholders' Equity	55,841	59,331	59,331
(*)	The financial information relating to the financial year ended 31 December 2018 has been extracted from UniCredit's audited consolidated financial statements as of and for the year ended 31 December 2018, which have been audited by Deloitte & Touche S.p.A., UniCredit's external auditors.		
(**)	The comparative figures as at 31 December 2017 in this column have been restated. The amounts related to year 2017 differ from the ones published in the "2017 Consolidated Reports and Accounts".		
(***)	As published in the "2017 Consolidated Reports and Accounts".		
(****)	The perimeter of Impaired loans is substantially equivalent to the perimeter of EBA NPE exposures. Unlike the figures as at 31 December 2017, the figures as at 31 December 2018 apply the IFRS9 accounting principle and the exclusion of "Interessi di mora" components. The figures as at 31 December 2017 have been restated and differ from the ones published in the "2017 Consolidated Reports and Accounts" due to the exclusion of the debt securities.		
	The figures in this table refer to the reclassified balance sheet.		
	The table below sets out summary information extracted from the unaudited consolidated interim report as at 31 March 2019 – Press Release of UniCredit and the unaudited consolidated interim report as at 31 March 2018 – Press Release of UniCredit:		
<i>€ millions</i>	31 March 2019 (*****)	31 March 2018 (*****)	
Total assets	847,663	823,978	
Financial assets held for trading	67,135	80,324	
Loans to customers	471,653	441,783	

		<table border="1"> <tr> <td>of which:</td> <td></td> <td></td> </tr> <tr> <td>– Non-Performing loans</td> <td>14,370</td> <td>17,698</td> </tr> <tr> <td>Financial liabilities held for trading</td> <td>41,879</td> <td>48,685</td> </tr> <tr> <td>Deposits from customers and debt securities in issue of which:</td> <td>557,797</td> <td>550,328</td> </tr> <tr> <td>– deposits from customers</td> <td>473,514</td> <td>456,959</td> </tr> <tr> <td>– debt securities in issue</td> <td>84,283</td> <td>93,369</td> </tr> <tr> <td>Group Shareholders' Equity</td> <td>57,851</td> <td>56,950</td> </tr> </table> <p>(*****) The financial information relating to 31 March 2019 has been extracted from UniCredit's unaudited Consolidated Interim Report as at 31 March 2019 – Press Release.</p> <p>(*****) As published in “UniCredit Unaudited Consolidated Interim Report as at 31 March 2018 – Press Release”.</p> <p>The figures in this table refer to the reclassified balance sheet.</p>	of which:			– Non-Performing loans	14,370	17,698	Financial liabilities held for trading	41,879	48,685	Deposits from customers and debt securities in issue of which:	557,797	550,328	– deposits from customers	473,514	456,959	– debt securities in issue	84,283	93,369	Group Shareholders' Equity	57,851	56,950
of which:																							
– Non-Performing loans	14,370	17,698																					
Financial liabilities held for trading	41,879	48,685																					
Deposits from customers and debt securities in issue of which:	557,797	550,328																					
– deposits from customers	473,514	456,959																					
– debt securities in issue	84,283	93,369																					
Group Shareholders' Equity	57,851	56,950																					
	<p>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</p> <p>Description of significant change in the financial or trading position subsequent to the period covered by the historical financial information</p>	<p>There has been no material adverse change in the prospects of UniCredit and the Group since 31 December 2018.</p> <p>Not applicable. There has been no significant change in the financial or trading position of UniCredit and the Group since 31 March 2019.</p>																					

5. Element D.2

Element D.2, on page 54 et seq. of the Base Prospectus, shall be deleted and replaced as follows:

D.2	Key information on the key risks that are specific to the Issuer	<p>In purchasing Securities, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Securities. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Securities. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified a number of factors which could materially adversely affect their businesses and ability to make payments due under the Securities. These factors include:</p> <ul style="list-style-type: none"> • risks connected with the Strategic Plan: in case of failure or partial occurrence of the assumptions underlying the Strategic Plan, Group's actual results may differ significantly from those set forth in the strategic objectives; • risks associated with the impact of the current macroeconomic uncertainties and the volatility of the markets on the Group's performance; • risks connected with the UniCredit Group's activities in different geographical areas; • credit risk and risk of credit quality deterioration: risk that a bank borrower or counterparty will fail to meet its obligations in accordance with the agreed terms; • risks associated with disposal on non-performing loans; • risks associated with UniCredit's participation in the Atlante fund and the Italian Recovery Fund (former Atlante II fund): if the value of the assets in which the Atlante funds are invested and/or will be invested were to be reduced, or if such assets were to be replaced with assets having a greater risk profile or that are characterized by a greater degree of capital absorption, this could require to further write down UniCredit's investment in the Atlante funds with consequent impacts on the capital ratios of UniCredit and with possible negative effects on the economic, equity and/or financial situation of UniCredit and/or the Group; • risks associated with the Group's exposure to sovereign debt; • liquidity risk: UniCredit Group may find itself unable to meet its current and future, anticipated and unforeseen cash payments and delivery obligations without impairing its day-to-day operations or financial position; • risks related to intra-group exposure; • market risks: risk that changes in the market variables (interest rate, securities price, exchange rates, etc.) can affect the economic value of the Group's portfolio; • risks associated with borrowings and evaluation methods of the assets and liabilities of the Issuer; • risks relating to the IT system management;
-----	--	--

	<ul style="list-style-type: none"> • risks related to deferred taxes; • risks connected with interests in the capital of the Bank of Italy; • counterparty risk in derivative and repo operations: risk that the counterparty of such operations may fail to fulfil its obligations or may become insolvent before the contract matures, when the Issuer or one of the other Group companies still holds a credit right against the counterparty; • risks connected with exercising the Goodwill Impairment Test and losses in value relating to goodwill: the future evolution of certain factors, including macroeconomic developments and the volatility of financial markets, as well as changes in the Group corporate strategy, could have a material adverse impact on impairment tests and on Group business, financial condition and results of operations; • risks connected with existing alliances and joint ventures: obligations, in relation to coinvestments, distribution agreements and sale & purchase agreements, subject to certain conditions that, if met, could result in negative impacts on the operations, operating results, capital and financial position of the Issuer and/or the Group; • risks connected with the performance of the property market; • risks connected with pensions: the UniCredit Group is exposed to certain risks relating to commitments to pay pension benefits to employees following the termination of their employment; • risks connected with risk monitoring methods and the validation of such methods; • risks connected with non-banking activities: default by the counterparties of operations, such as trading operations, or issuers of securities held by UniCredit Group companies, as well as, for the non-banking shareholdings (also deriving from conversion of debt into equity instruments) the mismanagement of these activities and the related equity investments could have major negative effects on the activity, operating results and capital and financial position of UniCredit and/or the Group; • risks connected with legal proceedings in progress and supervisory authority measures; • risks arising from tax disputes; • risks connected with the organisational and management model pursuant to Legislative Decree 231/2001 and the accounting administrative model pursuant to Law 262/2005; • risks connected with operations in the banking and financial sector: Group is subject to the risks arising from competition, primarily in the provision of lending and financial brokerage. The banking and financial sector is also influenced by the uncertainties surrounding the stability and overall situation of the financial markets. A deterioration of financial market conditions and a greater competitive pressure could have a negative effects on the operating results and capital and financial position of the Issuer and/or the Group; • risks connected with ordinary and extraordinary contribution to funds established under the scope of the banking crisis rules; • risks connected with the entry into force of new accounting principles and changes to applicable accounting principles; • risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union
--	--

		<p>(Brexit);</p> <ul style="list-style-type: none"> • Basel III and CRD IV: UniCredit may be required to maintain levels of capital which could potentially impact its credit ratings, and funding conditions and which could limit UniCredit's growth opportunities; • forthcoming regulatory changes; • ECB Single Supervisory Mechanism: risks connected with increased capital requirements - the need for additional capital to meet capital requirements could have significant negative effects on the operating results and capital and financial position of UniCredit and/or the Group; • the bank recovery and resolution directive (BRRD) is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of any Securities and/or the rights of Security Holders; • implementation of the BRRD in Italy: the exercise of the powers of the BRRD implemented in Italy (e.g. write-down or conversion into equity) may be applied to UniCredit and the Securities issued by UniCredit; • as of 2016 the UniCredit Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism: UniCredit is obligated to provide financial resources which could have a significant impact on UniCredit's financial and capital position; • the European proposed financial transactions tax (the FTT); and • ratings: any rating downgrade of UniCredit or other entities of the Group could have a material adverse effect on its business, financial condition and results of operations.
--	--	---

B. "RISK FACTORS" section of the Base Prospectus

The "RISK FACTORS" section of the Base Prospectus shall be amended as follows:

In section "RISK FACTORS", subsection "A. Risks related to the Issuer" on page 74 et seq., as supplemented, shall be deleted in its entirety and the following new section shall be inserted:

"A. Risks related to the Issuer

The risk factors related to the Issuer included in the EMTN Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018 ("**EMTN Programme**"), as supplemented by the 1st supplement to the EMTN Programme dated 23 November 2018 and as supplemented from time to time, are hereby incorporated by reference into this Base Prospectus. A list setting out the information incorporated by reference is provided on page 451 et seq.

Potential investors should consider the information within the section entitled "Risk Factors" of the EMTN Programme. This section contains information on risks which may affect the assets, liabilities and the financial position of the Issuer and its ability to fulfil its obligations arising from the Securities.

In addition, potential investors should consider the following risk factors related to the Issuer:

Risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union (Brexit)

On 29 March 2017, the UK delivered to the European Council notice of its intention to withdraw from the EU, pursuant to Article 50 of the Treaty on the European Union. The delivery of such notice started a two - year period of negotiations with the EU on the terms of the UK withdrawal and of its future relationship with the EU (the "**Article 50 Withdrawal Agreement**"). The UK and the European Council have agreed to extend this period of Article 50 negotiations until 31 October 2019. If the parties fail to reach an agreement within this time frame, all EU treaties will cease to apply to the UK, unless the European Council, in agreement with the UK, unanimously decides to extend this period again or the UK decides to revoke Article 50 and remain in the EU. As part of those negotiations, a transitional period has been agreed in principle which would extend the application of EU law, and provide for continuing access to the EU single market, until the end of 2020. However, it is subject to ratification by the UK Parliament, the European Parliament and the European Council and, so far, the UK Parliament has rejected the withdrawal agreement. There are a number of uncertainties in connection with the Brexit process, including the timing and the future of the UK's relationship with the EU. It therefore remains uncertain whether the Article 50 Withdrawal Agreement will be finalised and ratified by the UK and the EU ahead of the 31 October 2019 deadline. In addition, the UK's decision to withdraw from the EU has also given rise to calls for the governments of other EU member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets, which could in turn depress economic activity and restrict the access to capital of the Issuer. Until the terms and timing of the UK's exit from the EU are clearer, it is not possible to determine the impact that the UK's departure from the EU and/or any related matters may have on the stability of the Eurozone or the European Union and, ultimately, on the business of the Group. As such, no assurance can be given that such matters would not adversely affect the Group, its business prospects, its financial condition, its results of operations, the ability of the Issuer to satisfy the relevant obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Risks connected to Bank Capital Adequacy

In the wake of the global financial crisis that began in 2008, the Basel Committee on Banking Supervision (the "**BCBS**") approved, in the fourth quarter of 2010, revised global regulatory standards ("**Basel III**") on bank capital adequacy and liquidity, which impose requirements for, *inter alia*, higher and better-quality capital, better risk coverage, measures to promote the build-up of capital that can be drawn down in periods of stress and the introduction of a leverage ratio as a backstop to the risk-based requirement as well as two global liquidity standards. The Basel III framework adopts a gradual approach, with the requirements to be implemented over time, with full enforcement in 2019.

In January 2013, the BCBS revised its original proposal in respect of the liquidity requirements in light of concerns raised by the banking industry, providing for a gradual phasing-in of the Liquidity Coverage Ratio with a full implementation in 2019 as well as expanding the definition of high-quality liquid assets to include lower quality corporate securities, equities and residential mortgage backed securities. Regarding the other liquidity requirement, the net stable funding ratio, the BCBS published the final rules in October 2014 which took effect from 1 January 2018.

The Basel III framework has been implemented in the EU through new banking requirements: Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV Directive**") and the CRR (together with the CRD IV Directive, the "**CRD IV Package**"). Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (the requirements are now largely fully effective as of 1 January 2019 and some minor transitional provisions provide for phase-in until 2024) but it is possible that in practice implementation under national laws could be delayed. National options and discretions that were so far exercised by national competent authorities will be exercised by the SSM (as defined below) in a largely harmonised manner throughout the Banking Union. In this respect, on 14 March 2016, the ECB adopted Regulation (EU) No. 2016/445 on the exercise of options and discretions. Depending on the manner in which these options/discretions were so far exercised by the national competent authorities and on the manner in which the SSM will exercise them in the future, additional/lower capital requirements may result.

In Italy, the Government approved a Legislative Decree on 12 May 2015 ("**Decree 72/2015**") implementing the CRD IV Directive. Decree 72/2015 entered into force on 27 June 2015. Decree 72/2015 impacts, *inter alia*, on:

- proposed acquirers of holdings in credit institutions, requirements for shareholders and members of the management body (Articles 23 and 91 of the CRD IV Directive);
- competent authorities' powers to intervene in cases of crisis management (Articles 64, 65, 102 and 104 of the CRD IV Directive);
- reporting of potential or actual breaches of national provisions (so called whistleblowing, Article 71 of the CRD IV Directive); and
- administrative penalties and measures (Article 65 of the CRD IV Directive).

The Bank of Italy published new supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013 as subsequently amended from time to time by the Bank of Italy (the "**Circular No. 285**")) which came into force on 1 January 2014, implementing the CRD IV Package, and setting out additional local prudential rules. According to Article 92 of the CRR, institutions shall at all times satisfy the following Own Funds requirements: (i) a CET1 Capital ratio of 4.5 per cent.; (ii) a Tier 1 Capital ratio of 6 per cent.; and (iii) a Total Capital ratio of 8 per cent. These minimum ratios are complemented by the following capital buffers to be met with CET1 Capital:

- Capital conservation buffer: The capital conservation buffer has applied to UniCredit since 1 January 2014 pursuant to Article 129 of the CRD IV Directive and Part I, Title II, Chapter I, Section II of Circular No. 285. According to the 18th update to Circular No. 285 published on 4 October 2016; the capital conservation buffer has applied to UniCredit since 1 January 2014 pursuant to Article 129 of the CRD IV Directive and Part I, Title II, Chapter I, Section II of Circular No. 285. According to the 18th update⁵ to Circular No. 285 published on 4 October 2016; being the transitional rules ended in 2018, from January 2019 the capital conservation buffer is at 2.50%.

⁵ On 6 October 2016, the Bank of Italy published the 18th update of Circular No. 285 which provided for a different application on the transitional rules relating to the capital conservation buffer: such transitional rules ended in 2018 and from 1 January 2019 the capital conservation buffer is at 2.50%.

- Counter-cyclical capital buffer: The countercyclical capital buffer applied starting from 1 January 2016. The Bank of Italy decided on 22 March 2019 to maintain the countercyclical capital buffer applicable to credit exposures in Italy at 0 per cent. for the first quarter of 2019 (percentages are revised each quarter). As of 31 March 2019:
 - the specific countercyclical capital rate of UniCredit Group amounted to 0.06 per cent.;
 - countercyclical capital rates have generally been set at 0 per cent., except for the following countries: United Kingdom (1.00 per cent.); Czech Republic (1.25 per cent.); Hong Kong (2.50 per cent.); Iceland (1.25 per cent.); Norway (2.00 per cent.); Sweden (2.00 per cent.) and Slovakia (1.25 per cent.) Lithuania (0.5 per cent.); Denmark (0.50% per cent.).
 - with reference to the exposures towards Italian counterparties, the Bank of Italy has set the rate equal to 0 per cent.;
- Capital buffers for globally systemically important institutions ("G-SIIs"): It represents an additional loss absorbency buffer (ranging from 1.0 per cent. to 3.5 per cent. in terms of required level of additional common equity loss absorbency as a percentage of risk-weighted assets), determined according to specific indicators (e.g. size, interconnectedness, complexity). It was subject to phase-in starting from 1 January 2016 (Article 131 of the CRD IV Directive and Part I, Title II, Chapter I, Section IV of Circular No. 285) and is become fully effective from 1 January 2019. Based on the most recent list of G-SIIs published by the Financial Stability Board (FSB) in November 2018 (the list is updated annually), the UniCredit Group is confirmed as a global systemically important bank ("G-SIB") included in "Bucket 1" (in a ranking from 1 to 5, where 5 is the highest); starting from 1st January 2019, ended the transitional rules, such requirement is equal to 1.00 per cent.; and
- Capital buffers for other systemically important institutions ("O-SIIs"): identified by the Bank of Italy as an O-SII authorised to operate in Italy, UniCredit has to maintain a capital buffer of 1 per cent. of its total risk exposure, such level is equal to 0.50 per cent. for 2019, and then increased by 0.25 per cent. for 2020 reaching the target of 1 per cent. from 1 January 2021. According to Article 131.14 of the CRD IV Directive however, the higher of the G-SII and the O-SII buffer will apply: hence, the UniCredit Group is subject to the application of the G-SII buffer (1 per cent. for 2019).

In addition to the above-listed capital buffers, under Article 133 of the CRD IV Directive, each Member State may introduce a Systemic Risk Buffer of Common Equity Tier 1 Capital for the financial sector or one or more subsets of that sector in order to prevent and mitigate long-term non-cyclical systemic or macroprudential risks not otherwise covered by the CRD IV Package, in the sense of a risk of disruption in the financial system with the potential of having serious negative consequences on the financial system and the real economy in a specific Member State. As at the date of this document, no provision is taken on the systemic risk buffer in Italy.

Failure to comply with such combined buffer requirements triggers restrictions on distributions and the need for the bank to adopt a capital conservation plan on necessary remedial actions (Articles 140 and 141 of the CRD IV Directive).

In addition, UniCredit is subject to the Pillar 2 requirements for banks imposed under the CRD IV Package, which will be impacted, on an ongoing basis, by the SREP. The SREP is aimed at ensuring that institutions have in place adequate arrangements, strategies, processes and mechanisms to maintain the amounts, types and distribution of internal capital commensurate to their risk profile, as well as robust governance and internal control arrangements. The key purpose of the SREP is to ensure that institutions have adequate arrangements as well as capital and liquidity to ensure sound management and coverage of the risks to which they are or might be exposed, including those revealed by stress testing, as well as risks the institution may pose to the financial system. See “*ECB Single Supervisory Mechanism*” below for further details.

On 11 February 2019, UniCredit has been informed by the ECB about its final decision concerning the capital requirements following the results of its annual 2018 SREP which apply, on a consolidated basis, from 1 March 2019. A table setting out the UniCredit Group’s fully-loaded capital requirements and buffers – which also indicates TSCR (Total SREP Capital Requirement) and OCR (Overall Capital Requirement) – is reported below (rounded to two decimal numbers):

Requirements as at 31 March 2019		CET1	T1	Total Capital
A)	Pillar 1 Requirements	4.50%	6.00%	8.00%
B)	Pillar 2 Requirements	2.00%	2.00%	2.00%
C)	TSCR (A+B)	6.50%	8.00%	10.00%
D)	Combined capital buffer requirement, of which:	3.57%	3.57%	3.57%
	1. <i>Capital Conservation buffer</i>	2.50%	2.50%	2.50%
	2. <i>Global Systemically Important Institution buffer</i>	1.00%	1.00%	1.00%
	3. <i>Institution-specific Countercyclical Capital buffer (as of March 2019)</i>	0.07%	0.07%	0.07%
E)	OCR (C+D)	10.07%	11.57%	13.57%

As at 31 March 2019, the consolidated capital ratios (CET1 Capital, Tier 1 and Total Capital ratios) are, respectively, 12.25 per cent., 13.93 per cent. and 16.36 per cent.

The quantum of any Pillar 2 requirement imposed on a bank, the type of capital which it must apply to meeting such capital requirements, and whether the Pillar 2 requirement is “stacked” below the capital buffers (i.e. the bank’s capital resources must first be applied to meeting the Pillar 2 requirements in full before capital can be applied to meeting the capital buffers) or “stacked” above the capital buffers (i.e. the bank’s capital resources can be applied to meeting the capital buffers in priority to the Pillar 2 requirement) may all impact a bank’s ability to comply with the combined buffer requirement.

