

SUPPLEMENT DATED 3 APRIL 2020
TO THE BASE PROSPECTUS DATED 24 MAY 2019 AS SUPPLEMENTED ON 9 AUGUST 2019, ON 4
OCTOBER 2019, ON 21 NOVEMBER 2019 AND ON 13 DECEMBER 2019



UNIONE DI BANCHE ITALIANE S.P.A.

(incorporated as a joint stock company in the Republic of Italy

and registered at the Companies' Registry of Bergamo under registration number 03053920165)

Euro 15,000,000,000 Debt Issuance Programme

This document constitutes a supplement (the "**Supplement**") to the base prospectus dated 24 May 2019 as supplemented on 9 August 2019, on 4 October 2019, on 21 November 2019 and on 13 December 2019 (the "**Base Prospectus**"), which constitutes a base prospectus under Article 5.4 of Directive 2003/71/EC (as amended, the "**Prospectus Directive**") and is prepared in connection with the Euro 15,000,000,000 Debt Issuance Programme (the "**Programme**") of Unione di Banche Italiane S.p.A. (the "**Issuer**" or "**UBI Banca**").

This Supplement is supplemental to, and shall be read in conjunction with, the Base Prospectus and any other supplement to the Base Prospectus prepared by the Issuer under the Programme. Terms defined in the Base Prospectus have the same meaning when used in this Supplement, unless they have been specifically defined herein.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The Issuer accepts responsibility for the information in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been produced to update the cover page, incorporate by reference certain press releases and update the sections of the Prospectus entitled "*Risk Factors*", "*Documents incorporated by reference*", "*Form of Final Terms*", "*UBI Banca and the UBI Banca Group*", "*Taxation*", "*Subscription and Sale*" and "*General Information*".

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COVER PAGE

On page 1 of the Base Prospectus, the third sub-paragraph is deleted and replaced as follows (the underlined words show the insertions made):

*"This Base Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under the Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). The Central Bank only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to Notes that are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") or on another regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments) ("**MiFID II**") or that are to be offered to the public in any Member State of the European Economic Area (the EEA). Euronext Dublin is a regulated market for the purposes of MiFID. Application has been made to Euronext Dublin for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list of Euronext Dublin (the "**Official List**") and trading on its regulated market. References in this Base Prospectus to Notes being listed (and all related references) shall mean that such Notes have been admitted to trading on the regulated market of Euronext Dublin and have been admitted to the Official List."*

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On page 2 of the Base Prospectus, the fifth sub-paragraph is deleted and replaced as follows:

*"The Programme has been rated "BBB- Watch Positive" (Senior Unsecured debt maturing in one year or more), "A-3 Watch Positive" (Senior Unsecured debt maturing in less than one year), "BB Watch Positive" (Subordinated Debt) and "BB+ Watch Positive" (Senior Subordinated Debt) by S&P Global Ratings acting through S&P Global Ratings Europe Limited, Italy Branch. ("**S&P**"; "(P)Baa3 On Watch-Possible Upgrade" (Senior unsecured), "(P)Ba3 On Watch-Possible Upgrade" (Subordinated) and "(P)Ba3 On Watch-Possible Upgrade" (Junior Senior Unsecured) by Moody's France S.A.S. ("**Moody's**"; "BBB- Rating Watch Positive" (Long-term senior unsecured notes) "F3 Rating Watch Positive" (Short-term senior unsecured notes) and "BB+ Rating Watch Positive" (Long-term senior non preferred notes) by Fitch Italia Società Italiana per il Rating S.p.A. ("**Fitch**"; "BBB" with Stable Trend (Long-Term Senior Debt), "R-2 (high)" with Stable Trend (Short-Term Debt), "BB (high)" with Stable Trend (Subordinated Debt) and "BBB (low)" with Stable Trend (Senior Non Preferred Debt) by DBRS Ratings GmbH ("**DBRS**"). For further information on the ratings assigned to UBI Banca see "UBI Banca and the UBI Banca Group - Ratings". S&P, Moody's, Fitch and DBRS are established in the European Union or in the United Kingdom ("**UK**") and registered under Regulation (EC) No. 1060/2009 (the "**CRA Regulation**"). The European Securities and Markets Authority ("**ESMA**") is obliged to maintain on its website <https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>, a list of credit rating agencies registered and certified in accordance with the CRA Regulation. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the UK and registered under the CRA Regulation (or is endorsed and published or distributed by*

subscription by such a credit rating agency in accordance with the CRA Regulation) unless (1) the rating is provided by a credit rating agency not established in the EEA or the UK but endorsed by a credit rating agency established in the EEA or the UK and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA or the UK which is certified under the CRA Regulation. Tranches of Notes (as defined in “Overview of the Programme”) may be rated or unrated. Where a Tranche of Notes is to be rated, the rating assigned will be specified in the relevant Final Terms and will not necessarily be the same as the rating assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.”

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On page 6 of the Base Prospectus, the tenth sub-paragraph is deleted and replaced as follows (the underlined words show the insertions made):

“In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU or the United Kingdom (“UK”) and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU or non-UK credit rating agencies, unless the relevant credit ratings are endorsed by an EU or UK registered credit rating agency or the relevant non-EU or non-UK rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). Certain information with respect to the credit rating agencies and ratings is set out in on the cover page of this Base Prospectus.”

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On page 7 of the Base Prospectus, the paragraph headed “**PROHIBITION OF SALES TO EEA RETAIL INVESTORS**” is deleted and replaced as follows (the underlined words show the insertions made):

*“**PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS** – If the Final Terms in respect of any Notes includes a legend entitled “Prohibition of Sales to EEA and UK Retail Investors”, the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA) or in the United Kingdom (“UK”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “Prospectus Regulation”). Consequently no key information document required by Regulation (EU) No 1286/2014*

*(as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.”.*

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RISK FACTORS

On page 34 of the Base Prospectus, the first sub-paragraph under the paragraph headed “*Ongoing tax disputes*” is deleted and replaced as follows:

“The Group is involved in tax-related proceedings, as well as tax inspections by the competent authorities in the countries in which the Group operates. As at 30 September 2019, the Issuer and other Group companies were involved in approximately 50 pending tax disputes. For the period ended on 30 September 2019, no provisions were made for risks and charges to cover the liabilities that may arise from the pending tax disputes, which are included in the sub-line item “other provisions” of the Group’s general provisions for risk and charges.”

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On Page 38 of the Base Prospectus, the paragraph headed “*Risks connected with the political and economic decisions of EU and Eurozone countries and the United Kingdom leaving the European Union (Brexit)*” is deleted and replaced as follows:

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

On 23 June 2016, the United Kingdom voted, in a referendum, to leave the European Union (Brexit). On 29 March 2017, the British Prime Minister gave formal notice to the European Council under Article 50 of the Treaty on European Union of the intention to withdraw from the European Union, thus triggering the two-year period for withdrawal, during which the United Kingdom negotiated with the EU the terms of its withdrawal from the EU (the Article 50 Withdrawal Agreement). Under the terms of the Article 50 Withdrawal Agreement a transition period has now commenced which will last until 31 December 2020. During this period, most EU rules and regulations will continue to apply to and in the UK, and negotiations in relation to a free trade agreement will be ongoing. Under the Article 50 Withdrawal Agreement, the transition period may, before 1 July 2020, be extended once by up to two years. During the transition period, the UK and the EU will negotiate their future relationship but may not reach agreement on the future relationship between them, or may reach a significantly narrower agreement than that envisaged by the political declaration of the European Commission and the UK Government. Due to the on-going uncertainty as regards the structure of the future relationship between the UK and the EU, the precise impact on the business of the Issuer is difficult to determine, but may include volatility and uncertainty of the financial markets which could continue have a negative effect on the Issuer’s assets and, specifically, on its cost of borrowing on capital markets, which may have a negative impact on its business, financial condition and results of operations.

As noted above, the structure of the future relationship between the UK and the EU remains uncertain and this has created significant uncertainties with regard to the political and economic outlook of the United Kingdom and the European Union.

The exit of the United Kingdom from the European Union; the possible exit of Scotland, Wales or Northern Ireland from the United Kingdom; the possibility that other European Union countries could

hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union; and the possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency and/or prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on global economic conditions and the stability of international financial markets. These could include further falls in equity markets, a further fall in the value of the pound and, more in general, increase in financial markets volatility, reduction of global markets liquidities, with possible negative consequences on the asset prices, operating results and capital and/or financial position of the Issuer and/or the Group.

In addition to the above and in consideration of the fact that at the date of this Prospectus there is no legal procedure or practice aimed at facilitating the exit of a Member State from the Euro, the consequences of these decisions are exacerbated by the uncertainty regarding the methods through which a Member State could manage its current assets and liabilities denominated in Euros and the exchange rate between the newly adopted currency and the Euro. A collapse of the Eurozone could be accompanied by the deterioration of the economic and financial situation of the European Union and could have a significant negative effect on the entire financial sector, creating new difficulties in the granting of sovereign loans and loans to businesses and involving considerable changes to financial activities both at market and retail level. This situation could therefore have a significant negative impact on the operating results and capital and financial position of the Issuer and/or the Group.”

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On Pages 44 and 45 of the Base Prospectus, the eleventh and twelfth sub-paragraphs under paragraph headed “*Basel III and the CRD IV Package*” are deleted and replaced as follows:

“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, reported below:

- *Capital conservation buffer: the Capital conservation buffer has applied to the Issuer from 1 January 2014 (pursuant to Article 129 of the CRD IV 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, new transitional rules provide for a capital conservation buffer set at 2.5 per cent. of RWAs from 1 January 2019;*
- *Counter-cyclical capital buffer: the countercyclical capital buffer applied starting from 1 January 2016. As of 17 February 2020:*
 - *the specific countercyclical capital rate of the Group amounted to 0.004 per cent. for the individual) and 0.009 per cent. (consolidated);*

- *countercyclical capital rates have generally been set at 0 per cent., except for the following countries: Lithuania (1 per cent.), United Kingdom (1 per cent.), Czech Republic (1.75 per cent.), Slovakia (1.5 per cent.), Iceland (2 per cent.), Hong Kong (2 per cent.), Norway (2.5 per cent.) and Sweden (2.5 per cent.). Several countries are due to increase countercyclical capital rates during 2020; and*
- *by a press release dated 20 December 2019, with reference to the exposure towards Italian counterparties, the Bank of Italy has decided to keep the countercyclical capital buffer rate at 0 per cent. for the first quarter of 2020; and*
- *Capital buffers for globally systemically important institutions (“G-SIIs”): set as an “additional loss absorbency” buffer ranging from 1.0 per cent. to 3.5 per cent. in terms of the required level of additional common equity loss absorbency as a percentage of RWAs, determined according to specific indicators (e.g. size, interconnectedness, complexity), which was phased in from 1 January 2016 (Article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of Circular No. 285) and became fully effective on 1 January 2019. Based on the most recently updated list of G-SIIs published by the Financial Stability Board (“FSB”) on 22 November 2019 (to be updated annually), the Issuer is not a global systemically important bank (“G-SIB”) and does not need to comply with a G-SII capital buffer requirement.*
- *Capital buffers for other systemically important institutions at domestic level (“O-SIIs”): up to 2.0 per cent. as set by the relevant competent authority (and must be reviewed at least annually), to compensate for the higher risk that such banks represent to the domestic financial system (Article 131 of the CRD IV and Part I, Title II, Chapter 1, Section IV of Circular No. 285). The Bank of Italy has not identified the Issuer as an O-SII for the year 2020 and, therefore, the Issuer does not need to comply with an O-SII capital buffer requirement.*

In addition to the above listed capital buffers, under Article 133 of the CRD IV 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. At this stage no provision is set forth on the systemic risk buffer under Article 133 of the CRD IV as the Italian level 1 rules for the implementation of the CRD IV on this point have not been enacted yet.”

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On Page 46 of the Base Prospectus, the following sub-paragraphs are added as eighteenth, nineteenth and twentieth sub-paragraphs under paragraph headed “*Basel III and the CRD IV Package*”:

“On 22 January 2020, EBA published a Discussion Paper for public consultation named “On future changes to the EU-wide stress test”, whose objective is to partially reform the EU-wide stress test framework.

The proposed new framework is based on two legs: (i) the supervisory leg; and (ii) the bank leg. As for the supervisory leg, it would be based on a constrained bottom-up approach similar to the current framework, whereby banks' projections are challenged and quality is assured by supervisors using various challenger models and benchmarking tools. More specifically, the new framework could deviate from the current approach by providing for greater flexibility in terms of static balance-sheet assumptions and methodological constraints. As for the bank leg, in the new framework banks would use the same common methodology as in the supervisory leg for obtaining the bank leg, but they would be allowed to decide on whether to apply the constraints prescribed in this methodology or not. Banks could also decide to accept the outcome of the supervisory leg as their own and, in this case, be subject only to the QA process as described in the supervisory leg.