As set out in the “Opinion of the European Banking Authority on the interaction of Pillar 1, Pillar 2 and combined buffer requirements and restrictions on distributions” published on 16 December 2015, in the EBA’s opinion competent authorities should ensure that the Common Equity Tier 1 Capital to be taken into account in determining the Common Equity Tier 1

Capital available to meet the combined buffer requirement is limited to the amount not used to meet the Pillar 1 and Pillar 2 Own Funds requirements of the institution. In effect, this would mean that Pillar 2 capital requirements would be “stacked” below the capital buffers, and thus a firm’s CET1 resources would only be applied to meeting capital buffer requirements after Pillar 1 and Pillar 2 capital requirements have been met in full.

However, the above has been more clearly regulated in the EBA Guidelines on SREP published in July 2018. The EBA guidelines define a distinction between the “Pillar 2 Requirement” (stacked below the capital buffers and thus directly affecting the application of a Maximum Distributable Amount) and “Pillar 2 Guidance” (stacked above the capital buffers). In cases where a “Pillar 2 Guidance” is provided, that guidance will not be included in the calculation of the Maximum Distributable Amount, but competent authorities would expect banks to meet that guidance.

Moreover, the CRD Reform Package (expected to enter into force in July 2019, together with amendments to the BRRD and to the SRM Regulation,) further clarifies the distinction between “Pillar 2 Requirement” and “Pillar 2 Guidance”. In particular, the “Pillar 2 Guidance” refers to the possibility for competent authorities to communicate to an institution their expectations for such institution to hold capital in excess of its capital requirements (Pillar 1 and Pillar 2) and combined buffer requirements in order to address forward-looking and remote situations. Under the CRD Reform Package (and as described above), only the “Pillar 2 Requirement”, and not the “Pillar 2 Guidance”, will be relevant in determining whether an institution meets its combined buffer requirement for the purposes of the Maximum Distributable Amount restrictions.

In addition to the above, the Maximum Distributable Amount Restrictions are being extended in order to encompass also the minimum Leverage Ratio Requirement and the MREL requirement.

Within the CRD Reform Package a new Article 141b is included in the CRD IV Directive which introduces restrictions on distributions in the case of failure to meet the Leverage Ratio requirement (including any applicable buffer, i.e. G-SIB buffer), thus introducing a new Leverage Ratio Maximum Distributable Amount (L-MDA). The BRRD Reforms instead contain a new Article 16a that clarifies the stacking order between the combined buffer and the MREL requirement. Pursuant to this new provision the resolution authority shall have the power to prohibit an entity from distributing more than the Maximum Distributable Amount for the Minimum Requirement of Own Funds and Eligible Liabilities “MREL” (calculated in accordance with the proposed Article 16a(4) of the revised BRRD, the M-MDA) where the combined buffer requirement and the MREL requirement are not met. The Article 16, envisages a potential nine month grace period during which the resolution authority assesses on a monthly basis whether to exercise its powers under the provision, before such resolution authority is compelled to exercise its power under the provisions (subject to certain limited exceptions, to be verified on a monthly basis).

The 2018 SREP letter also states a Pillar 2 capital guidance, to be fully satisfied with CET1 Capital.

As part of the CRD IV Package transitional arrangements, regulatory capital recognition of outstanding instruments which qualified as Tier I and Tier II capital instruments under the framework which the CRD IV Package has replaced that no longer meet the minimum criteria under the CRD IV Package will be gradually phased out. Fixing the base at the nominal

amount of such instruments outstanding on 1 January 2013, their recognition is capped at 80 per cent. in 2014, with this cap decreasing by 10 per cent. in each subsequent year.

The CRD IV Package introduces a new leverage ratio with the aim of restricting the level of leverage that an institution can take on, to ensure that an institution's assets are in line with its capital. The Leverage Ratio Delegated Regulation (EU) No. 2015/62 was adopted on 10 October 2014 and was published in the Official Journal of the European Union in January 2015 amending the calculation of the leverage ratio compared to the current text of the CRR. Institutions have been required to disclose their leverage ratio from 1 January 2015. The CRD IV Package contains specific mandates for the EBA to develop draft regulatory or implementing technical standards as well as guidelines and reports related to liquidity coverage ratio and leverage ratio in order to enhance regulatory harmonisation in Europe through the Single Rule Book.

During the period of the Strategic Plan, the compliance on the part of UniCredit Group with minimum levels of capital ratios applicable on the basis of prudential rules in force and/or those imposed by the supervisory authorities (for example in the context of the SREP) and the achievement of the forecasts of a regulatory nature indicated therein depends, *inter alia*, on the implementation of strategic actions, which may have a positive impact on the capital ratios. Therefore, if such strategic actions are not carried out in whole or in part, or if the same should result in benefits other than and/or lower than those envisaged in the 2016-2019 Strategic Plan, which could result in deviations, even significant, with respect to the Plan Objectives, as well as producing negative impacts on the ability of the UniCredit Group to meet the constraints provided by the prudential rules applicable and/or identified by the supervisory authorities and the economic situation, the financial assets of the Group itself.

Should UniCredit not be able to implement the approach to capital requirements it considers optimal in order to meet the capital requirements imposed by the CRD IV Package, it may be required to maintain levels of capital which could potentially impact its credit ratings, and funding conditions and which could limit UniCredit's growth opportunities.

Risks associated with the Group's exposure to sovereign debt

Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies. For the purposes of the current risk exposure, assets held for disposal and positions held through Asset Backed Securities ("**ABS**") are not included.

With reference to the Group's sovereign exposures in debt, the book value of sovereign debts securities as at 31 March 2019 amounted to €112,926 million⁶, of which about 90 per cent. was concentrated in eight countries: Italy with €58,710 million, representing about 52 per cent. of the total; Spain with €14,001 million; Germany with €11,137 million; Austria with €6,280 million; Japan with €5,861 million; Hungary with €1,958 million; Romania with €1,938 million and Bulgaria with €1,641 million.

As at 31 March 2019, the remaining 10 per cent. of the total sovereign exposures in debt securities, equal to €11,400 million as recorded at the book value, was divided between 38 countries, including: Croatia (€1,472 million), Czech Republic (€1,259 million), Poland (€1,204 million), Serbia (€875 million), Russia (€743 million), United States (€727 million), Ireland (€617 million), Belgium (€584 million) and Portugal (€576 million), The exposures in sovereign debt securities relating to Greece are immaterial.

⁶ Information on Sovereign exposures refers to the scope of the UniCredit Consolidated Interim Report as at 31 March 2019, determined under IAS/IFRS.

As at 31 March 2019, there is no evidence of impairment of the exposures in question.

Note that the aforementioned remainder of the sovereign exposures held as at 31 March 2019 also included debt securities relating to supranational organisations, such as the European Union, the European Financial Stability Facility and the European Stability Mechanism, worth €3,150 million.

In addition to the Group's sovereign exposure in debt securities, there were also loans issued to central and local governments and government bodies.

Total loans to countries to which the total exposure is greater than €130 million, which represented over 94 per cent. of said exposures, as at 31 March 2019 amounts to €20,860 million.

Risks connected with legal proceedings in progress and supervisory authority measures

Risks connected with legal proceedings in progress

As at the date of this document, there are legal proceedings (which may include disputes of a commercial nature, investigations and other contentious issues of a regulatory nature) pending with regard to the parent company UniCredit S.p.A. and other UniCredit group companies. Specifically, as at 31 December 2018, there were approximately 20,800 legal proceedings (other than labour law, tax and debt recovery related under the scope of which counterclaims were submitted or objections raised with regard to the credit claims of Group companies). In addition, from time to time, directors, representatives and employees, including former ones, may be involved in civil and/or criminal cases, the details of which the UniCredit Group may not be entitled to know or disclose. In many of these cases, there is considerable uncertainty with regard to the possible outcome of the proceedings and the scale of any loss suffered. These cases include criminal proceedings, administrative proceedings brought by supervisory authorities or investigators and/or rulings for which the amount of any claims for compensation and/or potential liabilities that the Group is responsible for is not and cannot be determined according to the claim presented and/or the nature of the actual proceedings. In such cases, until it is impossible to reliably predict the outcome, no provisions are set aside. On the other hand, where it is possible to reliably estimate the scale of any losses suffered and where such loss is considered probable, provisions are set aside in the balance sheet in an amount considered suitable given the circumstances and in accordance with IAS.

To provide for possible liabilities and costs that may result from pending legal proceedings (excluding labor law and tax cases), as of 31 December 2018, the UniCredit group set aside a provision for risks and charges of €2,365 million, of which € 647 million for the parent company UniCredit S.p.A. As of 31 December 2018, the total amount of claimed damages relating to judicial proceedings other than labor, tax and debt collections proceedings was € 11.4 billion, of which approx. € 7 billion for the proceedings involving the parent company UniCredit S.p.A. That figure reflects the inconsistent nature of the pending disputes and the large number of different jurisdictions, as well as the circumstances in which the UniCredit Group is involved in counterclaims.

The estimate for reasonably possible liabilities and this provision are based upon information available as of 31 December 2018, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment. In particular, in some cases it is not possible to form a reliable estimate, for instance where proceedings have not yet been commenced or where the extent of legal and factual uncertainties makes any estimate

speculative. Therefore any provision may not be sufficient to meet entirely the legal costs and the fines and penalties that may result from pending legal actions.

It is also necessary for the Group to comply in the most appropriate way with the various legal and regulatory requirements in relation to the different aspects of the activity such as the rules on the subject of conflict of interest, ethical questions, anti-money laundering, customers' assets, rules governing competition, privacy and security of information and other regulations. In spite of the fact that at the date of this document there have been no significant negative consequences from confirmed or alleged violations of these regulations, there is the risk that in future there could be violations that could have negative consequences, including significant ones, on the operating results and capital and/or financial position of the Issuer and/or the Group. Specifically, the actual or alleged failure to comply with these provisions could lead to further disputes and investigations, making the Group subject to claims for compensation, fines imposed by the supervisory authority, other sanctions and/or reputational damage. In view of the nature of the Group's activities and the reorganisation it has been involved in over a period of time, there is also the risk that requests or questions initially relating to only one of the companies could involve or have effects on other Group companies, with possible negative effects on the operating results and capital and financial position of the Issuer and/or the Group.

With regard to criminal proceedings, note that at the date of this document, the UniCredit Group and its representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as UniCredit is aware, are the subject of investigations by the competent authorities aimed at checking any liability profiles of its representatives with regard to various cases linked to banking transactions, including, specifically, in Italy, investigations related to checking any liability profiles in relation to the offence pursuant to Article 644 (usury) of the Criminal Code. At the date of this document, these criminal proceedings have not had significant negative impacts on the operating results and capital and/or financial position of the Issuer and/or the Group; however, there is the risk that if the Issuer and/or other Group companies or their representatives (including ones no longer in office) were to be convicted following the confirmed violation of provisions of criminal significance, this situation could have an impact on the reputation of the Issuer and/or the Group.

Risks connected with Supervisory Authority measures

During the course of its normal activities, the UniCredit Group is subject to structured regulations and supervision by various supervisory authorities, each according to their respective area of responsibility.

In exercising their supervisory powers, the ECB, Bank of Italy, CONSOB and other supervisory authorities subject the UniCredit Group to inspections on a regular basis, which could lead to the demand for measures of an organisational nature and to strengthen safeguards aimed at remedying any shortcomings that may be discovered, with possible adverse effects on the operating results, capital and/or financial position of the Group. The extent of any shortcomings could also cause the launch of disciplinary proceedings against company representatives and/or related Group companies, with possible adverse effects on the operating results, capital and/or financial position of the Group.

In particular, as at the date of this document, the following is noted:

Bank of Italy inspections:

- (a) in April 2016, the Bank of Italy began looking into the “Remuneration methods of loans and overdrafts” at UniCredit, which was concluded at the end of May 2016. Following notification of the findings, UniCredit sent its reply and action plan to the Bank of Italy on 15 February 2017, taking into account that remedy actions will be completed by June 2019.
- (b) In February 2017, the Bank of Italy launched an inspection related to “Governance, Operational Risk, Capital and AML” of UniCredit’s subsidiary Cordusio Fiduciaria S.p.A. concluded in April 2017. The final results were notified in June 2017, while UniCredit sent its reply and action plan on 3 August 2017. The remedy actions will be completed by December 2019.
- (c) In November 2017, the Bank of Italy launched an inspection related to “Transparency and Usury” of UniCredit, concluded in February 2018. The final results were notified to UniCredit in June 2018 highlighting shortcomings mainly related to: (i) preparation of some unilateral modification of contract conditions, (ii) product approval process, (iii) internal and compliance controls. UniCredit sent an action plan to the regulator in September 2018. The remedy actions will be completed by December 2019.
- (d) In January 2019 the Bank of Italy launched an inspection related to “AML Anti Money Laundering”, concluded in May 2019. The final results have not yet been notified to UniCredit.
- (e) In May 2019 the Bank of Italy launched a “General Inspection” of UniCredit’s subsidiary Cordusio SIM. The on-site phase started on May 13th 2019 and is currently ongoing.

ECB inspections:

- (a) In September 2016, the ECB launched an inspection into the “IRBB management and risk control system”, which was concluded in December 2016. In June 2017, UniCredit was notified of the findings of the inspection and on 12 September 2017 delivered the action plan to the ECB. The remedy actions have been completed by March 2020.
- (b) In September 2016, the ECB launched an inspection into the “Governance and Risk management – governance structure and business organisation of the foreign branches of UCB AG”, which was concluded in December 2016. In July 2017, UCB AG was notified of the findings of the inspection and on 11 August 2017 delivered the action plan to the ECB. The remedy actions were concluded by March 2019.
- (c) In the second and third quarter of 2017, UniCredit was involved in a horizontal thematic review on the profitability. This aspect had been identified by the ECB amongst the principle supervisory priorities by the ECB and has been held also at other significant banks. After this thematic review, the ECB has informed UniCredit of its valuations in May 2018, to which the bank replied with an action plan to address the findings reported by the ECB.
- (d) As disclosed in the ECB’s “2017 Planned Supervisory Activities” sent in January 2017, in March 2017, the ECB announced an inspection related to “Collateral, provisioning and securitisation” of the Group. The inspection was launched in April 2017 and concluded in July 2017. In December 2017 UniCredit was notified of the findings of the inspection and on 24 January 2018 UniCredit delivered the action plan to the ECB. The remedy actions were completed by March 2019.
- (e) In May 2017, the ECB provided UniCredit with the results of the Thematic Review of the risk data aggregation capabilities and the risk reporting practices based on BCBS239

principles. The ECB found certain shortcomings, including inter alia governance and data reconciliation, at the UniCredit Group level. UniCredit provided at the end of September 2017 an action plan to address the ECB's findings. The remedy actions will be concluded by June 2019.

- (f) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in May 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD, CCF/EAD)," with particular reference to: Retail secured by real estate- non SME. The inspection was launched in July 2017 and concluded in September 2017. The final report was released in December 2017. The final ECB recommendation letter was received in August 2018. UniCredit provided a dedicated action plan in February 2018. The inspection did not report blocking criticalities A limitation linked to missing factor within the LGD model was raised.
- (g) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in June 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Market risk (IRC, VaR, SVaR)," with particular reference to: Commodities risk, Debt instruments general risk, Debt instruments specific risk, Equity general risk, Equity specific risk, Forex risk. The inspection was launched in September 2017 and concluded in December 2017. The final ECB recommendation letter was received in January 2019. UniCredit provided ECB with a dedicated action plan in February 2019.
- (h) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in July 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD, LGD)," with particular reference to: Corporate SME including the assessment of an approval of material change related to PD and LGD for Corporate SME. The inspection was launched in October 2017 and concluded in February 2018. The final ECB recommendation letter was received in January 2019. UniCredit provided a dedicated action plan in February 2019.
- (i) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in September 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to "Credit risk (PD)" with particular reference to: Retail other SME, including an assessment of an approval of material change related to Credit risk (PD) for Retail other SME. The inspection was launched in November 2017 and concluded in March 2018. The final results were notified in May 2018. Upon receipt of ECB recommendation letter in January 2019, UniCredit provided a dedicated action plan in February 2019.
- (j) As disclosed in ECB "2017 Planned Supervisory Activities" sent in January 2017, in August 2017, the ECB announced an inspection related to "IT risk" of UniCredit Group. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, mainly highlighting areas of improvement on some IT access rights processes. UniCredit delivered the action plan to ECB in July 2019. The remedy actions will be concluded by December 2019.
- (k) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in February 2018 the ECB announced an inspection related to "Internal Governance – Compliance Function" of the UniCredit Group. The inspection was launched in April 2018 and concluded in July 2018. The final results were notified in October 2018, mainly highlighting areas of improvement on: (i) compliance oversight, (ii) compliance monitoring, (iii) launch of new products, (iv) monitoring of the consumer protection area. The dedicated action plan was delivered to ECB in January 2019. The remedy actions will be concluded in December 2019.

- (l) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in March 2018 the ECB announced an inspection related to “Market Risk Framework, Policies and Procedures”, with particular reference to CEE countries. The inspection was launched in April 2018 and concluded in June 2018. The final results were notified in November 2018, highlighting some areas of improvement on: (i) governance and organization, (ii) risk strategy, limitation and management process, (iii) risk management in terms of Pillar I and Pillar II. UniCredit delivered the dedicated action plan to ECB in March 2019. The remedy actions will be completed by December 2019.
- (m) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in March 2018 the ECB announced an inspection related to “Credit Quality Review – Retail & SME-Portfolios” of UniCredit S.p.A. and subsidiaries in Italy. The inspection was launched June 2018 and concluded in October 2018. The final results were notified in March 2019, highlighting some areas of improvement: (i) credit classification, (ii) forbearance granting and provisioning processes. UniCredit has already started a remediation plan.
- (n) As disclosed in the ECB’s “2018 Planned Supervisory Activities” sent in January 2018, in July 2018 the ECB announced an inspection related to the “Business Model” of UniCredit S.p.A. The inspection was launched in September 2018 and concluded in December 2018. The final results have not yet been notified to UniCredit.
- (o) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in July 2018 the ECB announced an inspection dedicated to “IT Services”. The inspection was launched in November 2018 and concluded in March 2019. The final results have not yet been notified.
- (p) In July 2018 the ECB notified to UniCredit the results of a review relating to the implementation of Commission Delegated Regulation (EU) 2015/61 with regard to the liquidity coverage requirement (LCR Deep Dive). UniCredit delivered the action plan to the ECB in August 2018. The remedial actions are planned to be concluded by March 2020.
- (q) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in September 2018 the ECB announced a TRIM – Targeted Review of Internal Models inspection related to “Counterparty Credit Risk” for the risk category “All-IMM”, including follow-up checking the remediation of previous IMI's findings. The inspection spanned from October until December 2018 and the final assessment report was received on May 7th 2019 with no criticalities to be reported.
- (r) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to “Credit Risk” with focus on MNC and Sovereign (PD and LGD models), The inspection was launched on January 21, 2019 and was concluded in April 2019. The final results has not been notified.
- (s) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, in March 2019 the ECB announced an inspection dedicated to “Information Security”. The inspection was launched in April 2019.
- (t) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, in March 2019 the ECB announced an inspection dedicated to “Credit Lending Processing, Underwriting Standards and Delegations”. The inspection was launched on May 6th 2019 and is expected to be concluded in July 2019.

- (u) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, in March 2019 the ECB announced an inspection dedicated to “Business Model CIB”. The inspection will start in June 2019.
- (v) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to “Credit Risk” with focus on Banks PD/LGD models and Group Wide EAD model, including the assessment of material model change only for GW EAD model. The inspection has been launched on May 6th, 2019 and it is expected to end in July 2019.
- (w) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to “Credit Risk” with focus on GLOBAL PROJECT FINANCE (GPF) PD/LGD models. The inspection will be launched on May 21st, 2019 and it is expected to end in July 2019.

AGCM Inspections:

In April 2016, the Italian Competition Authority ("**AGCM**") notified the extension to UniCredit (as well as to ten other banks) of the I/794 ABI/SEDA proceedings launched in January 2016 with regard to the Italian Banking Association ("**ABI**"), aimed at ascertaining of the existence of alleged concerted practices with reference to the Sepa Compliant Electronic Database Alignment ("**SEDA**").