The public consultation will last until 30 June 2020."

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On Page 48 of the Base Prospectus, the twenty-second sub-paragraph under paragraph headed "*Basel III and the CRD IV Package*" is deleted and replaced as follows:

"Following the results of the SREP performed by the ECB in 2019, the Issuer is required to meet on a consolidated basis both a minimum CET1 Ratio of 9.25 per cent. and a minimum Total Capital Ratio of 12.75 per cent. to be applied for the year 2020."

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On Page 51 of the Base Prospectus, the fourth sub-paragraph under paragraph headed "*ECB Single Supervisory Mechanism*" is deleted and replaced as follows:

"The Issuer is a "significant supervised entity" subject to direct supervision by the ECB for prudential supervisory purposes. Following the SREP, the ECB has set the following requirements for 2020 that the Group has to comply with on a consolidated basis:

- a minimum Common Equity Tier 1 ratio requirement of 9.25 per cent.; and*
- a SREP Total Capital Ratio requirement of 10.25%. If the capital conservation buffer of 2.50% is added, the minimum requirement in terms of the supervisory Total Capital Ratio is 12.75%."*

* * *

On Page 53 of the Base Prospectus, the tenth sub-paragraph under paragraph headed "*Results of future stress tests or further asset quality reviews*" is deleted and replaced as follows:

"On 6 February 2019 the ECB launched a sensitivity analysis of liquidity risk to assess the ability of the

banks it directly supervises to handle idiosyncratic liquidity shocks (Sensitivity Analysis of Liquidity Risk – Stress Test 2019, LIST 2019). The exercise constituted the supervisory stress test of 2019. The exercise did not envisage minimum requirements to be met, but the results have been used by the respective Supervisory Authorities as part of the Supervisory Dialogue on the SREP (Supervisory Review and Evaluation Process)."

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On Page 53 of the Base Prospectus, the following sub-paragraphs are added as eleventh and twelfth sub-paragraphs under paragraph headed "*Results of future stress tests or further asset quality reviews*":

"On 31 January 2020, the EBA launched its 2020 EU-wide stress test (2020 Stress Test) and released the macroeconomic scenarios. For the first time, the stress test incorporated the new definition of default. No pass-fail threshold has been included as the results of the exercise are designed to serve as an input to the SREP. The 2020 Stress Test methodology was published in November 2019 and is to be applied to the scenarios developed by the ESRB and ECB in close cooperation with the EBA, competent authorities and national central banks. The baseline scenario for EU countries is based on the projections from the national central banks of December 2019, while the adverse scenario assumes the materialisation of the main financial stability risks that have been identified by the European Systemic Risk Board (ESRB) and which the EU banking sector is exposed to. The adverse scenario also reflects recent risk assessments by the EBA. The narrative depicts an adverse scenario related to a prolonged period of historically low interest rates coupled with a strong drop in confidence leading to a significant weakening of economic growth in EU countries. This is amplified by trade tensions at the global level. Slowing growth momentum and/or rising risk premia could further challenge debt sustainability in the public and private sectors across the EU.

In the context of the COVID-19 (Coronavirus) outbreak and its global spread since February, the European Banking Authority has decided to postpone the EU-wide stress test to 2021 as a measure to alleviate the immediate operational burden for banks at this challenging juncture."

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On Page 71 of the Base Prospectus, the third sub-paragraph under paragraph headed "*A downgrade of any of the Issuer's credit ratings may impact the Issuer's funding ability and have an adverse effect on the Issuer's financial condition*" is deleted and replaced as follows:

"The main current long-term and short-term ratings of the Issuer are, respectively "BBB- Rating Watch Positive" from Fitch Italia Società Italiana per il Rating S.p.A., "Baa3 On Watch-Possible Upgrade" from Moody's, "BBB- Watch Positive" from S&P, "BBB with Stable Trend" from DBRS Ratings GmbH and "F3 Rating Watch Positive" from Fitch, "Prime-2" from Moody's (Deposits Rating), "A-3 Watch Positive" from S&P and "R-2 (high) with Stable Trend" from DBRS Ratings GmbH, as further described under "UBI Banca

and the UBI Banca Group – Ratings”. Fitch, Moody’s, S&P and DBRS are established in the European Union and are registered under the CRA Regulation. A downgrade of any of the Issuer’s ratings (for whatever reason) might result in higher funding and refinancing costs for the Issuer in the capital markets. In addition, a downgrade of any of the Issuer’s ratings may have an adverse effect on the Issuer’s financial condition and/or results of operations and, as a consequence, on the rating of the Notes.”

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On Page 72 of the Base Prospectus, the fifth sub-paragraph under paragraph headed “*Risks associated with recent ECB guidance on NPL provisioning*” is deleted and replaced as follows:

“In addition, on 15 March 2018, the ECB published an addendum to the ECB guidance to banks on NPLs. The addendum supplements the qualitative guidance on NPLs dated 20 March 2017 and specifies the ECB’s supervisory expectations for prudent levels of provisions for new NPLs. The addendum is not binding and will serve as the basis for the supervisory dialogue between the significant banks and the ECB Banking Supervision. During the supervisory dialogue, the ECB will discuss with each bank divergences from the prudential provisioning expectations laid out in the addendum. After the dialogue and taking into account the bank’s specific situation, ECB Banking Supervision will decide (on a case-by-case basis) whether and which supervisory measures are appropriate. The result of this dialogue will be incorporated, for the first time, in the 2021 Supervisory Review and Evaluation Process (SREP). The addendum is complementary to any future EU legislation based on the European Commission’s proposal to address NPLs under Pillar 1.

In this regard, it should be noted that, on 26 April 2019, EU Regulation no. 2019/630, which introduces common minimum loss coverage levels for newly originated loans that become non-performing, entered into force. According to this regulation, where the minimum coverage requirement is not met, the difference between the actual coverage level and the requirement should be deducted from a bank’s own funds (CET1). The minimum coverage levels thus act as a ‘statutory prudential backstop’. The required coverage increases gradually depending on how long an exposure has been classified as non-performing, being lower during the first years. This architecture would ensure that the risks associated with NPL losses that are not sufficiently covered are reflected in institutions’ CET1 capital ratios. In order to facilitate a smooth transition towards the new prudential backstop, the new rules should not be applied in relation to exposures originated prior to 26 April 2019.”

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On Page 88 of the Base Prospectus, the following paragraph headed “*COVID-19*” is added as last paragraph:

“COVID –19

As has been widely reported in the press, there has been an outbreak of coronavirus disease (COVID-19, a virus causing potentially deadly respiratory tract infections) which began in China, but which has

spread throughout the world, impacting Asia, Europe, the Middle East and North America. The impact in Italy has been severe. On 11 March 2020, the World Health Organisation confirmed that its spread and severity had escalated to the point of pandemic. In light of the rapid spread of the illness within various countries, the relevant governments have imposed restrictions on travel and the movement and gathering of people in the country and other emergency public safety measures, as well as restrictions on production and commercial activities.

This outbreak (and any future outbreaks) of coronavirus disease has led (and may continue to lead) to serious disruptions in, amongst others, the economies of China, the United States and most European economies, including Italy and is likely to have a similar effect on the economies of other nations where the coronavirus disease may in the future arise. This has resulted and may continue to result in increased volatility and declines in financial markets and severe economic downturn in many countries, including Italy, as well as adverse impacts on the global economy in general.

Further economic impact of COVID-19, both in Italy and the rest of the world, will depend on the development of the virus and the response of the authorities and the global community.

The exact ramifications of the COVID-19 outbreak are highly uncertain and, as of the date hereof, it is difficult to predict the spread or duration of the pandemic. There can be no assurances that a potential tightening of liquidity conditions in the future as a result of, for example, further deterioration of public finances of certain European countries, including Italy, will not lead to new funding uncertainty, resulting in increased volatility and widening credit spreads.

Investors should note the risk that the virus, or any governmental or societal response to the virus, may affect the business activities and financial results of the Issuer and therefore may prevent the ability of the Issuer to make payments on the Notes. The Bank has triggered all the necessary controls and actions in order to consolidate its capital and liquidity position in the new scenario, constantly supporting its customers base and the Italian economy in general.

*In addition to the above, starting from March 2020, the Italian Government has adopted a series of measures through Law Decree No. 9 of 2 March 2020 (hereinafter, the "**First Law Decree**") and Law Decree of 17 March 2020 ("Cura Italia" Decree) (the "**Second Law Decree**" and together with the First Law Decree, the "**Law Decrees**") related to the COVID-19 outbreak in Italy and in other countries. The Law Decrees introduced finance-related measures which may affect the banking system and are intended to benefit families and enterprises. Such measures include, among others, the extension of the existing provisions relating to primary residence (mutui prima casa) and the relevant Fund (Fondo di Solidarietà per i mutui per l'acquisto della prima casa) together with measures intended to provide support to small and medium-sized enterprises and specific economic sectors. At this stage the situation is evolving and new measures may be taken by the Italian institutions in this respect."*

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DOCUMENTS INCORPORATED BY REFERENCE

The information set out below supplements the first two paragraphs of the section “*Documents incorporated by reference*”, on page 89 of the Base Prospectus (the underlined words show the insertions made):

“This Base Prospectus should be read and construed in conjunction with the following information, which has been previously published or filed with the Central Bank:

- (a) *the press release dated 31 March 2020 regarding the resolution of the Board of Directors of UBI Banca to suspend the payment of a dividend to the shareholders, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20press%20release%2020200331.pdf>
- (b) *the press release dated 26 March 2020 regarding the confirmation of all UBI Banca’s ratings in Credit Watch Positive by the rating agency S&P Global Ratings, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20SP%20202003261.pdf>
- (c) *the press release dated 24 March 2020 regarding Fitch maintaining UBI Banca on Rating Watch Positive, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20Fitch%20Ratings%20202003241.pdf>
- (d) *the press release dated 28 February 2020 regarding the approval by the Issuer’s board of directors of the draft consolidated financial statements as at and for the year ended on 31 December 2019, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-28022020.pdf>
- (e) *the press release dated 24 February 2020 regarding the placement in Credit Watch Positive of all the ratings of UBI Banca by the rating agency Fitch Ratings, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20Rating%20action%20-%20202002241.pdf>
- (f) *the press release dated 21 February 2020 regarding the placement of the main long term ratings of UBI Banca on review for possible upgrade by the rating agency Moody’s, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20Rating%20action%20-%20202002211.pdf>
- (g) *the press release dated 20 February 2020 regarding the placement in Credit Watch Positive of the ratings of UBI Banca by the rating agency S&P Global Ratings, available at:*
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20Rating%20action%20-%20202002201.pdf>
- (h) *the press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019, available at:*
https://www.ubibanca.it/contenuti/file/UBI%20Banca_FY2019%20results.pdf
- (i) *the press release dated 20 December 2019 regarding the sale of leasing bad loans, available at:*

- <https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20cessione%20sofferenze%20leasing%20-%20sale%20of%20leasing%20bad%20loans%20-%2020122019.pdf>
- (j) the press release dated 18 December 2019 regarding the TLTRO2 reimbursement, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20TLTRO2%20-%20181220191.pdf>;
- (k) the press release dated 16 December 2019 regarding the disposal of bad loans with GACS, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20Press%20release%2016122019.pd>;
- (l) the press release dated 5 December 2019 entitled "UBI Banca: SREP Requirements 2020", available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20requisito%20SREP%20per%20il%202020%20-%20Srep%20requirement%20for%202020%20DEF1.pdf>
- (m) the press release dated 8 November 2019 regarding the Issuer's consolidated results as at 30 September 2019, available at:
<http://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20Results%20as%20at%2030%20September%202019.pdf>
- (n) the press release dated 25 September 2019 regarding the TLTRO2 partial reimbursement, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20TLTRO2%20-%20250920191.pdf>
- (o) the consolidated interim financial report of UBI Banca as at and for the half year ended 30 June 2019 (reviewed by the auditors) (the "UBI Banca Semi-Annual Report 2019"), available at:
https://www.ubibanca.it/contenuti/RigAlle/UBI%20Banca_Interim%20Financial%20Report%20as%20at%20and%20for%20the%20period%20ended%2030th%20June%202019.pdf;
- (p) the press release dated 2 August 2019 regarding the Issuer's consolidated results as at 30 June 2019, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20Results%20as%20at%2030%20June%202019.pdf>
- (q) the press release dated 30 July 2019 regarding Moody's' rating of UBI Banca and the outlook on the senior unsecured debt ratings, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20rating%20Moody%20-%2030072019%20def1.pdf>
- (r) the press release dated 22 July 2019 regarding the UBI Banca disposal of bad loans, available at:
<https://www.ubibanca.it/contenuti/file/UBI%20Banca%20-%20disposal%20of%20factoring%20and%20leasing%20bad%20loans%20-%2022072019.pdf>