On 28 April 2017, the AGCM issued a final notice whereby it confirmed that the practices carried out by the ABI, UniCredit and the other banks in connection with the adoption of the SEDA service model of compensation constituted an anti-competitive practice and therefore a violation of European competition regulations. With such notice, the AGCM ordered the parties to cease the infringement, submit a report evidencing the relevant measures adopted by 1 January 2018 to the AGCM, and refrain from enacting similar practices in the future. Given the fact that the infringements were minor in light of the legislative framework, the AGCM did not impose any monetary or administrative sanctions, against UniCredit (or the other ten banks) also in consideration of the fact that, in the course of the proceeding, the ABI and the banks proposed a redefined SEDA service remuneration model which, if correctly implemented by the banks, is expected to decrease the current SEDA costs by half, which benefits the enterprises utilizing the service and, ultimately, the end-users of the utilities.

On 1 February 2018, the AGCM communicated that it examined the compliance report relating to the proceeding in question concerning the SEDA service and, on the basis of the information presented therein, considered the procedures put in place in line with the measures indicated in the provision closing of the preliminary investigation.

In connection with the proposed new remuneration model for the SEDA service, two possible further risk factors can be envisaged, namely: (a) the economic risk relating to possible lower earnings from the service given that the proposed new remuneration structure is expected to involve lower levels compared to the current ones; and (b) economic risk relating to the costs of the adjustment of the IT procedures that will be necessary for the new remuneration structure. In addition, in light of the AGCM final notice, there is also the risk of claims against UniCredit in civil court by parties seeking damages for anti-competitive behaviour. UniCredit decided to appeal the AGCM decision at the TAR (the Italian regional court). As at the date of this document, the appeal filed *vis-à-vis* the regional court is still pending.

European Commission:

On 31 January 2019 UniCredit 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 one of UniCredit's subsidiaries in a part of this period.

The Statement of Objections does not prejudice 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. UniCredit 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 has responded to the raised objections on 29 April 2019. There is no legal deadline for the Commission to complete antitrust inquiries.

Risks arising from tax disputes

At the date of this document, there are various tax-related proceedings pending with regard to UniCredit and other companies belonging to the UniCredit Group, as well as tax inspections by the competent authorities in the various countries in which the Group operates.

Specifically, as at 31 December 2018, there were 486 tax disputes involving counterclaims pending with regard to UniCredit and other companies belonging to the UniCredit Group's "Italian" perimeter, net of settled disputes, for a total amount equal to €275.14 million.

As of 31 December 2018, the total amount of provisions for tax risks amounted to €182.13 million (including provisions for legal expenses).

As far as the tax inspections which were concluded during the course of the financial year ended at 31 December 2018 are concerned, reference is made to paragraph "Proceedings Related to Tax Matters" of the Description of UniCredit and the UniCredit Group.

In consideration of the uncertainty that defines the tax proceedings in which the Group is involved, there is the risk that an unfavourable outcome and/or the emergence of new proceedings could lead to an increase in risks of a tax nature for UniCredit and/or for the Group, with the consequent need to make further provisions and/or outlays, with possible negative effects on the operating results and capital and financial position of UniCredit and/or the Group.

Finally, it should be pointed out that in the event of a failure to comply with or a presumed breach of the tax law in force in the various countries, the UniCredit Group could see its tax-related risks increase, potentially resulting in an increase in tax disputes and possible reputational damage."

C. "DESCRIPTION OF THE ISSUER" section of the Base Prospectus

The section "DESCRIPTION OF THE ISSUER", on page 106 of the Base Prospectus, as supplemented, shall be deleted in its entirety and replaced as follows:

"DESCRIPTION OF THE ISSUER

The following information regarding the Issuer is hereby incorporated by reference into this Base Prospectus:

- (i) the description of UniCredit included in the EMTN Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018, as supplemented from time to time, in particular the 1st supplement dated 23 November 2018 to the EMTN Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018, as supplemented from time to time,
- (ii) the 1st supplement to the EMTN Programme dated 23 November 2018;
- (iii) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2016,
- (iv) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2017,
- (v) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2018,
- (vi) the UniCredit Consolidated First Half Financial Report as at 30 June 2018,
- (vii) the UniCredit Consolidated Interim Report as at 30 September 2018 – Press Release dated 8 November 2018,
- (viii) the UniCredit Consolidated Interim Report as at 30 September 2017 – Press Release dated 9 November 2017,
- (ix) the UniCredit Consolidated Interim Report as at 31 March 2019 – Press Release dated 9 May 2019,
- (x) the UniCredit Consolidated Interim Report as at 31 March 2018 – Press Release dated 10 May 2018,
- (xi) the press release dated 5 September 2018,
- (xii) the press release dated 23 October 2018,
- (xiii) the press release dated 31 October 2018,
- (xiv) the press release dated 2 November 2018,
- (xv) the press release dated 14 December 2018,
- (xvi) the press release dated 18 December 2018,
- (xvii) the press release dated 19 December 2018 and
- (xviii) the press release of UniCredit dated 6 February 2019 regarding the approval by the Board of Directors of UniCredit of a reorganisation project,
- (xix) the press release of UniCredit dated 6 February 2019 regarding the announcement of a reorganisation project of the UniCredit Group's senior management team,
- (xx) the press release of UniCredit dated 7 February 2019 regarding UniCredit: a pan-European winner. 4Q18 and FY18 Group Results,

- (xxi) the press release of UniCredit dated 7 February 2019 regarding certain resolutions passed by the Board of Directors of UniCredit,
- (xxii) the press release of UniCredit dated 7 February 2019 regarding the co-optation of Ms. Elena Carletti as Board Director and member of the Remuneration and the Internal Controls and Risks Committee of UniCredit,
- (xxiii) the press release of UniCredit dated 8 February 2019 regarding the approval by the Board of Directors of UniCredit of the proposal, to be submitted at the next Ordinary Shareholders' Meeting, to distribute a unitary dividend,
- (xxiv) the press release of UniCredit dated 11 February 2019 regarding the final decision of the European Central Bank concerning the capital requirements following the results of its annual Supervisory Review and Evaluation Process,
- (xxv) the press release of UniCredit dated 13 February 2019 regarding the issuance of a 10 year subordinated tier 2 bond,
- (xxvi) the press release of UniCredit dated 19 February 2019 regarding the agenda of the Ordinary and Extraordinary Shareholders' Meeting,
- (xxvii) the press release of UniCredit dated 19 February 2019 regarding the availability of the documentation concerning the agenda items of the ordinary session of the Shareholders' Meeting,
- (xxviii) the press release of UniCredit dated 12 March 2019 regarding the availability of the documentation concerning the items on the Agenda of the Shareholders' Meeting,
- (xxix) the press release of UniCredit dated 12 March 2019 regarding the issuance of a Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes - Additional Tier 1 (AT1),
- (xxx) the press release of UniCredit dated 19 March 2019 regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors,
- (xxxi) the press release of UniCredit dated 19 March 2019 regarding the availability of the documentation relating to the Shareholders' Meeting convened on 11 April 2019,
- (xxxii) the press release of UniCredit dated 21 March 2019 regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors,
- (xxxiii) the press release of UniCredit dated 27 March 2019 regarding the issuance of Tier 2 Notes,
- (xxxiv) the press release of UniCredit dated 4 April 2019 regarding Composition of share capital,
- (xxxv) the press release of UniCredit dated 11 April 2019 regarding: The Shareholders' Meeting approves the 2018 Financial Statements,
- (xxxvi) the press release of UniCredit dated 15 April 2019 regarding the confirmation of settlement with U.S. and New York authorities to resolve U.S. economic sanctions investigation,

(xxxvii) the Articles of Association of UniCredit S.p.A. dated 2 May 2018 and

(xxxviii) the Articles of Association of UniCredit S.p.A. dated 2 May 2019.

A list stating where the information incorporated by reference may be found is set out on pages 451 et seq.

External Auditors

Deloitte has audited and issued an unqualified audit opinion on the consolidated financial statements of UniCredit for the year ended 31 December 2018.

Management

Board of Directors

The board of directors (the "**Board**" or the "**Board of Directors**") is responsible for the strategic supervision and management of UniCredit and the Group and it may delegate its powers to the Chief Executive Officer (CEO) and other Board members.

The Board is elected by UniCredit shareholders at a general meeting for a three financial year term, unless a shorter term is established upon their appointment, and Directors may be re-elected. Under UniCredit Articles of Association, the Board is composed of between a minimum of 9 and a maximum of 24 members.

The Board of Directors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 12 April 2018 for a term of three financial years and is composed of 15 members. The term in office of the current members of the Board will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2020.

The Board can appoint one or more General Managers and/or one or more Deputy General Managers, establishing their roles and areas of competence. Should a Chief Executive Officer not have been appointed, the Board of Directors shall appoint a sole General Manager, and can appoint one or more Deputy General Managers, establishing their roles and areas of competence. The Board has appointed Mr. Jean Pierre Mustier as CEO to whom it has entrusted the management of the Company within the terms and limits set forth by the Board itself.

Taking into account the changes that occurred in the composition of the supervisory body after the above Shareholders' Meeting of 12 April 2018, the following table sets forth the current members of UniCredit Board of Directors.

Name	Position
Fabrizio Saccomanni ¹	Chairman
Cesare Bioni ²	Deputy Vice Chairman
Jean Pierre Mustier ¹⁻³	Chief Executive Officer
Mohamed Hamad Al Mehairi ²	Director
Lamberto Andreotti ²	Director
Sergio Balbinot ¹	Director
Martha Dagmar Böckenfeld ²	Director
Vincenzo Cariello ²	Director

Name	Position
Elena Carletti ²	Director
Isabelle de Wismes ²	Director
Stefano Micossi ²	Director
Maria Pierdicchi ²	Director
Francesca Tondi ²	Director
Alexander Wolfgring ²	Director
Elena Zambon ²	Director

Notes:

- (1) Director that does not meet the independence requirements pursuant to Clause 20 of the Articles of Association and Section 3 of the Italian Corporate Governance Code.
- (2) Director that meets the independence requirements pursuant to Clause 20 of the Articles of Association, Section 3 of the Italian Corporate Governance Code and Section 148 of the Financial Services Act.
- (3) Director that does not meet the independence requirements pursuant to Section 148 of the Financial Services Act.

The business address for each of the foregoing Directors is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

Other principal activities performed by the members of the Board which are significant with respect to UniCredit are listed below:

Fabrizio Saccomanni

- Deputy Chairman, member of the Board of Directors, of the Comitato di Presidenza and of the Executive Committee of ABI - Italian Banking Association
- Member of the Committee of Market Operators and Investors of CONSOB
- Member of the Executive Committee of Assonime
- Member of the Board of Consiglio per le Relazioni tra Italia e Stati Uniti
- Chairman of the Comitato tecnico per la Vigilanza Unica Europea - ABI
- Member of the Board of Directors of Institute of International Finance
- Member of the Board of Directors of ISPI - Istituto per gli Studi di Politica Internazionale
- Member of Comitato Scientifico Centro Studi Confindustria
- Member of the Comitato per la Corporate Governance
- Member of the Board of Istituto Luigi Einaudi
- Member of "Collegio di Indirizzo" of Fondazione Bologna Business School
- Member of the Trilateral Commission - Italian Group

- Member of the European Financial Services Round Table (EFR)
- Member of the EUROPEAN COUNCIL ON FOREIGN RELATIONS
- Senior Fellow, School of European Political Economy - LUISS GUIDO CARLI UNIVERSITY
- Deputy Chairman of ISTITUTO AFFARI INTERNAZIONALI
- Member of SOCIETA' ITALIANA DEGLI ECONOMISTI
- Chairman of the Board of Directors of Orchestra Filarmonica della Scala Association
- Member of the Board of Directors and Deputy Chairman of Fondazione Felice Gianani

Cesare Bioni

- Member of the Board of Directors of ABI - Italian Banking Association
- Member of the Board of Directors of Fondazione Universitaria Marco Biagi

Jean Pierre Mustier

- Shareholder of TAM S.à r.l.
- Shareholder of F.M. Invest SA
- Shareholder of Groupement Forestier Abbaye Grand Mont
- Shareholder of TAM Eurl
- Shareholder of Chelsea Real Estate
- Shareholder of HLD Associés
- Shareholder of Eastern Properties
- Shareholder of Bankable
- Shareholder of Dashlane Inc.
- Shareholder of Chili Piper Inc.

Mohamed Hamad Al Mehairi

- CEO and member of the Board of Directors of Aabar Investments PJS (Aabar)
- Member of the Board of Directors of Arabtec Holding PJSC (Arabtec)
- Member of the Board of Directors of Al Hilal Bank
- Member of the Board of Directors of Wessal Capital Asset Management S.A.
- Member of the Board of Directors of Palmassets S.A.
- Member of the Board of Directors of DEPA Limited

- Member of the Board of Directors of Emirates Investment Authority

Lamberto Andreotti

- Member of the Board of Directors of DowDuPont
- Senior Advisor of EW Healthcare

Sergio Balbinot

- Member of the Board of Management of Allianz SE
- Member of the Board of Directors of Allianz France S.A.
- Member of the Board of Directors of Allianz Sigorta A.S.
- Member of the Board of Directors of Allianz Yasam ve Emeklilik A.S.
- Member of the Board of Directors of Bajaj Allianz Life Insurance Co. Ltd
- Member of the Board of Directors of Bajaj Allianz General Insurance Co. Ltd
- Member of the Board of Directors of Borgo San Felice S.r.l.

Martha Dagmar Böckenfeld

- Chairman of DFG - Deutsche Fondsgesellschaft Invest S.E.
- Member of the Board of Directors of the following Generali Holding Ltd. (Switzerland) companies:
 - Generali Personenversicherungen AG
 - Generali General Insurance Ltd.
 - Fortuna Rechtsschutz-Versicherungs-Gesellschaft AG
 - Fortuna Investment AG
- Member of the Board of Directors of BlackRock Global Funds SICAV (BGF), BlackRock Strategic Funds (BSF), BlackRock Global Index Funds (BGIF)
- Member of the Advisory Board of Scope SE & Co. KgaA

Vincenzo Cariello

- none

Elena Carletti

- Scientific Director, European University Institute, Florence School of Banking and Finance (FDB)
- Member of the Advisory Scientific Committee, European Systemic Risk Board (ESRB) - European System of Financial Supervision

- Member of Expert Panel on banking supervision, European Parliament
- Member of the Executive Committee, European Finance Association
- Member of the Scientific Committee "Paolo Baffi Lecture", Bank of Italy
- Member of the Scientific Committee, Bruegel

Isabelle de Wismes

- none

Stefano Micossi

- Director General Assonime
- Member of the Board of Directors of the Centre for European Policy Studies
- Member of the Board of Directors and Executive Committee of European Issuers
- Member of the Comitato per la Corporate Governance
- Member and Coordinator of the scientific Committee of Confindustria
- Chairman of the LUISS - School of European Political Economy
- Member of the Board of Directors and Treasurer of the International Yehudi Menuhin
- Founding member and coordinator of EuropEos
- Honorary Professor at the College of Europe

Maria Pierdicchi

- Non-Executive Board Member and Chair of Human Resources Committee of Gruppo Autogrill
- Independent Board Member of Luxottica Group
- Non-Executive Board Member of AURORA AS

Francesca Tondi

- Member of the Advisory Board of Angel Academe
- Member of the Board of Directors of Angel Academe Nominee
- Member of the Selection Committee, Mentor of Fintech Circle

Alexander Wolfgring

- Member of the Board of Directors (Executive Director) of Privatstiftung zur Verwaltung von Anteilsrechten
- Member of the Board of Directors of AVZ GmbH
- Member of the Supervisory Board of Österreichisches Verkehrsbüro AG

- Chairman of the Supervisory Board of Verkehrsbüro Touristik GmbH
- Member of the Board of Directors of AVB Holding GmbH
- Member of the Board of Directors of API Besitz, GmbH
- Member of the Board of Directors of Mischek Privatstiftung

Elena Zambon

Zambon Group:

- Vice Chairman of GEFIM S.p.A.
- Chairman of ENAZ S.r.l.
- Member of the Board of Directors of IAVA S.r.l.
- Member of the Board of Directors of ITAZ S.r.l.
- Member of the Board of Directors of TANO S.r.l.
- Member of the Board of Directors of CLEOPS S.r.l.
- Member of the Board of Directors of Zambon Company S.p.A.
- Chairman of Zambon S.p.A.
- Vice Chairman of Zach Systems S.p.A.
- Member of the Board of Directors of Zeta Cube S.r.l.
- Member of the Board of Directors of ANGAMA S.r.l.
- Chairman of Fondazione Zoè (Zambon Open Education)

Offices extra Zambon Group:

- Chairman of Aidaf
- Member of the Board of Directors of FBN – Family Business Network
- Member of the Board of Directors of Istituto Italiano di Tecnologia (IIT)
- Vice Chairman of Aspen Institute Italia
- Member of the Board of Directors of Ferrari N.V.

Senior Management Planning & Reward

The following table sets out the name and title of each of the senior managers of the Issuer and of the Group:

Name	Title	Other principal activities performed by the Senior Managers which are significant with respect to UniCredit
Jean-Pierre Mustier	Chief Executive Officer	Please see Management – Board of Directors
Gianpaolo Alessandro	Head of Group Legal	Compagnia Aerea Italiana SpA - Member of the Board of Directors MIDCO SpA - Member of the Board of Directors Fineco AM LTD – Member of the Board of Directors
Carlo Appetiti	Chief Compliance Officer	None
Gianfranco Bisagni	co-Head Commercial Banking Central Eastern Europe	S.W.I.F.T. SCRL - Member of the Board of Directors UniCredit Services S.C.P.A. - Member of the Board of Directors ABI - Associazione Bancaria Italiana - Member of the Board of Directors AO UniCredit Bank - Member of the Supervisory Board Koc Finansal Hizmetler AS - Member of the Board of Directors Yapi Ve Kredi Bankasi AS - Member of the Board of Directors
Paolo Cornetta	Head of Group Human Capital	UniCredit Bank AG – Member of the Supervisory Board and Chairman Remuneration Control Committee; UniCredit Bank Austria AG – Member of the Supervisory Board, Nomination Committee and Vice Chairman Remuneration Committee; ABI - Associazione Bancaria Italiana - Member of the Board of Directors, Executive Committee and Committee on

Name	Title	Other principal activities performed by the Senior Managers which are significant with respect to UniCredit
Serenella De Candia	Head of Internal Audit	Union and Labor Affairs (CASL) None
Ranieri de Marchis	co-Chief Operating Officer	Fondo Interbancario di Tutela dei Depositi – Vice chairman of the Board of Directors, vice chairman of the Management Committee and member of the Management Committee of Voluntary Scheme Fondo Atlante – Member of the Investment Committee ABI - Associazione Bancaria Italiana – Member of the Board of Directors and member of the Executive Committee UniCredit Services Scpa – Chairman of the Board of Directors and member of the Internal Control and Risks Committee UniCredit Bank Austria – Vice Chairman of the Supervisory Board and of Audit Committee and member of Nomination Committee Anthemis Evo Llp – Member of the Management Board
Francesco Giordano	co-Head Commercial Banking Western Europe	UniCredit Services Scpa – Vice chairman of the Board of Directors UniCredit Bank AG – Member of the Supervisory Board and member of the Audit Committee Anthemis Evo Llp – Member of the Management Board Koc Finansal Hizmetler AS - Member of the Board of Directors Yapi Ve Kredi Bankasi AS - Member of the Board of

Name	Title	Other principal activities performed by the Senior Managers which are significant with respect to UniCredit
Olivier Khayat	co-Head Commercial Banking Western Europe	<p>Directors</p> <p>UniCredit Advisory Board Italy - Chairman</p> <p>UniCredit International Bank (Luxembourg) SA – Vice chairman of Supervisory Board and Chairman of Audit Committee</p> <p>UniCredit Bank Austria AG – Member of Supervisory Board</p> <p>Kepler Cheuvreux S.A. – Member of Supervisory Board</p> <p>UniCredit Advisory Board Italy - Chairman</p>
TJ Lim	Group Chief Risk Officer	none
Niccolò Ubertalli	co-Head Commercial Banking Central Eastern Europe	<p>UNICREDIT CONSUMER FINANCING EAD – Member of Supervisory Board</p> <p>YAPI KREDI BANK NEDERLAND N.V. – Vice chairman of Board of Directors and member Audit Committee</p> <p>YAPI KREDI FAKTORING AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI HOLDING BV – Vice chairman of Board of Directors</p> <p>YAPI KREDI FINANSAL KIRALAMA AO – Vice chairman of Board of Directors</p> <p>YAPI KREDI KUELTUER-SANAT YAYINCILIK TICARET VE SANAYI AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI BANK MOSCOW – Vice chairman of Board of Directors</p>

Name	Title	Other principal activities performed by the Senior Managers which are significant with respect to UniCredit
Carlo Vivaldi	co-Chief Operating Officer	<p>YAPI KREDI YATIRIM MENKUL DEGERLER AS – Vice chairman of Board of Directors</p> <p>YAPI KREDI BANK MALTA LTD. – Vice chairman of Board of Directors and member Audit Committee</p> <p>KOC FINANSAL HIZMETLER AS – Deputy CEO</p> <p>YAPI VE KREDI BANKASI AS – Deputy CEO, vice chairman Credit Committee and of Executive Committee</p> <p>YAPI KREDI BANK AZERBAIJAN CLOSED JOINT STOCK COMPANY – Member of Board of Directors</p> <p>YAPI KREDI KORAY GAYRIMENKUL YATIRIM ORTAKLIGI AS – Member of Board of Directors</p> <p>ALLIANZ YASAM VE EMEKLILIK AS – Member of Board of Directors</p> <p>UNICREDIT SERVICES S.C.P.A. – Member of the Board of Directors</p> <p>UNICREDIT FOUNDATION (EX UNIDEA) – Member of the Board of Directors</p> <p>KOC FINANSAL HIZMETLER AS – Vice chairman Board of Directors</p> <p>YAPI VE KREDI BANKASI AS – Vice chairman Board of Directors and member of Remuneration Committee.</p>

The business address for each of the foregoing members of UniCredit’s senior management is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

Board of Statutory Auditors

The UniCredit Board of Statutory Auditors (the "**Board of Statutory Auditors**") supervises compliance with laws, regulations and the UniCredit's Articles of Association, the adequacy and functionality of the organisational and accounting structure of UniCredit as well as the overall functionality of the internal control system, with particular focus on risk management. The Board of Statutory Auditors supervises the financial disclosure process, the external auditing of the individual and consolidated financial statements, the compliance with the provisions on the disclosure of non-financial information and monitors the independence of the external audit firm. The Board of Statutory Auditors shall also report any irregularities or violations of the legislation to the Bank of Italy and, where required, to other supervisory authorities, and shall report to the Shareholders' Meetings called to approve UniCredit's financial statements on the supervisory activity performed and on any omissions and censurable detected facts.