- (s) *the unaudited consolidated quarterly financial statements of UBI Banca as at and for the three months ended 31 March 2019 (the “UBI Banca Quarterly Financial Report as at 31 March 2019”), available at:*

https://www.ubibanca.it/contenuti/RiqAlle/UBI%20Banca_Interim%20Financial%20Report%20for%20the%20period%20ended%2031st%20March%2020194.pdf

- (t) *the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2018, together with the audit report thereon, available at:*

<https://www.ubibanca.it/contenuti/RiqAlle/UBI%20Banca%202018%20Consolidated%20Report3.pdf>

- (u) *the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2017, together with the audit report thereon, available at:*

http://www.ubibanca.it/contenuti/RiqAlle/2017_Consolid%20Management%20Report%20and%20Consolid%20Notes%20to%20accounts.pdf;

and

- (v) *the Terms and Conditions set out in the base prospectus dated 30 July 2018 relating to the Programme, available at:*

https://www.ubibanca.it/contenuti/RiqAlle/UBI%20EMTN_Base%20Prospectus_Update%202018_FINAL%20V2_CHIOM_7051135_v11.PDF.

Items (a) to (v) above are contained in the press release dated 31 March 2020 regarding the resolution of the Board of Directors of UBI Banca to suspend the payment of a dividend to the shareholders, the press release dated 26 March 2020 regarding the confirmation of all UBI Banca’s ratings in Credit Watch Positive by the rating agency S&P Global Ratings, the press release dated 24 March 2020 regarding Fitch maintaining UBI Banca on Rating Watch Positive, the press release dated 28 February 2020 regarding the approval by the Issuer’s board of directors of the draft consolidated financial statements as at and for the year ended on 31 December 2019, the press release dated 24 February 2020 regarding the placement in Credit Watch Positive of all the ratings of UBI Banca by the rating agency Fitch Ratings, the press release dated 21 February 2020 regarding the placement of the main long term ratings of UBI Banca on review for possible upgrade by the rating agency Moody’s, the press release dated 20 February 2020 regarding the placement in Credit Watch Positive of the ratings of UBI Banca by the rating agency S&P Global Ratings, the press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019, the press release dated 20 December 2019 regarding the sale of leasing bad loans, the press release dated 18 December 2019 regarding the TLTRO2 reimbursement, the press release dated 16 December 2019 regarding the disposal of bad loans with GACS, the press release dated 5 December 2019 entitled “UBI Banca: SREP Requirements 2020”, the press release dated 8 November 2019 regarding the Issuer’s consolidated results as at 30 September 2019, the press release dated 25 September 2019 regarding the TLTRO2 partial reimbursement, the UBI Banca Semi-Annual Report 2019, the press release dated 2 August 2019 regarding the consolidated results of the Issuer as at 30 June 2019, the press release dated 30 July 2019 regarding the rating of UBI Banca

and the outlook on the senior unsecured debt ratings, the press release dated 22 July 2019 regarding the UBI Banca disposal of bad loans, the UBI Banca Quarterly Financial Report as at 31 March 2019, UBI Banca Reports and Accounts 2018, the UBI Banca Reports and Accounts 2017 and the base prospectus dated 30 July 2018, relating to the Programme, respectively, at the pages set out in the cross reference tables below”.

* * *

On page 90 of the Base Prospectus, the following tables are added before the table headed “*Press release dated 5 December 2019 entitled “UBI Banca: SREP Requirements 2020”*”

Press release dated 31 March 2020 entitled “*UBI Banca: Shareholders’ General Meeting – ECB recommendation*”

Press release dated 31 March 2020 regarding the resolution of the Board of Directors of UBI Banca to suspend the payment of a dividend to the shareholders

Entire document

Press release dated 26 March 2020 entitled “*UBI Banca: Rating Action S&P*”

Press release dated 26 March 2020 regarding the confirmation of all UBI Banca’s ratings in Credit Watch Positive by the rating agency S&P Global Ratings

English section of the document

Press release dated 24 March 2020 entitled “*UBI Banca: Rating Action Fitch*”

Press release dated 24 March 2020 regarding Fitch maintaining UBI Banca on Rating Watch Positive

English section of the document

Press Release dated 28 February 2020 entitled “*The Board of Directors approves the draft financial statements and the consolidated financial statements as at 31 December 2019*”

Press release dated 28 February 2020 regarding the approval by the Issuer’s board of the directors of the draft consolidated financial statements as at and for the year ended on 31 December 2019

English section of the document

Press release dated 24 February 2020 entitled “*UBI Banca rating action Fitch*”

Press release dated 24 February 2020 regarding the placement in Credit Watch Positive of all the ratings of UBI Banca by the rating agency Fitch Ratings

English section of the document

Press release dated 21 February 2020 entitled “UBI Banca: rating action Moody’s”

Press release dated 21 February 2020 regarding the placement of the main long term ratings of UBI Banca on review for possible upgrade by the rating agency Moody’s

English section of the document

Press release dated 20 February 2020 entitled “UBI Banca: rating action S&P”

Press release dated 20 February 2020 regarding the placement in Credit Watch Positive of the ratings of UBI Banca by the rating agency S&P Global Ratings

English section of the document

Press release dated 10 February 2020 entitled “UBI Banca: consolidated results as at 31 December 2019”

Press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019

Entire document except for the paragraph headed “Outlook” on page 11

The Issuer, being the person responsible for the financial information included in the Press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019 (the “**Financial Statements Press Release**”), has approved such financial information.

Deloitte & Touche S.p.A., as independent auditors of the Issuer, have agreed that the financial information as at 31 December 2019 and for the year then ended included in the mandatory statements on pages *viii* and *ix* of the Attachments of the Financial Statements Press Release, which has not been audited, is substantially consistent with the final figures to be published in the next annual audited consolidated financial statements of the Issuer for the year ended 31 December 2019.