The Board of Statutory Auditors currently in office was appointed by the UniCredit Ordinary Shareholders' Meeting on 11 April 2019 for a term of three financial years and its members may be re-elected. Pursuant to the provisions of the UniCredit's Articles of Association, the Board of Statutory Auditors consists of five permanent statutory auditors, including a Chairman. Furthermore, the above-mentioned Shareholders' Meeting appointed four stand-in statutory auditors.

The term in office of the current members of the Board of Statutory Auditors will expire on the date of the Shareholders' Meeting called to approve the financial statements for the financial year ending 31 December 2021.

All of the members of the Board of Statutory Auditors in office are enrolled with the Register of Chartered Accounting Auditors of the Italian Ministry of Economy and Finance. The business address for each of the members of the Board of Statutory Auditors is in Milan, I-20154, Piazza Gae Aulenti 3, Tower A.

The information on the Board of Statutory Auditors and its update is available on the UniCredit website.

The following table sets out the current members of UniCredit Board of Statutory Auditors:

Name	Position
Marco Giuseppe Maria Rigotti	Chairman
Angelo Rocco Bonissoni	Statutory Auditor
Benedetta Navarra	Statutory Auditor
Guido Paolucci	Statutory Auditor
Antonella Bientinesi	Statutory Auditor

Other principal activities performed by the Statutory Auditors of UniCredit which are significant for UniCredit are listed below:

Marco Giuseppe Maria Rigotti

- Chairman of the Board of Statutory Auditors of Autogrill S.p.A
- Chairman of the Board of Directors of Alisarda S.p.A
- Chairman of the Board of Directors of Geasar S.p.A.,
- Chairman of the Board of Directors of AQA Holding S.p.A

Angelo Rocco Bonisconi

- Attorney of Nuova CPS Servizi S.r.l.
- Managing Partner of CBA Studio Legale Tributario

Benedetta Navarra

- Member of the Supervisory Board and of the Audit Committee of UniCredit Bank Czech Republic and Slovakia, a.s.
- Member of Audit Committee of UniCredit BulBank
- Member of the Board of Directors of A.S. Roma S.p.A.
- Chairman of the Supervisory Body pursuant to legislative Decree 231/2001 of Equitalia Giustizia S.p.A.
- Statutory Auditor of CDP Reti S.p.A.
- Statutory Auditor of Italo S.p.A.
- Guala Closures S.p.A – Chairman of the Board of Statutory Auditors
- Member of the Supervisory Body pursuant to legislative Decree 231/2001 of Promo.Ter Roma
- Member of the Supervisory Body pursuant to legislative Decree 231/2001 of Confcommercio imprese per l'Italia Provincia di Roma Capitale

Guido Paolucci

- Chairman of the Board of Statutory Auditors of Ecofuel S.p.A.
- Chairman of the Board of Statutory Auditors of Raffineria di Gela S.p.A.
- Chairman of the Board of Statutory Auditors of Telecom Italia San Marino S.p.A.
- Chairman of the Board of Statutory Auditors of Telefonia Mobile Sammarinese S.p.A.
- Statutory Auditor of Nuova Compagnia di Partecipazioni S.p.A.
- Statutory Auditor of Edile Leonina S.p.A.
- Statutory Auditor of Olivetti S.p.A.
- Sole Auditor of Publispei S.r.l.
- Statutory Auditor of Consorzio CONOU

- Member of the Board of Directors of Fondazione Casa della Sofferenza
- Fondazione Giovanni Paolo II Member of the Board of Auditors
- Fondazione Santi Francesco d'Assisi e Caterina da Siena Chairman of the Board of Auditors

Antonella Bientinesi

- Chairman of the Board of Statutory Auditors of Cerved -Group S.p.A.
- Statutory Auditor of Enel Energia S.p.A.
- Statutory Auditor of Enel Green Power Solar Metehara S.p.A
- Statutory Auditor of Enel Green Power Solar Ngonye S.p.A
- Statutory Auditor of Società Subalpina di Imprese Ferroviarie S.p.A.
- Chairman of the Board of Auditors of Fondazione Il Faro
- Chairman of the Board of Auditors of AMREF Italia
- Statutory Auditor of ACER SEDE S.p.A.
- Statutory Auditor of F.A.I. (Fondo Ambiente Italiano)

Conflicts of Interest

As at the date of this document approval, and to the best of UniCredit knowledge, with regard to administrative, management and supervisory bodies (in particular, the members of the UniCredit Board of Directors and Board of Statutory Auditors) there are no conflicts of interest with the obligations arising from the duties to the Issuer, office or position held within UniCredit and their private interest, except for those disclosed in this section that may concern operations put before the relevant bodies of UniCredit, in accordance with the applicable procedures and in strict compliance with existing laws and regulations. Members of the UniCredit Board of Directors and Board of Statutory Auditors must indeed comply with the following provisions aimed at regulating instances where there exists a specific interest concerning the implementation of an operation:

- Article 53 of the Italian Banking Act sets forth the obligations envisaged by paragraph 1 of Article 2391 of the Italian Civil Code, hereinafter quoted, confirming the duty to abstain from voting for the Directors having a conflicting interest, on their own behalf or on behalf of a third party;
- Article 136 of the Italian Banking Act, which requires a special authorisation procedure (a unanimous decision by the supervisory body with the exclusion of the concerned officers' vote and the favourable vote of all members of the controlling body) should a bank enter into obligations of any kind or enter, directly or indirectly, into purchase or sale agreements with its corporate officers;
- Article 2391 of the Italian Civil Code, which obliges directors to notify fellow directors and the Board of Statutory Auditors of any interest, on their own behalf or on behalf of a third party, that they may have, in a specific company transaction, with the concerned

member of the Board of Directors having to abstain from carrying out the transaction if he/she is also the CEO; and

- Article 2391-*bis* of the Italian Civil Code, CONSOB Regulation No. 17221 dated 12 March 2010 (and subsequent updates) concerning transactions with related parties, as well as the provisions issued by the Bank of Italy for the prudential supervision of banks concerning risk activities and conflicts of interest of banks and banking groups with associated persons (New Prudential Supervisory Regulations of the Bank of Italy and subsequent updates).

In accordance with the said latest provisions, UniCredit has adopted specific policies and procedures in order to ensure, between the others, the transparency and the material and procedural correctness of the transactions with related parties, directly or through controlled companies. In accordance with the aforementioned provisions transactions with related parties or with associated persons fall within the exclusive responsibility of the UniCredit Board of Directors, with the exception of the transactions falling under the responsibility of the UniCredit Shareholders' Meeting. For information on related-party transactions, please see Part H of the Notes to the consolidated financial statements of UniCredit as at 31 December 2018, incorporated by reference herein.

Notwithstanding the obligations of Article 2391 of the Civil Code, UniCredit and its corporate bodies have adopted measures and procedures to ensure compliance with the provisions relating to transactions with its Corporate Officers, as well as transactions with related parties and associated persons.

Legal and Arbitration Proceedings and Proceedings connected to Actions of the Supervisory Authorities

Legal and arbitration proceedings

The parent company UniCredit S.p.A. and other UniCredit group companies are named as defendants in several legal proceedings. In particular, as of 31 December 2018, the parent company UniCredit S.p.A. and other UniCredit group companies were named as defendants in about 20,800 legal proceedings, of which approx. 10,000 involving the parent company UniCredit S.p.A. (excluding labor law cases, tax cases and credit recovery actions in which counterclaims were asserted or objections raised with regard to the credit claims of Group companies). Moreover, from time to time, past and present directors, officers and employees may be involved in civil and/or criminal proceedings, the details of which the UniCredit group may not lawfully know about or communicate.

The Group is also required to fulfill appropriately various legal and regulatory requirements in relation to certain aspects of its activity, such as conflicts of interest, ethical issues, anti-money laundering laws, US and international sanctions, client assets, competition law, privacy and information security rules and others. Actual or alleged failure to do so may lead, to additional litigation and investigations and subjects the Group to damages claims, regulatory fines, other penalties and/or reputational damages. In addition, one or more Group companies and/or their current and/or former directors are subject or may in the future be subject to investigations by the relevant supervisory or prosecutorial authority in a number of countries in which the Group operates. These include investigations and/or proceedings relating, inter alia, to aspects

of systems and controls and instances of actual and potential regulatory infringement by the relevant Group companies and/or its clients. Given the nature of the UniCredit group's business and its reorganization over time there is a risk that claims or matters that initially involve one Group company may affect or involve other Group entities.

In many cases, there is substantial uncertainty regarding the outcomes of the proceedings and the amount of possible losses. These cases include criminal proceedings, administrative proceedings brought by the relevant supervisory or prosecution authorities and/or claims in which the claimed damages and/or potential liability of the Group is not and cannot be determined, either because of how the claims is presented and/or because of the nature of the actual proceedings. In such cases, until the time when it will be possible to estimate reliably the potential outcome, no provisions are made. However, where it is possible to estimate reliably the amount of possible losses and the loss is considered likely, provisions have been made in the financial statements to the extent the parent company UniCredit S.p.A., or any of the Group companies involved, deemed appropriate based on the circumstances of the case and in compliance with International Accounting Standards (IAS).

To provide for possible liabilities and costs that may result from pending legal proceedings (excluding labor law and tax cases), as of 31 December 2018, the UniCredit group set aside a provision for risks and charges of € 2,365 million, of which € 647 million for the parent company UniCredit S.p.A. As of 31 December 2018, the total amount of claimed damages relating to judicial proceedings other than labor, tax and debt collections proceedings was € 11.4 billion, of which approx. € 7 billion for the proceedings involving the parent company UniCredit S.p.A. This figure is affected by both the disomogeneous nature of the pending proceedings and the number of involved jurisdictions and their corresponding characteristics in which the UniCredit group is named as a defendant.

The estimate for reasonably possible liabilities and this provision are based upon information available as of 31 December 2018, however, given the many uncertainties inherent in legal proceedings, they involve significant elements of judgment. In particular, in some cases it is not possible to form a reliable estimate, for instance where proceedings have not yet been commenced or where the extent of legal and factual uncertainties makes any estimate speculative. Therefore any provision may not be sufficient to meet entirely the legal costs and the fines and penalties that may result from pending legal actions.

Set out below is a summary of information, including, if material and/or indicated, the single requests of the plaintiffs, relating to matters involving the UniCredit group which are not considered groundless or in the ordinary course of the Group's business.

This section also describes pending proceedings against the parent company UniCredit S.p.A. and/or other UniCredit group companies and/or employees (even former employees) that the parent company UniCredit S.p.A. considers relevant and which, at present, are not characterized by a defined claim or for which the respective claim cannot be quantified.

Unless expressly mentioned below, labor law and tax claims are excluded from this section and are described elsewhere in the Base Prospectus. In accordance with IAS37, information that would seriously prejudice the relevant company's position in the dispute may be omitted.

Madoff

Background

UniCredit and various of its direct and indirect subsidiaries have been sued or investigated in the wake of a Ponzi scheme perpetrated by Bernard L. Madoff ("**Madoff**") through his company Bernard L. Madoff Investment Securities LLC ("**BLMIS**"), which was exposed in December 2008. Madoff or BLMIS and the UniCredit's group of companies were principally connected as follows:

- The Alternative Investments division of Pioneer ("**PAI**"), an indirect subsidiary of UniCredit, was investment manager and/or investment adviser for the Primeo funds (including the Primeo Fund Ltd (now in Official Liquidation) ("**Primeo**")) and other non-U.S. funds-of-funds that had invested in other non-U.S. funds with accounts at BLMIS.
- Before PAI's involvement with Primeo, BA Worldwide Fund Management Ltd ("**BAWFM**"), an indirect subsidiary of UniCredit Bank Austria AG ("**BA**"), had been Primeo's investment adviser. BAWFM also performed for some time investment advisory functions for Thema International Fund plc ("**Thema**"), a non-U.S. fund that had an account at BLMIS.
- Some BA customers purchased shares in Primeo funds that were held in their accounts at BA.
- BA owned a 25 per cent. stake in Bank Medici AG ("**Bank Medici**"), a defendant in certain proceedings described below.
- BA acted in Austria as the "prospectus controller" under Austrian law in respect of Primeo and the Herald Fund SPC ("**Herald**"), a non-U.S. fund that had an account at BLMIS.
- UniCredit Bank AG (then Hypo- und Vereinsbank AG ("**HVB**")) issued notes whose return was to be calculated by reference to the performance of a synthetic hypothetical investment in Primeo.

Proceedings in the United States

Claims by the SIPA Trustee

In December 2010, the bankruptcy administrator (the "**SIPA Trustee**") for the liquidation of BLMIS filed, as one of a number of cases, a case in a U.S. Federal Court against approximately sixty defendants, including HSBC, UniCredit and certain of its affiliates (the "**HSBC case**").

In the HSBC case the SIPA Trustee sought to recover a damage compensation for an overall amount of more than USD 6 billion (to be later determined over the course of proceedings) against all 60 defendants or so defendants for common law claims (i.e. claims for aiding and abetting the violations by BLMIS) and avoidance claims (also known as claw-back claims). No separate claim for damages was brought against the UniCredit Group.

All claims against UniCredit and other companies of the UniCredit Group, both relating to common law claims and those related to claw-back actions, were rejected without any

possibility of appeal, with the exception of (i) UCB Austria, with respect to which the SIPA Trustee on 21 July 2015 has voluntarily renounced, with possibility to appeal, the claw-back actions against UCB Austria; and (ii) BAWFM, where, on 22 November 2016, the bankruptcy court issued a decision that required the dismissal of the claw-back claims against BAWFM. On 16 March 2017, the SIPA Trustee filed a notice of appeal from the dismissal of the claims. The appeal remains pending. However, if that appeal were successful, the potential claim for damage is non-material and, therefore, there are no specific risk profiles for UniCredit Group. Certain current or formerly affiliated persons named as defendants in the HSBC case may have rights to indemnification from UniCredit and its affiliated entities. Furthermore, at the date of this document approval and to the knowledge of UniCredit, there are no further actions commenced by parties other than the SIPA Trustee in relation to this matter.

Claims by SPV OSUS Ltd.

The parent company UniCredit S.p.A. and certain of its affiliates - UCB Austria, BAWFM and PAI - were named as defendants, together with approximately 40 other defendants, in a lawsuit filed before the Supreme Court of the State of New York, County of New York, on 12 December 2014, by SPV OSUS Ltd. The lawsuit was removed to the United States District Court for the Southern District of New York on 20 April 2018. The plaintiffs' claims are based on common law, and are only aimed at obtaining monetary compensation, vis-à-vis all defendants in connection with alleged aiding and abetting a breach of fiduciary duty, aiding and abetting a fraud, aiding and abetting a conversion and knowing participation in a breach of trust in connection with the Madoff Ponzi Scheme. The case is brought on behalf of a purported assignee of an investor in BLMIS, with no specification of the claimed amount. On 30 March 2019, the district court judge dismissed the case for lack of personal jurisdiction and for failure to state a claim and closed the case.

Proceedings Outside the United States

Investors in the Primeo and Herald funds brought numerous civil proceedings in Austria. As of 31 December 2018, 30 civil proceedings remain pending with a claimed amount totaling €8.15 million plus interest, of which: 23 were pending before a judge of first instance with no judgment yet, and 5 were pending before the Court of Appeal with no judgment yet. Two cases were remanded back to the first instance. These two cases are pending before the Supreme Court. Further, one extraordinary appeal is pending at the Supreme Court since March 2019. In three cases a single judgment was recently handed down (joined proceeding) by the Court of Appeal. The deadline for an extraordinary appeal by the claimant ends in April 2019. The claims in these proceedings pertain to alleged breaches by UCB Austria of certain duties regarding its function as prospectus controller (i.e. regarding the review of prospectuses for accuracy and completeness), or that UCB Austria improperly advised certain investors (directly or indirectly) to invest in funds in Madoff-related investments or a combination of these claims.

The Austrian Supreme Court issued 24 final decisions with respect to prospectus liability claims asserted in the legal proceedings. With respect to claims related to the Primeo funds, 14 final Austrian Supreme Court decisions have been issued in favor of UCB Austria. In two cases the Supreme Court did not accept UCB Austria's extraordinary appeal, thus making the decisions of the Court of Appeal in favor of the claimant final and binding. With respect to the Herald fund, the Austrian Supreme Court ruled 5 times with respect to prospectus liability, 2

in favor of UCB Austria and 3 times in favor of the claimants. In a prospectus liability case with Primeo and Herald investments the Austrian Supreme Court ruled in favor of UCB Austria; in two further prospectus liability cases with Primeo and Herald investments the Supreme Court did not accept the claimants' extraordinary appeals, thus rendering binding the decisions of the Court of Appeal in favor of Bank Austria.

While the impact of these decisions on the remaining cases cannot be predicted with certainty, future rulings may be adverse to UCB Austria.

In respect of the Austrian civil proceedings pending as against UCB Austria related to Madoff's matter, UCB Austria has made provisions for an amount considered appropriate to the current risk.

UCB Austria has been named as a defendant in criminal proceedings in Austria concerning the Madoff case on allegations that UCB Austria breached provisions of the Austrian Investment Fund Act as prospectus controller of the Primeo fund; other allegations are related to the level of fees and embezzlement. In the past, parts of the complaints have already been closed. At the date of this document approval, the criminal proceedings regarding the other allegations are still at the investigation stage and no official indictments against UCB Austria have been brought by the Austrian prosecutor, therefore, it is not possible to estimate the sanctions (if any) that would be imposed on UCB Austria as well as the potential joint liability of UCB Austria.

Certain potential consequences

In addition to the foregoing proceedings and investigations stemming from the Madoff case against the parent company UniCredit S.p.A., its subsidiaries and some of their respective employees and former employees, subject to any applicable limitations on the time by when proceedings must be brought, additional Madoff-related proceedings may be filed in the future in the United States, Austria or elsewhere. Such potential future proceedings could be filed against the parent company UniCredit S.p.A., its subsidiaries, their respective employees or former employees or entities with which the parent company UniCredit S.p.A. is affiliated or may have investments in. The pending or possible future proceedings may have negative consequences for the UniCredit group.

Save as described above, as at the date of this document approval, it is not possible to estimate reliably the timing and results of the various proceedings, nor determine the level of liability, if any responsibility exists. Save as described above, in compliance with international accounting standards, no provisions have been made for specific risks associated with Madoff related claims and charges.

Alpine Holding GmbH

Alpine Holding GmbH (a limited liability company) undertook a bond offering every year from 2010 to 2012. In 2010 and 2011, UCB Austria acted as joint lead manager, together with another bank. In June/July 2013, Alpine Holding GmbH and Alpine Bau GmbH became insolvent and insolvency proceedings began. Numerous bondholders then started to send letters to the banks involved in issuing the bonds, setting out their claims.

Insofar as UCB Austria is concerned, bondholders based their claims primarily on prospectus liability of the joint lead managers; only in a minority of cases they also claimed an alleged misselling due to bad investment advice. Furthermore, at the date of this document approval UCB Austria, among other banks, has been named as defendant in civil proceedings initiated by investors including three class actions filed by the Federal Chamber of Labor (with the claimed amount totaling about €20.26 million). The principal claim is prospectus liability. These civil proceedings are mainly pending in the first instance.

At the date of this document approval, the Austrian Supreme Court has not issued a final decision with respect to prospectus liability claims against UCB Austria. In addition to the foregoing proceedings against UCB Austria stemming from the Alpine insolvency, additional Alpine-related actions have been threatened and may be filed in the future. The pending or future actions may have negative consequences for UCB Austria. At the date of this document approval, it is not possible to estimate reliably the timing and results of the various actions, nor determine the level of liability, if any.

In addition, several involved persons have been named as defendants in criminal proceedings in Austria which concern the Alpine bankruptcy case. UCB Austria has joined these proceedings as private party. The criminal proceedings are at the pre-trial stage. Unknown responsible persons of the issuing banks involved were formally also investigated by the public prosecutor's office. In May 2017, the Public Prosecutors Office decided to close the proceedings against this group of persons. Several appeals against this decision were rejected in January 2018, hence the decision is final. Proceedings against the remaining defendants were closed in May 2018. Private parties appealed against this decision and the proceedings are still pending.

Proceedings arising out of the purchase of UCB AG by UniCredit and the related group reorganization

Squeeze-out of UCB AG minority shareholders (Appraisal Proceeding)

In 2008, approximately 300 former minority shareholders of UCB AG filed a request before the District Court of Munich I to have a review of the price paid to them by the parent company UniCredit S.p.A., equal to €38.26 per share, in the context of the squeeze out of minority shareholders ("**Appraisal Proceeding**"). The dispute mainly concerns the valuation of UCB AG, which is the basis for the calculation of the price to be paid to the former minority shareholders. At present the proceeding is pending in the first instance. The District Court of Munich has appointed experts for the valuation of UCB AG at the time of the squeeze-out, who have submitted their opinion in November 2017. The experts have confirmed that the valuation of UCB AG for the purposes of the squeeze-out cash compensation was by and large adequate. The court-appointed experts have, however, identified certain value effects which, in the opinion of the experts, could lead to a value increase of UCB AG's former subsidiaries Bank Austria and certain CEE financial institutions. Against this background, the experts question the appropriateness of the purchase prices paid before the squeeze-out by the parent company UniCredit S.p.A. to UCB AG for UCB Austria and for the said CEE financial institutions. The opinion of the experts does not bind the court. Both the parent company UniCredit S.p.A. and the applicants have submitted comments on the expert opinion to the court, which has asked the court-appointed experts to prepare a supplemental expert opinion on these comments by September 2019. The next oral

hearing is scheduled for February 2020. It will then be upon the court of first instance to decide on the request of the minority shareholders based on the expert opinion and the legal issues that are relevant and material to the decision of the court. The parent company UniCredit S.p.A. continues to believe that it has fully complied with applicable law and that the amount paid to the minority shareholders was adequate. It will vigorously defend this position in the ongoing proceedings and has submitted its comments on the expert opinion to the court. The decision of first instance will be subject to appeal. Thus, at this stage, it is not possible to estimate the duration of the proceeding, which might also last for a number of years and could result in the parent company UniCredit S.p.A. having to pay additional cash compensation to the former shareholders. No estimate on the amount in dispute can be made at the current stage of the proceeding.

Squeeze-out of Bank Austria's minority shareholders

In 2008, approximately 70 former minority shareholders in UCB Austria commenced proceedings before the Commercial Court of Vienna claiming that the squeeze-out price paid to them, equal to €129.4 per share, was inadequate, and asking the court to review the adequacy of the amount paid (Appraisal Proceeding).

The Commercial Court of Vienna referred the case to a panel, called the "Gremium", to investigate the facts of the case in order to review the adequacy of the cash compensation. On 26 June 2018, the Gremium issued its opinion consistent with the opinions of its experts that had been given in December 2011 and May 2013, and which were, in general, positive for the parent company UniCredit S.p.A. The Gremium referred the case back to the Commercial Court of Vienna. The parent company UniCredit S.p.A. submitted its comments to the Court on the Gremium's decision at the end of July 2018 along with other parties. The proceedings will continue before the Commercial Court of Vienna who has ordered the parties to submit additional documents to the court and will decide on the price evaluation and other legal matters. The parent company UniCredit S.p.A., considering the nature of the valuation methods used, believes that the amount paid to the minority shareholders was adequate.

At the date of this document approval, it is not possible to evaluate the amount under dispute and the possible risk connected with the above described Appraisal Proceeding.

Financial Sanctions matters

In March 2011, UniCredit Bank AG received a subpoena from the District Attorney for New York County ("**DANY**") relating to historical transactions involving certain Iranian entities designated by the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and their affiliates. In the subsequent years, DANY, the U.S. Department of Justice ("**DOJ**"), OFAC, the New York State Department of Financial Services ("**DFS**"), and the Board of Governors of the Federal Reserve System and the New York Federal Reserve Bank ("**Fed**") (collectively "**U.S. and New York authorities**") initiated their own investigations respecting historical compliance by UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG (together "**Group**") with applicable U.S. sanctions laws and regulations.

UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG have each cooperated extensively with the U.S. and New York authorities, including conducting their own voluntary investigation of their U.S. dollar payments practices and its historical compliance with

applicable U.S. financial sanctions, in the course of which certain historical non-transparent practices were identified. Even before the conclusion of these investigations, the Group initiated substantial and substantive remediation activities relating to policies and procedures, which are ongoing.

On 15 April 2019, UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG reached a resolution with the U.S. and New York authorities regarding these investigations. As part of such resolution, UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG entities have agreed to pay penalties totaling approximately \$1.3 billion and to implement certain remedial policies and procedures. The amount owed by the respective entities is entirely covered by their provisions, and the final penalty amount will not have a material impact on the UniCredit group. No further enforcement actions are expected relating to the subject of the resolved investigation.

As part of the settlements with the U.S. and New York authorities (DANY, OFAC, DOJ, DFS and Fed), UniCredit S.p.A., UniCredit Bank AG, and UniCredit Bank Austria AG made certain commitments to implement remedial compliance controls and conduct risk assessments relating to the UniCredit group's global business lines, to provide periodic reports and certifications concerning the implementation and effectiveness of the group's compliance program to the U.S. and New York authorities, and to engage an independent external party to conduct an annual review of the effectiveness of the group's compliance program whose findings will be shared with the U.S. and New York authorities. Most of these reporting requirements will expire after three to five years, but may be extended at the discretion of the U.S. and New York authorities.

Proceedings related to claims for Withholding Tax Credits

On 31 July 2014 the Supervisory Board of UCB AG 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 UCB AG. 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 submitted a claim for compensation against three individual former members of the management board, not seeing reasons to take any action against the members in office at the date of this document approval. These proceedings are ongoing. UniCredit S.p.A., UCB AG's parent company, supports the decisions taken by the Supervisory Board. In addition, criminal investigations have been conducted against current or former employees of UCB AG by the Prosecutors in Frankfurt on the Main, Cologne and Munich with the aim of verifying alleged tax evasion offences on their part. UCB AG cooperated - and continues to cooperate - with the aforesaid Prosecutors who investigated offences that include possible tax evasion in connection with cum-ex transactions both for UCB AG's own book as well as for a former customer of UCB AG. Proceedings in Cologne against UCB AG and its former employees were closed in November 2015 with, inter alia, the payment by UCB AG of a fine of €9.8 million. The investigations by the Frankfurt on the Main Prosecutor against UCB AG 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 UCB AG was closed as well in April 2017 following the payment of a forfeiture of €5 million. In December 2018, in

connection with a separate ongoing investigation against former bank employees by the Cologne prosecutor, UCB AG was informed of the initiation of an additional administrative proceeding regarding "cum-ex" transactions involving Exchange Traded Funds ("ETF"). The facts are being examined internally. UCB AG continues to cooperate with the authorities.

The Munich tax authorities are currently performing a regular field audit of UCB AG for the years 2009 to 2012 which inter alia includes review of other transactions in equities around the dividend record date. During these years UCB AG performed, inter alia, securities-lending with different domestic counterparts which inter alia include, but are not limited to, different types of securities 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 distribution of dividends, and which are the further consequences for the bank in case of different tax treatment. The same applies for the years 2013 until 2015 following the current regular tax audit mentioned above. It cannot be ruled out that UCB AG might be exposed to tax-claims in this respect by relevant tax-offices or third party claims under civil law. UCB AG is in constant communication with relevant Supervisory Authorities and competent tax authorities regarding these matters. UCB AG has made provisions deemed appropriate.

Proceedings relating to certain forms of banking transactions

The UniCredit group is named as a defendant in several proceedings in matters connected to its operations with clients, which are not specific to the UniCredit group, rather affect the financial sector in general.

In this regard, as of 31 December 2018 (i) proceedings against the parent company UniCredit S.p.A. pertaining to compound interest, typical of the Italian market, had a total claimed amount of €1.169 million, mediations included; (ii) proceedings pertaining to derivative products, mainly affecting the Italian market (for which the claimed amount against the parent company UniCredit S.p.A. was €767 million, mediations included) and the German market (for which the claimed amount against UCB AG was €91.8 million); and (iii) proceedings relating to foreign currency loans, mainly affecting the CEE countries (for which the claimed amount was around €44 million).

The proceedings pertaining to compound interest mainly involve damages requests from clients arising from the alleged unlawfulness of the calculation methods of the amount of interest payable in connection with certain banking contracts. Starting from the first years of 2000, there has been a progressive increase in claims brought by the account holders due to the unwinding of the interest payable arisen from the quarterly compound interest. In the course of 2018, the number of claims for refunds/compensation for compound interest did not show particular variations compared to 2017. At the date of this document approval, the parent company UniCredit S.p.A. has made provisions that it deems appropriate for the risks associated with these claims.

With regard to the litigation connected to derivative products, several financial institutions, including UniCredit group companies, entered into a number of derivative contracts, both with institutional and non-institutional investors. In Germany and in Italy there are a number of pending proceedings against certain Group companies that relate to derivative contracts concluded by both institutional and non-institutional investors. The filing of such litigations

affects the financial sector generally and is not specific to the parent company UniCredit S.p.A. and its Group companies. At the date of this document approval, it is not possible to assess the full impact of these legal challenges on the Group.

With respect to proceedings relating to foreign currency loans, in the last decade, a significant number of customers in the Central and Eastern Europe area took out loans and mortgages denominated in a foreign currency ("**FX**"). In a number of instances customers, or consumer associations acting on their behalf, have sought to renegotiate the terms of such FX loans and mortgages, including having the loan principal and associated interest payments redenominated in the local currency at the time that the loan was taken out, and floating rates retrospectively changed to fixed rates. In addition, in a number of countries legislation that impacts FX loans was proposed or implemented. These developments resulted in litigation against subsidiaries of the parent company UniCredit S.p.A. in a number of CEE countries including Croatia, Hungary, Romania, Slovenia and Serbia.

In Croatia, following the implementation in September 2015 of a new law that rewrote the terms of FX loan contracts, a number of these lawsuits were withdrawn as customers took advantage of the benefits of the new law. Zagrebačka Banka ("**Zaba**") challenged the new law before the Croatian Constitutional Court. On 4 April 2017, the Constitutional Court rejected Zaba's constitutional challenge and no further remedies are available under local laws.

In September 2016, UCB Austria and Zaba initiated a claim against the Republic of Croatia under the Agreement between the Government of the Republic of Austria and the Government of the Republic of Croatia for the promotion and protection of investments in order to recover the losses suffered as a result of amendments in 2015 to the Consumer Lending Act and Credit Institutions Act mandating the conversion of Swiss franc-linked loans into Euro-linked. In the interim, Zaba complied with the provisions of the new law and adjusted accordingly all the respective contracts where the customers requested so. Following a hearing, the arbitral tribunal ruled on part of the Respondent's jurisdictional objections. The arbitral proceedings remain pending.

Medienfonds/closed end funds

Various investors in VIP Medienfonds 4 GmbH & Co. KG to whom the UCB AG issued loans to finance their participation brought legal proceedings against UCB AG. In the context of the conclusion of the loan agreements the plaintiffs claim that an inadequate advice 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 UCB AG's liability for the prospectus in the proceeding pursuant to the Capital Markets Test Case Act (*Kapitalanleger-Musterverfahrensgesetz*) which is pending at the Higher Regional Court of Munich, will affect only a few pending cases.

Furthermore, as at the date of this document approval, UCB AG is defending lawsuits concerning other closed-end funds. Investors filed lawsuits against UCB AG and claim insufficient advice was provided by the bank within the scope of their investment in closed-end funds. In particular, the investors claim that UCB AG did not or did not fully disclose any refunds made to the bank or they were advised on the basis of an allegedly incorrect prospectus. The questions regarding a correct and sufficient advice to a customer as well as questions regarding the limitation period and thus the success prospects in the proceedings

depend on the individual circumstances of the particular case and are therefore difficult to be predicted. As far as these proceedings were disputed, the experience in the past has shown that the deciding courts have largely ruled in favour of UCB AG.

Vanderbilt related litigations

Claims brought or threatened by or on behalf of the State of New Mexico or any of its agencies or funds.

In August 2006, the New Mexico Educational Retirement Board ("**ERB**") and the New Mexico State Investment Council ("**SIC**"), both US state funds, invested \$90 million in Vanderbilt Financial, LLC ("**VF**"), a vehicle sponsored by Vanderbilt Capital Advisors, LLC ("**VCA**"). VCA is a subsidiary of Pioneer Investment Management USA Inc., at the time an indirect subsidiary of the parent company UniCredit S.p.A. The purpose of VF was to invest in the equity tranche of various collateralized debt obligations ("**CDOs**") managed primarily by VCA. The equity investments in VF, including those made by the ERB and SIC, became worthless. VF was later liquidated.

Beginning in 2009, several lawsuits were threatened or filed (some of which were later dismissed) on behalf of the State of New Mexico relating to the dealings between VCA and the State of New Mexico. These lawsuits include proceedings launched by a former employee of the State of New Mexico who claimed the right, pursuant to the law of the State of New Mexico, to act as a representative of the State for the losses suffered by the State of New Mexico with regard to investments managed by VCA. In these proceedings, in addition to VCA, Pioneer Investment Management USA Inc., PGAM and the parent company UniCredit S.p.A. were also named as defendants, by virtue of their respective corporate affiliation with VCA, as described in the previous paragraph. In addition, two class actions were launched with regard to VCA on behalf of the public pension fund managed by ERB and the State of New Mexico threatened to launch a case against VCA if its claim was not satisfied. These suits threatened or instigated relate to losses suffered by the ERB and/or SIC on their VF investments, with additional claims threatened in relation to further losses suffered by SIC on its earlier investments in other VCA-managed CDOs. The lawsuits threatened or instigated allege fraud and kickback practices. Damages claimed in the lawsuits filed by or on behalf of the State of New Mexico are computed based on multiples of the original investment, up to a total of \$365 million.

In 2012, VCA reached an agreement with the ERB, SIC and State of New Mexico to settle for the sum of \$24.25 million all claims brought or threatened by or on behalf of the State of New Mexico or any of its agencies or funds. The settlement amount was deposited into escrow at the beginning of 2013. The settlement is contingent on the Court's approval, but that process was temporarily delayed, and the original litigation was stayed, pending the determination by the New Mexico Supreme Court of a legal matter in a lawsuit brought against a different set of defendants in other proceedings. The New Mexico Supreme Court issued its ruling on the awaited legal matter in June 2015 and in December 2015 VCA, the ERB, SIC, and the State of New Mexico renewed their request for Court approval of the settlement. The Court held a hearing on the matter in April 2016 and in June 2017 approved the settlement and directed that the claims against VCA be dismissed. A judgment to that effect was entered in September 2017 and a motion by the former State employee seeking to set aside that judgment was denied by the Court in October 2017. Appeals from the judgment and the subsequent order

were taken in October and November 2017 and the settlement cannot be effectuated while the appeal remains pending. If the judgment is upheld on appeal, the escrowed amount will be paid over to the State of New Mexico and VCA, Pioneer Investment Management USA Inc., PGAM and the parent company UniCredit S.p.A. will all be released from all claims that were or could have been brought by or on behalf of the State or any of its agencies or funds.

Divania S.r.l.

In the first half of 2007, Divania S.r.l. (now in bankruptcy) ("**Divania**") filed a suit in the Court of Bari against UniCredit Banca d'Impresa S.p.A. (then UniCredit Corporate Banking S.p.A. and now "**UniCredit S.p.A.**") alleging violations of law and regulation (relating, inter alia, to financial products) in relation to certain rate and currency derivative transactions created between January 2000 and May 2005 first by Credito Italiano S.p.A. and subsequently by UniCredit Banca d'Impresa S.p.A. (now "**UniCredit S.p.A.**"). The plaintiff requests that the contracts be declared non-existent, or failing that, null and void or to be cancelled or terminated, and that UniCredit Banca d'Impresa S.p.A. pay the plaintiff a total of €276.6 million as well as legal fees and interest. It also seeks the nullification of a settlement that the parties reached in 2005 under which Divania had agreed to waive any claims in respect of the transactions.

The parent company UniCredit S.p.A. rejects Divania demands. Without prejudice to its rejection of liability, it maintains that the amount claimed has been calculated by aggregating all the debits made (for an amount much larger than the actual amount), without taking into account the credits received that significantly reduce the plaintiff's demands. In 2010, the Court-appointed expert witness submitted a report that largely confirms the Bank's position stating that there was a loss on derivatives amounting to about €6,4 million (which would increase to €10,884 million should the out-of-court settlement, challenged by the plaintiff, be judged unlawful and thus null and void).

The expert opinion states that interest should be added in an amount between €4,137 million (contractual rate) and €868,000 (legal rate). On 29 September 2014, the judges reserved their decision. A new expert report was then ordered, which essentially confirmed the conclusions of the previous expert report. At the hearing held on 6 June 2016 the judges reserved again their decision. On 16 January 2017, the Court issued a decision declaring not to be competent to decide on part of the plaintiff's claims and ordered the parent company UniCredit S.p.A. to pay, in favor of Divania's bankruptcy Receiver an overall amount of approximately €7.6 million plus legal interests and part of the expenses. The decision has been appealed. At the first hearing of 29 November 2017, the proceedings were adjourned to 11 October 2019 for the filing of the parties' conclusions.

Two additional lawsuits have also been filed by Divania., (i) one for €68.9 million (which was subsequently increased up to € 80.5 million pursuant to Article 183 of the Code of Civil Procedure); and (ii) a second for €1.6 million.

As for the first case, in May 2016 the Court ordered the parent company UniCredit S.p.A. to pay approximately €12.6 million plus costs. The parent company UniCredit S.p.A. appealed against the decision and at the first hearing the case was adjourned to 22 June 2018 for the filing of detailed conclusions. At the hearing of 22 June, the case was adjourned to 11 October 2019 for the filing of the parties' conclusions.