The financial information included in the Financial Statements Press Release published by the Issuer on 10 February 2020 on its website (at https://www.ubibanca.it/contenuti/file/UBI%20Banca_FY2019%20results.pdf) refers to the 12-month period ended on 31 December 2019 and therefore there are no assumptions or factors which the members of the administrative, management or supervisory bodies can influence.”

Press release dated 20 December 2019 entitled “UBI Banca: sale of leasing bad loans”

Press release dated 20 December 2019 regarding the sale of leasing bad loans

English section of the document

Press release dated 18 December 2019 entitled “UBI Banca: TLTRO2 reimbursement”

Press release dated 18 December 2019 regarding the TLTRO2 reimbursement

English section of the document

Press release dated 16 December 2019 entitled “*UBI Banca: disposal of bad loans with GACS*”

Press release dated 16 December 2019 regarding the disposal of bad loans with GACS *Entire document*

Any other information not listed above but contained in (a) the press release dated 31 March 2020 regarding the resolution of the Board of Directors of UBI Banca to suspend the payment of a dividend to the shareholders, (b) the press release dated 26 March 2020 regarding the confirmation of all UBI Banca’s ratings in Credit Watch Positive by the rating agency S&P Global Ratings, (c) the press release dated 24 March 2020 regarding Fitch maintaining UBI Banca on Rating Watch Positive, (d) the press release dated 28 February 2020 regarding the approval by the Issuer’s board of directors of the draft consolidated financial statements as at and for the year ended on 31 December 2019, (e) the press release dated 24 February 2020 regarding the placement in Credit Watch Positive of all the ratings of UBI Banca by the rating agency Fitch Ratings, (f) the press release dated 21 February 2020 regarding the placement of the main long term ratings of UBI Banca on review for possible upgrade by the rating agency Moody’s, (g) the press release dated 20 February 2020 regarding the placement in Credit Watch Positive of the ratings of UBI Banca by the rating agency S&P Global Ratings, (h) the press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019, (i) the press release dated 20 December 2019 regarding the sale of leasing bad loans, (j) the press release dated 18 December 2019 regarding the TLTRO2 reimbursement, and (k) the press release dated 16 December 2019 regarding the disposal of bad loans with GACS is not incorporated by reference and is either not relevant for the investor or it is covered elsewhere in the Base Prospectus.

* * * * *

UBI BANCA AND THE UBI BANCA GROUP

On page 236 of the Base Prospectus, the fourth paragraph of the sub-paragraph headed "*Information relating to certain specific proceedings*" under paragraph headed "*Recent Developments*" is deleted and replaced with the following:

"On 19 June 2019, the Autorità Garante della Concorrenza e del Mercato (the "AGCM") launched an investigation regarding the Issuer for alleged unfair market practices relating to the sale of certain insurance policies offered or marketed by the Issuer linked to credit agreement for consumers relating to residential immovable property and the simultaneous request for information and the production of documents. On 2 August 2019, the AGCM extended the proceedings to the opening of current accounts linked to the aforementioned credit contracts and requested information and documents in relation to this. On 3 October 2019, the AGCM informed about its intention to go forward for the purpose of ascertaining the existence of a possible violation. By a decision notified on 13 March 2020, the AGCM imposed on UBI Banca an administrative pecuniary sanction for an amount of Euro 3,750,000 in relation solely to the practice concerning the sale of insurance policies, also prohibiting its dissemination or continuation; on the other hand the AGCM states that there is no evidence of undue influence on customers relating to the offer of current accounts, as referred to in the second claim. The Issuer may decide to appeal against the decision of 13 March 2020 before the regional administrative tribunal of Lazio (TAR del Lazio)."

* * *

On page 237 of the Base Prospectus, the following sub-paragraph is added as last sub-paragraph under paragraph headed "*Recent Developments*":

"Intesa Sanpaolo Voluntary Public Exchange Offer

On 17 February 2020, Intesa Sanpaolo S.p.A. (the "Offeror") launched a voluntary public exchange offer (the "Offer") pursuant to and for the purposes of article 102, paragraph 1, of Legislative Decree no. 58 dated 24 February 1998, as subsequently amended (the "Italian Consolidated Financial Act"), as well as pursuant to, and for the purpose of article 37 of the Regulation implementing the Italian Consolidated Financial Act, adopted by Consob with resolution no. 11971 of 14 May 1999, as subsequently amended, on all of the ordinary shares of UBI Banca listed on the Mercato Telematico Azionario managed by Borsa Italiana S.p.A. - namely, no. 1,143,425,545 ordinary shares (i.e., all the shares issued by UBI Banca as of such date, including the treasury shares held by UBI Banca: the "Issuer's Shares"), reduced by the no. 859,601 ordinary shares of UBI Banca owned by the Offeror itself. Pursuant to the Offer, for each no. 10 (ten) Issuer's Shares tendered to the Offer, no. 17 (seventeen) newly issued ordinary shares of the Offeror will be paid.

In accordance with the press release of the Offeror, the shares of ISP offered as consideration will be issued by virtue of a share capital increase with exclusion of the pre-emption right pursuant to article 2441, paragraph 4, of the Italian Civil Code, reserved to the persons tendering the Issuer's Shares to the Offer; the Board of Directors of the Offeror has resolved on 17 February 2020 to submit such share

capital increase for its approval to the extraordinary shareholders' meeting whose call is scheduled for 27 April 2020 (the "**Share Capital Increase Reserved to the Offer**").

The legal conditions, terms and key elements of the Offer, including the relevant conditions precedent, as described in the notice published on the Offeror's website, are detailed in the offer document (the "**Offer Document**") submitted by the Offeror to Consob on 6 March 2020 which will be published at the end of the review period by Consob pursuant to article 102, paragraph 4, of the Italian Consolidated Financial Act following the obtainment of the necessary authorization and the approval of the Share Capital Increase Reserved to the Offer.

On 19 February 2020, the Issuer issued a press release announcing that the Board of Directors examined the communication relating to Intesa Sanpaolo's offer and conferred powers on the Chief Executive Officer to appoint, in agreement with the Chairwoman and heard the Vice Chairman, financial and legal advisors to assist the Group in carrying out the activities designed to assess information so far disclosed, the tender document once available, with possible alternatives."

* * *

On page 237 of the Base Prospectus, the following sub-paragraph is added after the sub-paragraph headed "*Intesa Sanpaolo Voluntary Public Exchange Offer*" under paragraph headed "*Recent Developments*".

"Fitch places ratings of 67 developed market EU banking groups, including the Issuer, under criteria observation

*On 4 March 2020, Fitch Ratings has published a press release relating to the placement of various Long-Term Issuer Default Ratings, Short-Term Issuer Default Ratings, Derivative Counterparty Ratings, debt and deposit ratings of 109 banks and non-bank financial institution subsidiaries (including funding vehicles' debt) Under Criteria Observation (the "**Fitch Press Release**"). The rating actions follow the publication on 28 February of updated bank and non-bank financial institution rating criteria, which include changes to the way Fitch rates operating company subsidiaries of banking groups headed by bank holding companies and to the way Fitch notches senior and junior debt ratings.*

Based on the press release published by Fitch, the updated criteria primarily reflect continuing developments in bank resolution, notably developments in bank resolution plans, the build-up of 'bail-in' debt buffers that protect more senior creditors and their implication for default risk and recovery prospects for different senior and junior liability classes and for bank and non-bank financial institution operating companies relative to bank holding companies. In addition to the above, Fitch stated to have increased the base case notching for Tier 2 instruments to two notches from the anchor rating to reflect a heightened risk of poor recoveries and has reduced the base case notching for non-performance on additional tier 1 (AT1) instruments, narrowing the relative gap between Tier 2 and AT1 instruments where Fitch has reappraised its baseline treatment of non-performance risk.

Fitch also stated that ratings placed Under Criteria Observation will be reviewed and resolved as soon as practical and in any case within six months. Based on the Fitch Press Release, rating placed reflect the possibility that they will change following publication of Fitch new Bank Rating Criteria and Non-

Bank Financial Institutions Rating criteria, which will affect issuer and debt notching. Existing rating drivers as defined in the latest rating action commentaries on each issuer continue to apply and are available at www.fitchratings.com.

With respect to the Issuer, Fitch has placed (i) the non-preferred senior debt of the Issuer Under Criteria Observation for possible downgrade to reflect the risk of below average recoveries arising from the possible use of more senior debt to meet resolution buffer requirements and buffers of AT1, Tier 2 and senior non-preferred debt being unlikely to exceed 10% risk-weighted assets; and (ii) the subordinated Tier 2 debt of the Issuer currently notched once off the anchor rating Under Criteria Observation for possible downgrade to reflect the change in baseline notching for loss severity to two notches (from one) unless the specific conditions under the new criteria for one notch are met.”

* * * * *

TAXATION

On page 239 of the Base Prospectus, the third sub-paragraph under paragraph headed “*Italian Resident Noteholders*” is deleted and replaced as follows:

“Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the imposta sostitutiva, on Interest relating to the Notes if the Notes are included in a long-term savings account (piano individuale di risparmio a lungo termine) that meets the requirements set forth in Article 1(100–114) of Law No. 232 of 11 December 2016 (the “Finance Act 2017”), in Article 1(210–215) of Law No. 145 of 30 December 2018 (the “Finance Act 2019”) as implemented by the Ministerial Decree of 30 April 2019 and in Article 13–bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019, as applicable from time to time.”

* * *

On page 240 of the Base Prospectus, the seventh sub-paragraph under paragraph headed “*Italian Resident Noteholders*” is deleted and replaced as follows:

“Where an Italian resident Noteholders is a pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to imposta sostitutiva, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (piano di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100–114) of Finance Act 2017, and in Article 1 (210–215) of Finance Act 2019 as implemented by the Ministerial Decree of 30 April 2019 and in Article 13–bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019, as applicable from time to time.”

* * *

On page 242 of the Base Prospectus, the fourth sub-paragraph under paragraph headed “*Tax treatment of Notes qualifying as atypical securities (titoli atipici)*” is deleted and replaced as follows:

“Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the 26 withholding tax, on interest relating to the Notes qualifying as atypical securities if such Notes are included in a long-term savings account (piano di risparmio a lungo termine) that meets the requirements set forth in Article 1(100–114) of the Finance Act 2017, Article 1(210–215) of Finance Act 2019 as implemented by the Ministerial Decree of 30 April 2019 and in Article 13–bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019, as applicable from time to time.”

* * *

On page 244 of the Base Prospectus, the ninth sub-paragraph under paragraph headed “*Capital gains tax*” is deleted and replaced as follows:

“Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the imposta sostitutiva, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (piano di risparmio a lungo termine) that meets the requirements set forth in Article 1(100–114) of Finance Act 2017, in Article 1(210–215) of Finance Act 2019 as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019, as applicable from time to time.”

* * *

On page 244 of the Base Prospectus, the tenth sub-paragraph under paragraph headed “*Capital gains tax*” is deleted and replaced as follows:

“Any capital gains realised by a Noteholder who is a Fund will neither be subject to imposta sostitutiva on capital gains, nor to any other income tax in the hands of the relevant Noteholders; the Collective Investment Fund Tax will be levied on proceeds distributed by the Fund or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Noteholder who is an Italian pension fund (subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005) will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains on the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (piano di risparmio a lungo termine) that meets the requirements set forth in Article 1(100–114) of Finance Act 2017, Article 1(210–215) of Finance Act 2019 as implemented by the Ministerial Decree of 30 April 2019 and in Article 13-bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019, as applicable from time to time.”

* * *

On page 246 of the Base Prospectus, the first sub-paragraph under paragraph headed “*Wealth Tax on securities deposited abroad*” is deleted and replaced as follows:

“According to the provisions set forth by Law No. 214 of 22 December 2011, as amended and supplemented, Italian resident individuals, Italian non-commercial private or public institutions and Italian non-commercial partnership holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree No. 642 does not apply.”

* * *

On page 247 of the Base Prospectus, the first sub-paragraph under paragraph headed “*Foreign Account Tax Compliance Act*” is deleted and replaced as follows:

“Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” (as defined by FATCA) may be required to withhold on certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Republic of Italy) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulation defining “foreign passthru payments” are published in the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes (as described under “Terms and Conditions—Further Issues”) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.”