In respect of the second case, on 26 November 2015, the Court of Bari rejected the original claim of Divania. The judgment has res judicata effect.

The parent company UniCredit S.p.A. has made a provision for an amount it deems appropriate to cover the risk of the lawsuit.

Valauret S.A.

In 2004, Valauret S.A. and Hughes de Lasteyrie du Saillant filed a civil claim for losses resulting from the drop in the share price between 2002 and 2003, allegedly caused by earlier fraudulent actions by members of the company's board of directors and others. UCB Austria (as successor to Creditanstalt) was joined as the fourteenth defendant in 2007 on the basis that it was banker to one of the defendants. Valauret S.A. is seeking damages of €129.8 million in addition to legal costs and Hughes de Lasteyrie du Saillant damages of €4.39 million.

In 2006, before the action was extended to UCB Austria, the civil proceedings were stayed following the opening of criminal proceedings by the French State that are ongoing at the date of this document approval. In December 2008, the civil proceedings were also stayed against UCB Austria. In UCB Austria's opinion, the claim is groundless and at the date of this document approval no provisions have been made.

I Viaggi del Ventaglio Group (IVV)

In 2011 foreign companies IVV DE MEXICO S.A., TONLE S.A. and the bankruptcy trustee IVV INTERNATIONAL S.A. filed a lawsuit in the Court of Milan for approximately €68 million. In 2014, the bankruptcy trustees of IVV Holding S.r.l. and IVV S.p.A. filed two additional lawsuits in the Court of Milan for €48 million and €170 million, respectively.

The three lawsuits are related. The first and third relate to allegedly unlawful conduct in relation to loans. The second relates to disputed derivative transactions. The parent company UniCredit S.p.A.'s view is that the claims appear to be groundless based on its preliminary analysis. In particular: (i) as far as the first lawsuit is concerned (a claim amounting to approximately €68 million), the parent company UniCredit S.p.A. won in first instance. Respectively, in July 2016 and in September 2016 the plaintiffs filed an appeal against the decision and at the hearing of 16 January 2019 the parties filed their conclusions and the proceeding is in its conclusive phase; (ii) as far as the second lawsuit is concerned (a claim amounting to approximately €48 million), relating mainly to disputed derivative transactions, in 2015, all the evidentiary requests, including the appointment of an expert, have been rejected. On 21 May 2018, the Court of Milan rejected all IVV S.p.A.'s claims by and ordered it to pay costs. The Judge approved the settlement agreement between the Bank and the Bankruptcy Trustee; and (iii) lastly, with regard to the third lawsuit (a claim amounting to approximately €170 million), it is at the date of this document approval at the evidentiary stage and the requests made by the judge to the court-appointed expert do not seem related to the position of the parent company UniCredit S.p.A. An additional report filed by the court-appointed expert is favourable for the defendants. The case has been interrupted due to the death of one of the defendants and may be resumed by the plaintiffs by mid- June 2019.

Lawsuit brought by "Paolo Bolici"

In May 2014, the company wholly owned by Paolo Bolici sued the parent company UniCredit S.p.A. in the Court of Rome seeking the return of approximately €12 million for compound interest (including alleged usury component) and €400 million for damages. The company then went bankrupt. The Court of Rome issued the decision on 16 May 2017 rejecting all the claims and ordering the bankruptcy procedure to reimburse the parent company UniCredit S.p.A. with the legal costs. The parent company UniCredit S.p.A. decided not to make provisions. On 17 June 2017 the bankruptcy procedure appealed the decision. The case has been adjourned to 7 December 2021 for the filing of the parties' conclusions.

Mazza Group

The civil lawsuit originates from a criminal proceeding before the Court of Rome for illicit lending transactions of disloyal employees of the parent company UniCredit S.p.A. in favor of certain clients for approximately €84 million. These unlawful credit transactions involve: (i) unlawful supply of funding, (ii) early use of unavailable large sums, (iii) irregular opening of accounts which the employees, in increasingly important roles, facilitated in violation of the regulations and procedures of Banca di Roma S.p.A. (later "UniCredit Banca di Roma S.p.A." and afterwards merged by incorporation into the parent company UniCredit S.p.A.).

In May 2013, certain criminal proceedings - related to acts and offences representatives of a group of companies (the "**Mazza Group**") committed in 2005 with the collaboration of disloyal employees of the parent company UniCredit S.p.A. - came to an end with an exculpatory ruling (no case to answer). The Public Prosecutor and the parent company UniCredit S.p.A. appealed this decision. The appeal proceeding is in its conclusive phase and a judgment is expected by the end of 2019.

At the date of this document approval two lawsuits are pending for compensation claims against the parent company UniCredit S.p.A.:

- the first filed in June 2014 by the Mazza notary in the Court of Rome, demanding from the parent company UniCredit S.p.A. compensation for damage allegedly suffered following the criminal complaint brought by the former Banca di Roma S.p.A.. The plaintiff makes use of the exculpatory ruling in the criminal proceedings to claim a traumatic experience with repercussions on their health, marriage, social and professional life, with financial, moral, existential and personal injury damages of approximately €15 million. The proceeding is at the evidence collection stage and the hearing for the submission of the parties' conclusion is scheduled for 13 July 2020; and
- the second filed in March 2016 by Como S.r.l. and Camillo Colella in the Court of Rome, demanding damages from the parent company UniCredit S.p.A. in the amount of approximately 379 million. Similarly to the Mazza notary, the plaintiffs complain that the initiatives of the former Banca di Roma S.p.A. in the criminal and civil proceedings, caused financial, moral, existential and personal injury damages to Camillo Colella, as well as damages for the loss of important commercial opportunities, as well as image, reputational and commercial damage to Como S.r.l. The proceeding is in its conclusive phase.

In the view of the parent company UniCredit S.p.A., these lawsuits currently appear to be unfounded. The parent company UniCredit S.p.A. has made a provision it deems consistent to

cover the risk resulting from unlawful credit transactions, which is essentially equal to the residual credit of the parent company UniCredit S.p.A.

So.De.Co. - Nuova Compagnia di Partecipazioni S.p.A.

So.De.Co. S.r.l. (**So.De.Co.**), following to a restructuring transaction by which it acquired the "oil" business from the parent company Nuova Compagnia di Partecipazione S.p.A. (**NCP**), was sold to Ludoil Energy Srl in November 2014.

In March 2016, So.De.Co., then controlled by Ludoil, summoned before the Court of Rome its former directors, NCP, the parent company UniCredit S.p.A. (in its capacity as holding company of NCP) and the external auditors (PricewaterhouseCoopers S.p.A. and Deloitte & Touche S.p.A.) claiming damages of approximately €94 million against the defendants, on a several and joint liability basis allegedly deriving from the failure to quantify, since at least 2010, the statutory capital loss, from the insufficient provisions for charges and risks related to environmental issues, and from the unreasonably high price paid for the acquisition of the "oil" business units and subsidiaries from NCP in the context of the group reorganization of the "oil" business.

The parent company UniCredit S.p.A. has been sued by deducing the unfounded nature of the claim and the absence of the damage complained of. On 9 May 2017, the judge rejected all plaintiffs' requests for evidence collection and scheduled the hearing for filing the conclusions for 12 February 2019.

In November 2017, So.De.Co. served a claim against NCP and former directors on the same matter previously subject to a mediation, which had ended with no agreement between the parties. The first hearing, scheduled for 20 February 2018, was adjourned to 15 January 2019 to allow the renovation of a previously incomplete service of the claim. At such hearing, the case was adjourned to 11 June 2019 before which the parties will have the chance to file evidentiary briefs.

Criminal proceedings

At the date of this document approval, certain entities within the UniCredit group and certain of its representatives (including those no longer in office), are involved in various criminal proceedings and/or, as far as the parent company UniCredit S.p.A. is aware, are under investigation by the competent authorities with regard to various cases linked to banking transactions, including, specifically, in Italy, the offence pursuant to Article 644 (usury) of the Criminal Code.

At the date of this document approval, these criminal proceedings have not had significant negative impact on the operating results and capital and financial position of the parent company UniCredit S.p.A. and/or the Group, however there is a risk that, if the parent company UniCredit S.p.A. and/or other UniCredit group entities or their representatives (including those no longer in office) were to be convicted, these events could have an impact on the reputation of the parent company UniCredit S.p.A. and/or the UniCredit group.

On 14 December 2018, the Public Prosecutor of the Court of Tempio Pausania dismissed the parent company UniCredit S.p.A. from the criminal proceedings it had initiated, as the alleged violation of Article 24-ter of Legislative Decree 231/2001 became time-barred.

Labour-Related Litigation

UniCredit is involved in employment law disputes. In general, provisions have been made, judged by UniCredit to be adequate, for all employment law disputes to cover any potential disbursements and in any event UniCredit does not believe that any liabilities related to the outcome of the pending proceedings could have a significant impact on its economic and/or financial position.

Lawsuits filed against UniCredit by members of the former Cassa di Risparmio di Roma Fund

These lawsuits, having been won in earlier proceedings by UniCredit, hang on appeal cases brought before the relevant courts of appeal and the Court of Cassation in which the main claim is a request that the funding levels of the former Cassa di Risparmio di Roma Fund be restored and that the individual social security accounts of each member be assessed and quantified. As at 31 December 2018, with reference to the main claim, the relief sought is estimated at €384 million. No provisions were made as these actions are considered to be unfounded.

Proceedings Related to Tax Matters

Proceedings before Italian Tax Authorities

As at the date of this document approval, there are tax proceedings involving counterclaims pending in relation to UniCredit and other companies belonging to the UniCredit Group, Italian perimeter. As at 31 December 2018, there were 486 tax disputes for an overall amount equal to €275,14 million, net of disputes settled which are referred to below.

As of 31 December 2018 the total amount of provisions for tax risks amounted to €182,13 million (including provisions for legal expenses).

Pending cases arising during the period

During 2018 UniCredit S.p.A. and certain controlled companies have been served some deeds among which the most relevant are reported:

- nine notices of assessment, for a total amount of €4.9 million, served with regard to registration tax on guarantees referred to loans subject to the substitute tax provided for by D.P.R. 601/1973. Against all the notices of assessment the bank has filed claims with the tax court and has requested the cancellation to the Tax Authorities. As of December 31, 2018, the Tax Authorities have cancelled all the notices of assessment;
- a notice of assessment, served to UniCredit S.p.A. as the consolidating entity for tax purposes, regarding IRES 2013 referred to Pioneer Investment Management S.G.R.p.A., with which the Tax Authorities have challenged transfer pricing related items, similarly to what happened with respect to the fiscal years from 2006 to 2012. The higher IRES tax requested is equal to €4.4 million, plus interest, and no penalty has been applied since the

Tax Authorities have expressly recognized the compliance with the transfer pricing documentation regime;

- a deed referred to the fiscal monitoring regime, with which an administrative penalty regarding equal to €1 million has been issued which, according to the applicable law, can be defined by means of the payment of €0.36 million;
- in September 2018 the Italian Customs notified to Nuova Compagnia di Partecipazioni S.p.A. and to So.De.Co. S.r.l., a company previously controlled, a tax audit report referred to alleged violations regarding VAT and excises; the amount which can be potentially referred to So.De.Co. S.r.l., limited to joint liability for excises allegedly unpaid, is equal to €7.5 million, plus penalties (which will be determined subsequently by the competent Customs Office). No further deed has been notified by the Tax Authorities.

Moreover:

- to UniCredit Bank A.G. - Italian branch, in October 2018, after a tax audit regarding 2012 and 2013, the Tax Authorities have notified a tax audit report regarding IRES, IRAP and VAT. The remarks concerning IRES and IRAP, referred to alleged violations regarding transfer pricing, have been defined by means an out of Court settlement. In comparison with a higher taxable base assessed equal to €9.5 million (for the two fiscal years), the higher taxable base defined is equal to €5.9 million (for the two fiscal years). Therefore, the company paid higher IRES and IRAP taxes equal to €2.4 million, plus interest, while no administrative penalty has been applied since, also in this case, the Tax Authorities have expressly recognized the compliance with the transfer pricing documentation regime. As for VAT, the remarks arising from the tax audit report are referred to the effects of the decision no. C-7/13 (Skandia) of the EUCJ and the higher tax assessed amounts to, respectively, €5.5 million for 2013 and €6 million for 2014. In December 2018 the Tax Authorities served a notice of assessment for VAT 2013, bearing, in addition to the higher tax of €5.5 million, also administrative penalties, equal to €6.2 million, and interest;
- to UniCredit Services S.C.p.A. (formerly UniCredit Business Integrated Solutions S.C.p.A.) the Tax Authorities notified a questionnaire regarding transfer pricing for 2013;
- to UniCredit S.p.A. the Tax Authorities notified a questionnaire regarding the tax treatment of dividend paid by Banca d'Italia in 2013 and 2014.
- All the requests of information have been answered within the due date indicated by the Tax Authorities.

Updates on pending disputes and tax audits

As for 2018, the following information is reported:

- with respect to the registration tax allegedly due for the registration of the rulings that had settled a number of opposition proceedings regarding the liability status of the companies of the "**Costanzo Group**", the Tax Authorities have recognized as partly not due the registration tax requested, for a total amount of €8.95 million. Therefore, the total value

of all the litigations is reduced to €18.95 million. In addition the second Degree Tax Court of Catania has issued a decision in favor of the bank relating to a notice of assessment of €0.23 million. Currently, all the litigations are pending and, in one case, the Tax Authorities filed a claim with the Supreme Court; with respect to this litigation, the bank has challenged the claim of the Tax Authorities;

- in the financial statements as of December 31, 2017, a favorable decision, definitive, has been mentioned, which had cancelled the notices of assessment served to UniCredit Leasing S.p.A. for IRES and VAT 2005 (total value €120 million). As a consequence, the Tax Authorities have cancelled also the notice of assessment served to UniCredit S.p.A. for IRES 2005 (as the consolidating company for tax purposes), for a total value of €19 million;
- in 2017 the Tax Authorities served to UniCredit S.p.A. a notice of assessment referred to the company Dicembre 2007 S.p.A., liquidated, of which UniCredit S.p.A. was a shareholder. The deed refers to the allegedly incorrect application of the participation exemption regime for the purposes of IRES due for 2011. The total amount requested is equal to €14.6 million, plus interest (€7.7 million for higher IRES and €6.9 million for penalties) and it has been requested jointly to all the former shareholders. UniCredit S.p.A. is liable up to 46.67% of the higher sums requested; therefore, the share referred to UniCredit S.p.A. is equal to €6.9 million. The company has filed a claim with the Tax Court, which has cancelled the notice of assessment. The Tax Authorities have filed an appeal;
- with respect to UniCredit S.p.A. the Italian Supreme Court issued two decisions relating to the application of higher IRAP tax rate for the Region Veneto, for 2004. The litigation arises from the increase of 1% of the IRAP tax rate, applicable to banks and financial companies, provided for by the Region Veneto for 2002 and subsequent years. Such increase has given rise to the requests of payment of the higher tax and against such requests of payment the company filed claims with the Tax Courts. In general terms, the Supreme Court has, initially, ruled that the aforementioned increase was not legitimate, due to a violation of the general prohibition of the increase of the regional IRAP rates provided for by Law 289/2002; subsequently, the Court changed its interpretation, stating that the increase is legitimate only up to 0.5%, since such value should be grounded in the founding Law of IRAP tax. The aforementioned two decisions have confirmed the latter interpretation, however referring the litigations to the second degree Tax Court for additional factual inquiries. The total value of such litigations is equal to €3.2 million;
- moreover, the Supreme Court has definitively ruled in favor of the bank, with respect to a notice of assessment regarding registration tax on a decision that settled an opposition proceeding regarding the liability status of a company. The notice of assessment has been entirely canceled, for a total amount of €2 million;
- again, the Supreme Court has issued a favorable decision regarding a VAT assessment for 2000. The value of the litigation is equal to €0.5 million;
- finally, the Supreme Court has issued a decision with which it has referred the parties to the second degree Tax Court, with respect to a litigation regarding the 1984 IRPEG tax

credit pertaining to former Banco di Sicilia. The refund of this credit has been requested by Banco di Sicilia with respect to the former Cassa Centrale di Risparmio Vittorio Emanuele per le Province Siciliane, a company of which Banco di Sicilia had acquired the business activity. In particular, the decision pertains to the case in which the taxpayer has filed a tax return requesting the refund of a tax credit and, subsequently, the Tax Authorities have served a notice of assessment (thus increasing the taxable income reported) against which the taxpayer has filed a claim, giving rise to a litigation. According to the Court, if the taxpayer benefitted from the tax amnesty, provided for by Law 289/2002, in order to define such litigation, the definition should imply the full acceptance of the assessment and therefore, the taxpayer should be no more entitled to receive the tax credit. In this case, the Court has referred the parties to the second degree Tax Court for further factual inquiries. The value of the litigation is equal to €69 million (including principal and interest). It should be added that the litigation regarding the notice of assessment, defined by means of the tax amnesty, was referred to higher IRPEG tax equal to €4.5 million, in comparison to a tax credit equal to €25.6 million (for principal). With reference to risks arising from this litigation, adequate provisions have been posted in the financial statements

- UniCredit Leasing S.p.A. has settled out of court several notices of assessment regarding VAT and IRAP for the fiscal years from 2010 to 2012. In comparison to a total amount requested of €22.8 million (plus interest) pursuant to the aforementioned settlements the company paid a total amount of €2.6 million (plus interest).

Proceedings connected with Supervisory Authority Measures

The UniCredit Group is subject to complex regulation and supervision by, *inter alia*, the Bank of Italy, CONSOB, the EBA, the ECB within the European System of Central Banks (ESCB), as well as other supervisory authorities. In this context, the UniCredit Group is subject to normal supervision by the competent authorities. Some supervisory actions have resulted in investigations and charges of alleged irregularities that are in progress as at the date of this document. The Group has acted to prove the regularity of its operations and does not believe that these proceedings could have negative consequences for the business of the UniCredit Group.

Italy

Bank of Italy Inspections:

- (a) In April 2016, Bank of Italy began looking into the “Remuneration methods of loans and overdrafts” at UniCredit, which was concluded at the end of May 2016. The Bank of Italy formulated its observations during the Board of Directors’ meeting held on 15 December 2016. The supervisory authority highlighted several shortcomings, already, to a great extent, addressed by UniCredit and, more specifically, relating to: (i) the complete inclusion of the provisions on loans with the related integration of corporate regulations; (ii) the criterion for calculating the daily available balance; (iii) the reasons for transactions exempt from fast credit processing fees (CIV); and (iv) the structure of ex-post checks. On 15 February 2017, UniCredit provided the Bank of Italy with exhaustive answers, fully taking into account the corrective measures that have been and/or will be implemented by June 2019.

- (b) In February 2017, the Bank of Italy launched an inspection related to “Governance, Operational Risk, Capital and AML” of UniCredit’s subsidiary Cordusio Fiduciaria S.p.A. concluded in April 2017. The final results were notified in June 2017, while UniCredit sent its reply and action plan on 3 August 2017. The remedy actions will be completed by December 2019.
- (c) In November 2017, the Bank of Italy launched an inspection related to “Transparency and Usury” of UniCredit, concluded in February 2018. The final results were notified to UniCredit in June 2018 highlighting shortcomings mainly related to: (i) preparation of some unilateral modification of contract conditions, (ii) product approval process, (iii) internal and compliance controls. UniCredit sent an action plan to the regulator in September 2018. The remedy actions will be completed by December 2019.
- (d) In January 2019 the Bank of Italy launched an inspection related to “AML Anti Money Laundering”, concluded in May 2019. The final results have not yet been notified to UniCredit.
- (e) In May 2019 the Bank of Italy launched a “General Inspection” of UniCredit’s subsidiary Cordusio SIM. The on-site phase started on May 13th 2019 and is currently ongoing.