* * * * *

FORM OF FINAL TERMS

On page 249 of the Base Prospectus, the paragraph headed “*PROHIBITION OF SALES TO EEA RETAIL INVESTORS*” is deleted and replaced as follows (the underlined words show the insertions made):

“*[PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (EEA) or in the United Kingdom (UK). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]^x”*

* * *

On page 261 of the Base Prospectus, the sub-paragraph headed “*Prohibition of Sales to EEA Retail Investors*” under paragraph headed “*Part A – Contractual Terms*” is deleted and replaced as follows (the underlined words show the insertions made):

“

29. *Prohibition of Sales to EEA and UK Retail Investors: [Applicable/Not Applicable]*

(If the Notes clearly do not constitute “packaged” products, “Not Applicable” should be specified. If the Notes may constitute “packaged” products, and no key information document will be prepared, “Applicable” should be specified.)

”

* * *

On page 263 of the Base Prospectus, the sub-paragraph headed “*Ratings*” under paragraph headed “*Part B – Other information*” is deleted and replaced as follows:

“

2. Ratings:

The Notes to be issued [will not be rated] / [have been] / [are expected to be] rated: [S&P: [●]] [Moody's: [●]] [Fitch: [●]] [DBRS: [●]] The credit ratings included or referred to in these Final Terms [have been issued by S&P, Moody's, Fitch and/or DBRS] [each of]which is established in the [European Union] / [United Kingdom] and is registered under Regulation (EC) No 1060/2009 as amended by Regulation (EU) No 513/2011 and Regulation(EU) No. 462/2013 on credit rating agencies (the "CRA Regulation") as set out in the list of credit rating agencies registered in accordance with the CRA Regulation published on the website of the European Securities and Markets Authority pursuant to the CRA Regulation (for more information please visit the European Securities and Markets Authority webpage <http://www.esma.europa.eu/page/Listregistered-and-certified-CRAs>). In general, European and UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union or the UK and registered under the CRA Regulation.

”

SUBSCRIPTION AND SALE

On page 268 of the Base Prospectus, the paragraph headed "*Prohibition of Sales to EEA Retail Investors*" is deleted and replaced as follows (the underlined words show the insertions made):

"Prohibition of Sales to EEA and UK Retail Investors

"Unless the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA and UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom ("UK").

For the purposes of this provision:

- (a) the expression retail investor means a person who is one (or more) of the following:*
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MIFID II**"); or*
 - (ii) a customer within the meaning of Directive EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or*
 - (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 ("**Prospectus Regulation**"); and*
- (b) the expression an offer includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.*

*If the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA or UK Retail Investors" as "Not Applicable", in relation to each Member State of the European Economic Area or the UK (each, a "**Relevant State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant State except that it may make an offer of such Notes to the public in that Relevant State:*

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;*
- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or*
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation, provided that no such offer or distribution of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.*

*For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression Prospectus Regulation means Regulation (EU) 2017/1129'*

* * * * *

GENERAL INFORMATION

On page 275 of the Base Prospectus, paragraph (9) is deleted and replaced with the following:

“(9) For so long as Notes may be issued pursuant to this Base Prospectus, the following documents will be available in hard copy (in English translation where necessary) during usual business hours on any weekday (except for Saturdays and public holidays), for inspection at the registered office of the Issuer and the specified office of the Paying Agent in London:

- (i) the Trust Deed (which includes the forms of the Global Notes, the definitive Bearer Notes, the Certificates, the Coupons and the Talons);*
- (ii) the Agency Agreement for the Italian Law Notes;*
- (iii) the Agency Agreement for the English Law Notes;*
- (iv) the by-laws (Statuto) of UBI Banca with certified English translation;*
- (v) the audited consolidated financial statements of UBI Banca for the financial years ended 31 December 2017 and 31 December 2018;*
- (vi) the unaudited consolidated quarterly financial statements of UBI Banca as at and for the three months ended 31 March 2019;*
- (vii) the consolidated interim financial report of UBI Banca as at and for the half year ended 30 June 2019 (reviewed by the auditors);*
- (viii) the press release dated 31 March 2020 regarding the resolution of the Board of Directors of UBI Banca to suspend the payment of a dividend to the shareholders;*
- (ix) the press release dated 26 March 2020 regarding the confirmation of all UBI Banca’s ratings in Credit Watch Positive by the rating agency S&P Global Ratings;*
- (x) the press release dated 24 March 2020 regarding Fitch maintaining UBI Banca on Rating Watch Positive;*
- (xi) the press release dated 28 February 2020 regarding the approval by the Issuer’s board of directors of the draft consolidated financial statements as at and for the year ended on 31 December 2019;*
- (xii) the press release dated 24 February 2020 regarding the placement in Credit Watch Positive of all the ratings of UBI Banca by the rating agency Fitch Ratings;*
- (xiii) the press release dated 21 February 2020 regarding the placement of the main long term ratings of UBI Banca on review for possible upgrade by the rating agency Moody’s;*
- (xiv) the press release dated 20 February 2020 regarding the placement in Credit Watch Positive of the ratings of UBI Banca by the rating agency S&P Global Ratings;*
- (xv) the press release dated 10 February 2020 regarding the Issuer’s consolidated results for the year ended 31 December 2019;*

- (xvi) the press release dated 20 December 2019 regarding the sale of leasing bad loans;*
- (xvii) the press release dated 18 December 2019 regarding the TLTRO2 reimbursement;*
- (xviii) the press release dated 16 December 2019 regarding the disposal of bad loans with GACS;*
- (xix) the press release dated 5 December 2019 entitled "UBI Banca: SREP Requirements 2020";*
- (xx) the press release dated 8 November 2019 regarding the Issuer's consolidated results as at 30 September 2019;*
- (xxi) the press release dated 25 September 2019 regarding the TLTRO2 partial reimbursement;*
- (xxii) the press release dated 2 August 2019 regarding the consolidated results of the Issuer as at 30 June 2019;*
- (xxiii) the press release dated 30 July 2019 regarding Moody's' rating of UBI Banca and the outlook on the senior unsecured debt ratings;*
- (xxiv) the press release dated 22 July 2019 regarding the UBI Banca disposal of bad loans;*
- (xxv) each Final Terms;*
- (xxvi) a copy of this Base Prospectus together with any supplement to this Base Prospectus or further Base Prospectus and any other documents incorporated herein or therein by reference."*

* * * * *

The language of this Supplement is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them.

Copies of the Base Prospectus and this Supplement may be obtained from the registered office of the Issuer and on the Issuer's website (<http://www.ubibanca.it>). The contents of the Issuer's website do not form part of this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

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