ECB Inspections:

- (a) In September 2016, the ECB launched an inspection into the “IRBB management and risk control system”, which was concluded in December 2016. In June 2017, UniCredit was notified of the findings of the inspection and on 12 September 2017 delivered the action plan to the ECB. The remedy actions will be completed by March 2020.
- (b) In September 2016, the ECB launched an inspection into the “Governance and Risk management – governance structure and business organisation of the foreign branches of UCB AG”, which was concluded in December 2016. In July 2017, UCB AG was notified of the findings of the inspection and on 11 August 2017 delivered the action plan to the ECB. The remedy actions were concluded by March 2019.
- (c) In the second and third quarter of 2017, UniCredit was involved in a horizontal thematic review on the profitability. This aspect had been identified by the ECB amongst the principle supervisory priorities by the ECB and has been held also at other significant banks. After this thematic review, the ECB has informed UniCredit of its valuations in May 2018, to which the bank replied with an action plan to address the findings reported by the ECB.
- (d) As disclosed in the ECB’s “2017 Planned Supervisory Activities” sent in January 2017, in March 2017, the ECB announced an inspection related to “Collateral, provisioning and securitisation” of the Group. The inspection was launched in April 2017 and concluded in July 2017. In December 2017 UniCredit was notified of the findings of the inspection and on 24 January 2018 UniCredit delivered the action plan to the ECB. The remedy actions were completed by March 2019.
- (e) In May 2017, the ECB provided UniCredit with the results of the Thematic Review of the risk data aggregation capabilities and the risk reporting practices based on BCBS239 principles. The ECB found certain shortcomings, including inter alia governance and data reconciliation, at the UniCredit Group level. UniCredit provided at the end of September 2017 an action plan to address the ECB’s findings. The remedy actions will be concluded by June 2019.

- (f) As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in May 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to “Credit risk (PD, LGD, CCF/EAD),” with particular reference to: Retail secured by real estate non SME. The inspection was launched in July 2017 and concluded in September 2017. The final report was released in December 2017. The final ECB recommendation letter was received in August 2018. UniCredit provided a dedicated action plan in February 2018. The inspection did not report blocking criticalities. A limitation linked to missing factor within the LGD model was raised.
- (g) As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in June 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to “Market risk (IRC, VaR, SVaR),” with particular reference to: Commodities risk, Debt instruments general risk, Debt instruments specific risk, Equity general risk, Equity specific risk, Forex risk. The inspection was launched in September 2017 and concluded in December 2017. The final ECB recommendation letter was received in January 2019. UniCredit provided ECB with a dedicated action plan in February 2019.
- (h) As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in July 2017, the ECB announced a TRIM Targeted Review of Internal Models inspection related to “Credit risk (PD, LGD),” with particular reference to: Corporate – SME including the assessment of an approval of material change related to PD and LGD for Corporate – SME. The inspection was launched in October 2017 and concluded in February 2018. The final ECB recommendation letter was received in January 2019. UniCredit provided a dedicated action plan in February 2019.
- (i) As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in September 2017 the ECB announced a TRIM Targeted Review of Internal Models inspection related to “Credit risk (PD),” with particular reference to: Retail other SME, including an assessment of an approval of material change related to Credit risk (PD) for Retail other SME. The inspection was launched in November 2017 and concluded in March 2018. The final results were notified in May 2018. Upon receipt of ECB recommendation letter in January 2019, UniCredit provided a dedicated action plan in February 2019.
- (j) As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in August 2017, the ECB announced an inspection related to “IT risk” of UniCredit Group. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, mainly highlighting areas of improvement on some IT access rights processes. UniCredit delivered the action plan to ECB in July 2019. The remedy actions will be concluded by December 2019.
- (k) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in February 2018 the ECB announced an inspection related to “Internal Governance – Compliance Function” of the UniCredit Group. The inspection was launched in April 2018 and concluded in July 2018. The final results were notified in October 2018, mainly highlighting areas of improvement on: (i) compliance oversight, (ii) compliance monitoring, (iii) launch of new products, (iv) monitoring of the consumer protection area. The dedicated action plan was delivered to ECB in January 2019. The remedy actions will be concluded in December 2019.
- (l) As disclosed in ECB “2018 Planned Supervisory Activities” sent in January 2018, in March 2018 the ECB announced an inspection related to “Market Risk Framework, Policies and Procedures”, with particular reference to CEE countries. The inspection was launched in April 2018 and concluded in June 2018. The final results were notified

- in November 2018, highlighting some areas of improvement on: (i) governance and organization, (ii) risk strategy, limitation and management process, (iii) risk management in terms of Pillar I and Pillar II. UniCredit delivered the dedicated action plan to ECB in March 2019. The remedy actions will be completed by December 2019.
- (m) As disclosed in the ECB's "2018 Planned Supervisory Activities" sent in January 2018, in March 2018 ECB announced an inspection related to "Credit Quality Review – Retail & SME-Portfolios" of UniCredit S.p.A. and subsidiaries in Italy. The inspection was launched in June 2018 and concluded in October 2018. The final results were notified in March 2019, highlighting some areas of improvement: (i) credit classification, (ii) forbearance granting and provisioning processes. UniCredit has already started a remediation plan.
 - (n) As disclosed in the ECB's "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection related to the "Business Model" of UniCredit S.p.A. The inspection was launched in September 2018 and concluded in December 2018. The final results have not yet been notified to UniCredit.
 - (o) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in July 2018 the ECB announced an inspection dedicated to "IT Services". The inspection was launched in November 2018 and concluded in March 2019. The final results have not yet been notified.
 - (p) In July 2018 the ECB notified to UniCredit the results of a review relating to the implementation of Commission Delegated Regulation (EU) 2015/61 with regard to the liquidity coverage requirement (LCR Deep Dive). UniCredit delivered the action plan to the ECB in August 2018. The remedial actions are planned to be concluded by March 2020.
 - (q) As disclosed in ECB "2018 Planned Supervisory Activities" sent in January 2018, in September 2018 the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Counterparty Credit Risk" for the risk category "All-IMM", including follow-up checking the remediation of previous IMI's findings. The inspection spanned from October until December 2018 and the final assessment report was received on May 7th 2019 with no criticalities to be reported.
 - (r) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on MNC and Sovereign (PD and LGD models), The inspection was launched on January 21, 2019 and was concluded in April 2019. The final results has not been notified.
 - (s) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Information Security". The inspection was launched in April 2019.
 - (t) As disclosed in the ECB's "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Credit Lending Processing, Underwriting Standards and Delegations". The inspection has been launched on May 6th, 2019 and is expected to end in July 2019.
 - (u) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, in March 2019 the ECB announced an inspection dedicated to "Business Model CIB". The inspection will start in June 2019.
 - (v) As disclosed in ECB "2019 Planned Supervisory Activities" sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to "Credit Risk" with focus on Banks PD/LGD models and Group Wide EAD model,

including the assessment of material model change only for GW EAD model. The inspection has been launched on May 6th, 2019 and it is expected to end in July 2019.

- (w) As disclosed in ECB “2019 Planned Supervisory Activities” sent in January 2019, the ECB announced a TRIM – Targeted Review of Internal Models inspection related to “Credit Risk” with focus on GLOBAL PROJECT FINANCE (GPF) PD/LGD models. The inspection will be launched on May 21st, 2019 and it is expected to end in July 2019.

AGCM Inspections:

In April 2016, the Italian Competition Authority (**AGCM**) notified the extension to UniCredit (as well as to ten other banks) of the I/794 ABI/SEDA proceedings launched in January 2016 with regard to the Italian Banking Association (**ABI**), aimed at ascertaining of the existence of alleged concerted practices with reference to the Sepa Compliant Electronic Database Alignment (**SEDA**).

On 28 April 2017, the AGCM issued a final notice whereby it confirmed that the practices carried out by the ABI, UniCredit and the other banks in connection with the adoption of the SEDA service model of compensation constituted an anti-competitive practice and therefore a violation of European competition regulations. With such notice, the AGCM ordered the parties to cease the infringement, submit a report evidencing the relevant measures adopted by 1 January 2018 to the AGCM, and refrain from enacting similar practices in the future. Given the fact that the infringements were minor in light of the legislative framework, the AGCM did not impose any monetary or administrative sanctions against UniCredit (or the other ten banks) also in consideration of the fact that, in the course of the proceeding, the ABI and the banks proposed a redefined SEDA service remuneration model which, if correctly implemented by the banks, is expected to decrease the current SEDA costs by half, which benefits the enterprises utilizing the service and, ultimately, the end-users of the utilities. On 1 February 2018, the AGCM communicated that it examined the compliance report relating to the proceeding in question concerning the SEDA service and, on the basis of the information presented therein, considered the procedures put in place in line with the measures indicated in the provision closing of the preliminary investigation.

In connection with the proposed new remuneration model for the SEDA service, two possible further risk factors can be envisaged, namely: (a) the economic risk relating to possible lower earnings from the service, given that the proposed new remuneration structure is expected to involve lower levels compared to the current ones; and (b) economic risk relating to the costs of the adjustment of the IT procedures that will be necessary for the new remuneration structure. In addition, in light of the AGCM final notice, there is also the risk of claims against UniCredit in civil court by parties seeking damages for anti-competitive behaviour. UniCredit decided to appeal the AGCM decision at the TAR (the Italian regional court). As at the date of this document, the appeal filed *vis-à-vis* the regional court is still pending.

In April 2017, the AGCM extended to UniCredit (and to one other bank) the proceeding opened in January 2017 against IDB S.p.A. and IDB Intermediazioni S.r.l. In October 2017, the AGCM imposed pecuniary administrative penalties against the parties (€4 million against UniCredit), for an alleged unfair commercial practice relating to investment in diamonds. UniCredit decided to appeal the AGCM decision at the TAR. On November 14th, 2018, TAR rejected the appeal. UniCredit appealed the TAR decision before “*Consiglio di Stato*” (Supreme Administrative Court). As of the date the proceedings are still pending.

In April 2017, the AGCM launched proceedings against UniCredit (and against two more banks), at the same time requesting information, relating to alleged unfair commercial practice concerning compound interest (so called “*anatocismo*”). In November 2017, the AGCM imposed pecuniary administrative penalties against UniCredit and other banks (€5 million applied to UniCredit). UniCredit appealed the AGCM decision before the TAR. At the date of this document, the proceedings are still pending.

European Commission

On 31 January 2019 UniCredit 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 one of UniCredit’s subsidiaries 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.

UniCredit 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 has responded to the raised objections on 29 April 2019. There is no legal deadline for the Commission to complete antitrust inquiries.

Germany

In Germany various authorities exercise supervisory activities over UCB AG.

The main authorities are the BaFin and the Bundesbank, and from 4 November 2014, responsibility for Banking Supervision was transferred from BaFin to the ECB under the scope of the SSM.

If there are any findings during the inspections conducted by these authorities, UCB AG will implement the corrective measures in compliance with the mitigation plans and the time scales agreed with the authorities and provide these authorities with information about the implementation status of the corrective measures on a quarterly basis or when requested.

In 2013, UCB AG was contacted by the U.S. Commodity Futures Exchange Commission, the UK Financial Conduct Authority (FCA) and BaFin under the scope of an investigation aimed at verifying a possible market manipulation of exchange rates (FX), specifically the benchmark FX rate published by Reuters. UCB AG launched an internal investigation conducted by the Internal Audit Department of UCB AG; this investigation did not reveal any evidence of involvement by UCB AG in the manipulation of the benchmark FX. At the date of this document, UCB AG did not have further requests from the authorities involved.

BCE

In 2015, the ECB conducted three inspections at UCB AG involving (i) the Compliance function of UCB AG with regard to the requirements of the risk management regulations

(*MaRisk*); (ii) the “Credit risk management of the loan portfolio of Financial Institutions, Banks and sovereign entities (**FIBS**); and (iii) the “Quality of internal and external reporting”. In response to the ECB findings, remedial actions in each of these areas were completed between June and September 2017.

- Specifically, with regard to the inspection of the UCB AG Compliance function aimed at checking the operation and adequacy of internal procedures, processes and resources employed (*MaRisk*), UCB AG prepared a mitigation plan and sent it to the ECB. All the remedial actions were completed by September 2017.
- With regard to the inspection on the credit risk management of the FIBS portfolio – upstream loans – aimed at verifying the adequacy of the organisational structure, internal procedures and processes, as well as the credit risk management of the FIBS portfolio for the sound and prudent management of the credit institution – the ECB disclosed its findings, three of which have yet to be concluded at the date of this document. The mitigation actions were completed by September 2017.
- Lastly, as far as the “Quality of internal and external reporting” is concerned, the ECB looked into the Financial Reporting Framework (FINREP) and the Common Reporting Framework (COREP). The mitigation actions were completed by June 2017.

In February 2016, the ECB launched an inspection involving UCB AG’s corporate portfolio management aimed at verifying the adequacy of the organizational structure, internal procedures and processes, as well as the management of the Corporate portfolio’s credit risk for the sound and prudent management of the credit institution. The inspection was concluded in April 2016. The ECB notified UCBAG of the findings in December 2016, highlighting the following areas of improvement: (i) monitoring process and information flow between Risk Management and monitoring units; (ii) rating model monitoring, development and validation; (iii) risks and provisions guidelines implementation; and (iv) bulk risk information to the board. The remediation actions were completed by March 2018.

In September 2016, the ECB launched an inspection on “Governance structure and business organization of the foreign branches of UCB AG”, which was concluded in December 2016. In July 2017, UCB AG was notified of the findings of the inspection, highlighting the following areas of improvement: (i) organizational set up and guidelines; (ii) internal reporting; (iii) outsourcing. On 11 August 2017 delivered the action plan to the ECB. The remedy actions were concluded by March 2019.

As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in May 2017, the ECB announced an inspection related to “Business model and profitability” of UniCredit subsidiaries UCB AG and UniCredit Luxembourg SA. The inspection was launched in May and concluded in July 2017. The final results were notified in December 2017, highlighting some areas of improvement: (i) strategic planning and budgeting process; (ii) cost cutting and fte reduction strategy; (iii) ICT strategy; (iv) organisational set-up and guidelines. In March 2018 UCB AG sent the action plan to the regulator. The remedy actions were concluded by March 2019.

Austria

UCB Austria is subject to regulation by the CRR and the Austrian Consolidated Banking Act (*Bankwesengesetz*, BWG) which transposes the CRD IV into Austrian law.

From 4 November 2014, responsibility for banking supervision was transferred from the Financial Market Authority (*Finanzmarktaufsicht* - **FMA**) to the ECB under the scope of the SSM.

FMA

Between December 2012 and February 2013, the Austrian Central Bank (**OeNB**) and the FMA conducted a joint investigation with regard to the loan portfolio of UCB Austria and several subsidiaries. The main objective of this initiative was to check the progress of the action plan prepared following a previous investigation conducted in 2010 into the same subject. The intervention found that UCB Austria, in spite of implementing suitable mitigation actions, did not conform to the expectations of the supervisory authority with regard to the availability and quality of data, credit risk parameters and Group standards. Therefore, following the conclusion of the OeNB and FMA intervention, UCB Austria submitted a plan for the implementation of further corrective measures. The mitigation actions required involve: (i) human resources in the areas of operational and strategic management of credit risk; (ii) the implementation of important Group/standard regulations for the management of credit risk in Group companies operating in CEE countries; (iii) the risk parameters in Group companies operating in CEE countries; (iv) country limits; and (v) reporting on credit risks, and they were all correctly implemented, although the mitigation actions relating to certain findings involving Group standards were implemented after the deadline agreed in the plan.

In relation to the compliance function of UCB Austria, in 2012, the FMA conducted an inspection into the provisions of the Sanctions Act § Foreign Exchange Act. Following this, 16 findings were drawn up - relating to the inadequacy of human resources, documentation and IT systems within the structure dealing with financial sanctions - which have been concluded in full in compliance with the plan.

In September 2017, the FMA completed an on-site inspection of the UCB Austria's overall AML framework, including but not limited to all AML and KYC related processes and procedures as well as the implemented IT solutions and all other AML related activities (e.g. trainings) based on samples. The final inspection report was received on February 2018. The report consists of seven Findings. An Action Plan will be set-up and provided to FMA.

At the end of a proceeding conducted in 2017 against UCB Austria by FMA and concerning AML and terrorism financing regulations, UCB Austria received a decision from FMA imposing a fine in the amount of € 66.000,00. UCB Austria decided to appeal against the FMA's decision.

BCE and OeNB

At the end of 2014, the OeNB launched an on-site investigation into the management of participatory risk. Activities were concluded in December 2014 and in March 2015 the report was published, which highlighted findings of a methodological nature in four main areas - adequacy of UCB Austria's capital at an individual level, methodological aspects of the ICAAP model, determining the price of intra-group funds and management of the results for CEE subsidiaries. UCB Austria prepared an action plan and sent it to the OeNB in April 2015. At the end of 2015, following the recommendations drawn up by the ECB which confirmed the findings of the OeNB, UCB Austria made changes to the action plan previously agreed. The mitigation actions requested involved the findings with regard to capital adequacy,

methodological aspects of the ICAAP model and determining the price of intra-group funds, and were correctly implemented in compliance with the plan agreed with the ECB.

In March 2015, the ECB delegated an inspection to the OeNB of the risks relating to FX retail loans. This inspection was concluded in June 2015 and the findings were issued in October 2015, confirming the existence of an action plan undertaken by UCB Austria which the ECB was notified of. The status of the actions is reported to the ECB on a quarterly basis. All the mitigation actions aimed at, among other things, the stress testing methods, the FX retail loans strategy, FX portfolio reporting and communications with customers, were implemented in compliance with the plan.

As disclosed in ECB “2017 Planned Supervisory Activities” sent in January 2017, in August 2017, the ECB announced an inspection related to “Business model and profitability” of UniCredit subsidiary, UniCredit Bank Austria AG. The inspection was launched in October 2017 and concluded in December 2017. The final results were notified in April 2018, highlighting some areas of improvement: (i) strategic planning; (ii) capital stress tests; (iii) transformation risk; (iv) corporate pricing approval control framework; (v) allocation of net write-downs and provisions to corporate center; (vi) liquidity cost benefit allocation; (vii) performance measurements; (viii) IRBB model risk. Upon receipt of ECB recommendation letter, UniCredit Bank Austria AG has delivered a dedicated action plan in July 2018. The remedy actions will be concluded by December 2019.

Other countries

The other banks operating in countries where the Group has a presence are subject to normal regulatory activities: inspections, checks and investigations or assessment procedures by the various local supervisory authorities. Depending on the country, the authorities carry out regular checks on the activities and financial status of the various Group entities with differing frequencies and using different methods. Upon the outcome of these checks, the relevant supervisory authorities can impose the adoption of organisational measures and/or impose fines.

Turkey

TCA

Following the inspection launched in November 2011, with regard to Yapi ve KrediBankası A.Ş. (**YKB**) and other eleven Turkish banks, in March 2013 the Turkish AntiTrust Authority (**TCA**) announced that it was imposing monetary administrative fines on these banks for the alleged violation of Turkish law on protecting competition. The amount of the fine imposed on YKB came to TRY 149,961,870 (equal to over €63 million). Despite YKB believing it had acted in compliance with the law, in August 2013 the bank benefited from the reduced early payment of the fine pursuant to Turkish law of TRY 112,471,402 (equal to 75 per cent. of the administrative fine imposed and equal to approximately €50 million). In September 2013, YKB also appealed against the TCA’s decision asking for it to be annulled and also asking for its advance payment to be returned. Following the rejection of the appeal made by YKB in April 2015, in August 2016 YKB submitted a further appeal which, at the date of this Prospectus, is still pending.

Ministry of Customs and Trade

In addition, in September 2016, following an investigation launched on account of the alleged violation of consumer protection laws under the scope of several transactions dated between

2011 and 2015, the Turkish Ministry of Customs and Trade imposed an administrative fine of TRY 116,254,138 (equal to approximately €31 million) on YKB. In September 2016, YKB benefited from the reduced early payment of the fine pursuant to Turkish law of TRY 87,190,604 (equal to 75 per cent. of the original fine and equal to approximately €23 million) and in October 2016 it appealed against the fine asking for its advance payment to be returned. Following the rejection of this request, in August 2017, YKB has appealed to the Regional Administrative Court. As at the date of this document, the proceedings are still pending.

Recent Developments

On 10 May 2019, UniCredit announced the completion of the placement's settlement of approximately 103.5 million existing ordinary shares of FinecoBank S.p.A. ("**Fineco**"), equal to approximately 17 per cent of the share capital issued by Fineco. As a result of the settlement, also considering that UniCredit holds a minority shareholding in the Company (equal to approximately 18 per cent of the issued share capital), and waived any administrative rights in respect of any matters set forth under article 2364 of the Italian Civil Code, UniCredit informed about Fineco is not part of the UniCredit Group anymore

On 7 May 2019, UniCredit confirmed that at the capital markets day on 3 December 2019, it will detail its business strategy for the years 2020-23. To prepare for this new plan and ensure a robust foundation for its successful future development, UniCredit announced the launch of a comprehensive set of financial measures. They aim at further strengthening the Group's lending capability, its ability to support the local economy and develop client business across its countries of operation.

On 12 April 2019, UniCredit announced that it has reached an agreement with MBCredit Solutions (MBCS) in relation to the disposal on a non-recourse basis (pro-soluto) of a non-performing unsecured consumer credit portfolio in Italy.

On 1 April 2019, following the demerger of the Leased Asset Management division and the real estate repossessed portfolio already owned by UniCredit Leasing S.p.A., UniCredit announced that the new company called UniCredit Leased Asset Management (UCLAM), 100 per cent. owned by UniCredit Leasing S.p.A., is operationally effective starting from 1 April 2019. The focus will be on real estate assets related to business activities, ranging from industrial storage spaces, commercial properties and assets in the hospitality industry, residential properties owned by private individuals are not included."

D. "GENERAL INFORMATION" section of the Base Prospectus

1. Availability of Documents

In section "GENERAL INFORMATION", subsection "**Availability of Documents**", on page 448 of the Base Prospectus, the following list of documents in the second paragraph, shall be deleted and replaced as follows:

- "(1) Articles of association of the Issuer,
- (2) the audited consolidated reports and accounts of UniCredit as at and for the financial years ended 31 December 2018, 31 December 2017 and 31 December 2016,
- (3) the Consolidated First Half Financial Report as at 30 June 2018 of UniCredit,
- (4) the press releases of UniCredit,

- (5) the forms of the Global Notes of the Issuer,
- (6) the Final Terms of the Issuer, and
- (7) the Agency Agreement of each of the Issuer, as amended and restated."

2. Principal Shareholders

In section "GENERAL INFORMATION", subsection "**Principal Shareholders**", on page 449 of the Base Prospectus, as supplemented, shall be deleted in its entirety and replaced as follows:

"Principal Shareholders

As at 9 May 2019, UniCredit's share capital, fully subscribed and paid-up, amounted to € 20,994,799,961.81, comprising 2,233,376,842 ordinary shares.

UniCredit's ordinary shares are listed on the Italian, German and Polish regulated markets⁷. The shares traded on these markets have the same characteristics and confer the same rights on the holder.

As at 9 May 2019, according to available information, the main shareholders holding, directly or indirectly, a relevant participation in UniCredit were:

Major Shareholders	Ordinary Shares	% owned ⁽¹⁾
Aabar Luxembourg S.A.R.L.	112,561,154	5.040
Dodge & Cox	111,715,904	5.002 ⁽²⁾
Norges Bank	67,462,705	3.021 ⁽²⁾

(1) On share capital at the date of 9 May 2019.

(2) non-discretionary asset management

Article 120, paragraph 2, of the Financial Services Act, as a consequence of Legislative Decree No. 25/2016, sets forth that holdings exceeding 3 per cent. of the voting capital of a listed company shall be communicated to both the latter and to CONSOB.

At the date of this document approval, there is no limitation to the exercise of voting rights.

No individual or entity controls UniCredit within the meaning provided for in Article 93 of the Financial Services Act, as amended."

3. Significant Changes in UniCredit's Financial Position and Trend Information

In section "GENERAL INFORMATION", subsection "**Significant Changes in UniCredit's Financial Position and Trend Information**", on page 450 of the Base Prospectus, shall be deleted in its entirety and replaced as follows:

"The performance of UniCredit will depend on the future development on the financial markets and the real economy in 2019 as well as other remaining imponderables. In this

⁷ Further to the disposal of the controlling equity interest in Bank Pekao in June 2017, discussions shall be initiated with the relevant Authorities and market management companies in order to explore the feasibility of revoking the trading of ordinary shares on the Warsaw Stock Exchange in Poland.

environment, UniCredit 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 no significant change in the financial or trading position of UniCredit and the UniCredit Group since 31 March 2019.

There has been no material adverse change in the prospects of UniCredit and the UniCredit Group since 31 December 2018, the date of its last published audited financial statements."

4. Incorporation by Reference

In section "GENERAL INFORMATION", subsection "Information incorporated by reference in this Base Prospectus" on page 451 et seqq. of the Base Prospectus shall be deleted in its entirety and replaced as follows:

"The following information shall be deemed to be incorporated by reference in, and to form part of, this Base Prospectus.

	Pages of the document incorporated:	Inserted in this Base Prospectus on the following pages:
60,000,000,000 Euro Medium Term Note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018, approved by the Commission de Surveillance du Secteur Financier ¹⁾		
Risk Factors		
Risk Factors (Factors that may affect the relevant Issuer's ability to fulfil its obligations under notes issued under the Programme – Factors that may affect the Guarantor's ability to fulfil its obligations under the guarantee)		p. 74
- Risks connected with the Strategic Plan	p. 51 to 52	p. 74
- Risks associated with the impact of the current macroeconomic uncertainties and the volatility of the markets on the UniCredit Group's performance	p. 52 to 53	p. 74
- Risks associated with the impact of current macroeconomic uncertainties	p. 52 to 53	p. 74
- Risks connected with the volatility of markets	p. 53 to 54	p. 74
- Risks connected with the UniCredit Group's activities in different geographical areas	p. 54 to 55	p. 74
- Credit risk and risk of credit quality deterioration	p. 55 to 57	p. 74
- Guidelines for estimating the PD and the LGD and for dealing with exposures at default	p.57	p. 74

- Risk associated with disposal on non-performing loans	p.57 to 58	p. 74
- Risks associated with UniCredit's participation in the Atlante Fund and the Italien Recovery Fund (former Atlante II Fund)	p. 58 to 59	p. 74
- Liquidity Risk	p. 60 to 61	p. 74
- Risks associated with system liquidity support	p. 60 to 62	p. 74
- Risks related to intra-group exposure	p. 62 to 63	p. 74
- Market risks	p. 63 to 64	p. 74
- Risks connected with interest rate fluctuations	p. 64 to 65	p. 74
- Risks connected with exchange rates	p. 65	p. 74
- Risks associated with borrowings and evaluation methods of the assets and liabilities of the relevant Issuer and/or the Guarantor	p. 65 to 66	p. 74
- Risks relating to IT system management	p. 66 to 68	p. 74
- Risks relating to deferred taxes	p. 68 to 70	p. 74
- Risks connected with interests in the capital of Bank of Italy	p. 70	p. 74
- Counterparty risk in derivative and repo operations	p. 70 to 71	p. 74
- Risks connected with exercising the Goodwill Impairment Test and losses in value relating to goodwill	p. 71	p. 74
- Risks connected with existing alliances and joint ventures	p. 71 to 72	p. 74
- Risks connected with the performance of the property market	p. 72 to 73	p. 74
- Risks connected with pensions	p. 73	p. 74
- Risks connected with risk monitoring methods and the validation of such methods	p. 73 to 74	p. 74
- Risks connected with non-banking activities	p. 74 to 75	p. 74
- Risks connected with the organisational and management model pursuant to Legislative Decree 231/2001 and the accounting administrative model pursuant to Law 262/2005	p. 82	p. 74
- Risks connected with operations in the banking and financial sector	p. 82 to 83	p. 74

-	Risks connected with ordinary and extraordinary contributions to funds established under the scope of the banking crisis rules	p. 83	p. 74
-	Deposit Guarantee Scheme and Single Resolution Fund	p. 83 to 85	p. 74
-	Voluntary Scheme	p. 85 to 86	p. 74
-	Other charges for systemic risk	p. 86 to 87	p. 74
-	Risks connected with the entry into force of new accounting principles and changes to applicable accounting principles	p. 87 to 89	p. 74
-	Forthcoming regulatory changes	p. 94 to 96	p. 74
-	ECB Single Supervisory Mechanism	p. 96 to 97	p. 74
-	The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investments firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Notes and/or the rights of Noteholders.	p. 97 to 99	p. 74
-	Implementation of the BRRD in Italy	p. 100 to 101	p. 74
-	As of 2016 the UniCredit Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism	p. 101 to 102	p. 74
-	The European proposed financial transactions tax (FTT)	p. 102	p. 74
-	Ratings	p. 102 to 103	p. 74
<i>Description of UniCredit and the UniCredit Group</i>			
-	Description of UniCredit and the UniCredit Group (incl. place of registration / registration number of the Issuer / date of incorporation / legal form of the Issuer / legislation under which the Issuer operates / country of Issuer's incorporation / address and telephone number of its registered office)	p. 290	p. 106
-	History	p. 290 to 291	p. 106
-	The Current Organisational Structure	p. 291 to 293	p. 106
-	Strategy of the Group (incl. any significant new products and/or activities)	p. 294	p. 106

- Business areas (incl. the Issuer's principal activities and markets in which the Issuer operates)	p. 294 to 297	p. 106
- Material Contracts	p. 318	p. 106
- External Auditors	p. 330	p. 106
General Information		p. 106
- Litigation	p. 375	p. 106
- External Auditors	p. 375 to 376	p. 106
First Supplement dated 23 November 2018 to the 60,000,000,000 Euro Medium Term note Programme of UniCredit S.p.A. and UniCredit Bank Ireland p.l.c. dated 7 June 2018¹⁾		
Risk Factors		
- Risks associated with the impact of current macroeconomic uncertainties	p. 7	p.74
- Credit risk and risk of credit quality deterioration	p. 7	p.74
- Deposit Guarantee Scheme and Single Resolution Fund	p. 7	p.74
- Forthcoming regulatory changes	p. 8	p.74
- The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Notes and/or the rights of Noteholders – <i>replacement of the seventh paragraph</i>	p. 8	p.74
- The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Notes and/or the rights of Noteholders – <i>insertion at the end of the fourteenth paragraph</i>	p. 8	p.74

-	The bank recovery and resolution directive is intended to enable a range of actions to be taken in relation to credit institutions and investment firms considered to be at risk of failing. The taking of any such actions (or the perception that the taking of any such action may occur) could materially adversely affect the value of the Notes and/or the rights of Noteholders – <i>insertion at the end of the fourteenth paragraph</i>	p. 8	p.74
-	Implementation of the BRRD in Italy	p. 8	p.74
-	Ratings	p.9	p.74
Description of UniCredit and the UniCredit Group			p.74
-	Financial Sanctions matters	p. 13 to 14	p. 106
-	Recent Developments	p. 14	p. 106
-	General Information, Trend Information	p. 15	p. 106
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2018 ²⁾			
-	Consolidated Report on Operations	p. 26 to 67	p. 106
-	Consolidated Balance Sheet	p. 89 to 90	p. 106
-	Consolidated Income Statement	p. 91 to 92	p. 106
-	Consolidated Statement of Comprehensive Income	p. 93	p. 106
-	Statement of Changes in Shareholders' Equity	p. 94 to 97	p. 106
-	Consolidated Cash Flow Statement	p. 98 to 99	p. 106
-	Notes to the Consolidated Accounts	p. 101 to 436	p. 106
-	Annexes	p. 437 to 487	p. 106
-	Certification	p. 489	p. 106
-	Report of External Auditors	p. 491 et seq.	p. 106
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2017 ²⁾			
-	Consolidated Balance Sheet	p. 82 to 83	p. 106
-	Consolidated Income Statement	p. 84	p. 106
-	Consolidated Statement of Comprehensive Income	p. 85	p. 106
-	Statement of Changes in Shareholders' Equity	p. 86 to 89	p. 106
-	Consolidated Cash Flow Statement	p. 90 to 91	p. 106

-	Notes to the Consolidated Accounts	p. 93 to 470	p. 106
-	Annexes	p. 473 to 534	p. 106
-	Certification	p. 537 to 539	p. 106
-	Report of External Auditors	p. 541 et seq.	p. 106
Consolidated Reports and Accounts of UniCredit S.p.A. as at and for the fiscal year ended 31 December 2016 ²⁾			
-	Consolidated Balance Sheet	p. 84 to 85	p. 106
-	Consolidated Income Statement	p. 86	p. 106
-	Consolidated Statement of Comprehensive Income	p. 87	p. 106
-	Statement of Changes in Shareholders' Equity	p. 88 to 91	p. 106
-	Consolidated Cash Flow Statement	p. 92 to 93	p. 106
-	Notes to the Consolidated Accounts	p. 95 to 482	p. 106
-	Annexes	p. 485 to 538	p. 106
-	Certification	p. 541 to 543	p. 106
-	Report of External Auditors	p. 545 et seq.	p. 106
UniCredit Consolidated Interim Report as at 30 September 2017 – Press Release dated 9 November 2017 ²⁾			
-	UniCredit Group: Third Quarter 2017 Group Results. Transform 2019 delivers tangible results	p. 1 to 3	p. 106
-	Transform 2019 Update	p. 4 to 5	p. 106
-	UniCredit Group Consolidated Results	p. 6 to 8	p. 106
-	Asset Quality	p. 9 to 10	p. 106
-	Capital & Funding	p. 10	p. 106
-	Divisional Quarterly Highlights	p. 11 to 18	p. 106
-	Group Tables	p. 20 to 24	p. 106
-	Basis for Preparation	p. 25 to 26	p. 106
-	Declaration by the Manager	p. 27	p. 106
UniCredit Consolidated First Half Financial Report as at 30 June 2018 ²⁾			
-	Consolidated Balance Sheet	p. 50 to 51	p. 106
-	Consolidated Income Statement	p. 52 to 53	p. 106
-	Consolidated Statement of Comprehensive Income	p. 53	p. 106
-	Statement of changes in the Consolidated Shareholders' Equity	p. 54 to 57	p. 106
-	Consolidated Cash Flow Statement	p. 58 to 59	p. 106
-	Explanatory Notes	p. 61 to 259	p. 106

-	Report of External Auditors	p. 289	p. 106
-	Other Information - Subsequent Events	p. 44	p. 106
UniCredit Consolidated Interim Report as at 30 September 2018 – Press Release dated 8 November 2018 ²⁾			
-	UniCredit Group: Reclassified Income Statement	p. 19	p. 106
-	UniCredit Group: Reclassified Balance Sheet	p. 20	p. 106
-	Other UniCredit Tables (Shareholders' Equity, Staff and Branches, Ratings, Sovereign Debt Securities – Breakdown by country/portfolio, Weighted duration, Breakdown of Sovereign Debt Securities by portfolio, Sovereign Loans – Breakdown by country)	p. 21 to 25	p. 106
-	Basis for Preparation	p. 26	p. 106
-	Declaration	p.27	p. 106
UniCredit Consolidated Interim Report as at 31 March 2019 – Press Release dated 9 May 2019 ²⁾			
-	UniCredit Group: Reclassified Income Statement	p. 20	p. 106
-	UniCredit Group: Reclassified Balance Sheet	p. 21	p. 106
-	Other UniCredit Tables (Shareholders' Equity, Staff and Branches, Ratings, Sovereign Debt Securities – Breakdown by Country / Portfolio)	p. 22 to 25	p. 106
-	Basis of Preparation	p. 26	p. 106
-	Declaration by the Manager charged with preparing the financial reports	p. 27	p. 106
UniCredit Consolidated Interim Report as at 31 March 2018 – Press Release dated 10 May 2018 ²⁾			
-	UniCredit Group: Reclassified Income Statement	p. 19	p. 106
-	UniCredit Group: Reclassified Balance Sheet	p. 20	p. 106
-	Other UniCredit Tables (Shareholders' Equity, Staff and Branches, Ratings, Sovereign Debt Securities – Breakdown by Country / Portfolio)	p. 21 to 23	p. 106
-	Basis of Preparation	p. 24	p. 106
-	Declaration by the Manager charged with preparing the financial reports	p. 25	p. 106

Press Release "UniCredit: Fitch affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italy's sovereign" dated 5 September 2018 ³⁾		
	Entire document.	p. 106
Press Release "UniCredit: Moody's affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italian sovereign" dated 23 October 2018 ³⁾		
	Entire document.	p. 106
Press Release "UniCredit: Standard & Poor's affirmed UniCredit S.p.A.'s ratings – Outlook aligned with Italian sovereign" dated 31 October 2018 ³⁾		
	Entire document.	p. 106
Press Release "2018 EU-Wide Stress Test Results" dated 2 November 2018 ³⁾		
	Entire document.	p. 106
Press Release "UniCredit: 2018 EU-wide Transparency Exercise" dated 14 December 2018 ³⁾		
	Entire document.	p. 106
Press Release "Caius-UniCredit agreed press statement" dated 18 December 2018 ³⁾		
	Entire document.	p. 106
Press Release "UniCredit announces the sale of an Italian leasing unsecured non performing credit portfolio by UniCredit Leasing SpA" dated 19 December 2018 ³⁾		
	Entire document.	p. 106
Press Release "Press Release" dated 6 February 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit reorganises senior management team to prepare for next strategic circle" dated 6 February 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit: Board of Directors' Resolutions" dated 7 February 2019 ³⁾		
	Entire document	p. 106
Press Release "The co-optation of Ms. Elena Carletti as Board Director and member of the Remuneration and the Internal Controls and Risks Committees of UniCredit" dated 7 February 2019 ³⁾		

	Entire document	p. 106
Press Release "Press Release" dated 8 February 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit well above the specific capital requirements set by ECB" dated 11 February 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit issues a 10 year subordinated Tier 2 bond for an amount of EUR 1 billion" dated 13 February 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit: Notice of Call" (regarding the agenda of the Ordinary and Extraordinary Shareholders' Meeting) dated 19 February 2019 ³⁾		
	Entire document	p. 106
Press Release "Press Release" (regarding the availability of the documentation concerning the agenda items of the ordinary session of the Shareholders' Meeting) dated 19 February 2019 ³⁾		
	Entire document	p. 106
Press Release "Press Release" (regarding the availability of the documentation concerning the items on the Agenda of the Shareholders' Meeting) dated 12 March 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit issues EUR 1 billion Additional Tier 1 PerpNC 6/2026 Notes (AT1)" dated 12 March 2019 ³⁾		
	Entire document	p. 106
Press Release "Press Release" (regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors) dated 19 March 2019 ³⁾		
	Entire document	p. 106
Press Release "April 11, 2019 Ordinary and Extraordinary Shareholders' Meeting. Notice of filing of the 2018 Annual Financial Report" dated 19 March 2019 ³⁾		
	Entire document	p. 106

Press Release "Press Release" (regarding the submission of the lists, with regard to the appointment of the UniCredit permanent and substitute Statutory Auditors) dated 21 March 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit issues Fixed Rate Tier 2 Subordinated 15NC10 Notes for US\$ 1.25 billion" dated 27 March 2019 ³⁾		
	Entire document	p. 106
Press Release "Composition of share capital" dated 4 April 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit: The Shareholders' Meeting approves the 2018 Financial Statements" dated 11 April 2019 ³⁾		
	Entire document	p. 106
Press Release "UniCredit confirms settlement with U.S. and New York authorities to resolve U.S. economic sanctions investigation" dated 15 April 2019 ³⁾		
	Entire document	p. 106
Articles of Association of UniCredit S.p.A. dated 2 May 2018⁴⁾		
	p. 3 to 16	p. 106
Articles of Association of UniCredit S.p.A. dated 2 May 2019⁴⁾		
	p. 3 to 16	p. 106

1) The document is published on the following website of the Issuer:
<https://www.unicreditgroup.eu/en/investors/funding-and-ratings/debt-issuance-programs.html>

2) The document is published on the following website of the Issuer:
<https://www.unicreditgroup.eu/en/investors/financial-reports.html>

3) The document is published on the following website of the Issuer:
<https://www.unicreditgroup.eu/en/press-media/press-releases.html>

4) The document is published on the following website of the Issuer:
<https://www.unicreditgroup.eu/en/governance/governance-system-and-policies.html>

Parts of those documents, not indicated in the cross-reference list above, are not incorporated by reference since they are either not relevant for potential investors or covered elsewhere in the Base Prospectus."

In the case of any divergence between the information contained in this Supplement and the information contained in the Base Prospectus or included therein by reference, the information contained in this Supplement shall prevail.

Save as disclosed in this Supplement, there has been no other significant new factors, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.