
Third Supplement dated
14 August 2020
to the base prospectus
dated 3 April 2020

Deutsche Pfandbriefbank AG

Munich, Federal Republic of Germany

as Issuer

Euro 50,000,000,000 Debt Issuance Programme (the “Programme”)

This third supplement (the “Third Supplement”) to the base prospectus dated 3 April 2020, as supplemented on 9 April 2020 (the “First Supplement”) and on 22 May 2020 (the “Second Supplement”) (the base prospectus dated 3 April 2020 together with the First Supplement and the Second Supplement, the “Original Base Prospectus”), constitutes a supplement for the purposes of Article 23 paragraph 1 of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the “Prospectus Regulation”). The Third Supplement is prepared in connection with the Euro 50,000,000,000 Debt Issuance Programme (the “Programme”) of Deutsche Pfandbriefbank AG (the “Issuer”).

Unless otherwise stated or the context otherwise requires, terms defined in the Original Base Prospectus shall have the same meaning when used in the Third Supplement. As used herein, the term “Base Prospectus” means the Original Base Prospectus as supplemented by the Third Supplement. The Third Supplement is supplemental to, and should only be read in conjunction with, the Original Base Prospectus.

The Issuer accepts responsibility for the information contained in or incorporated by reference into this Base Prospectus. The Issuer hereby declares that all information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

The Issuer has requested *Commission de Surveillance du Secteur Financier* (the “CSSF” or the “Competent Authority”) of the Grand Duchy of Luxembourg in its capacity as competent authority under the Prospectus Regulation and the Luxembourg act relating to prospectuses for securities dated 16 July 2019 (*Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en oeuvre du règlement (UE) 2017/1129*) (the “Luxembourg Prospectus Law”), to provide the *Bundesanstalt für Finanzdienstleistungsaufsicht* of the Federal Republic of Germany, the *Autoriteit Financiële Markten* of the Netherlands, the Financial Conduct Authority of the United Kingdom, the Central Bank of Ireland, the *Finanzmarktaufsicht* of Austria, the *Finanstilsynet* / Oslo Børs of Norway, the *Commissione Nazionale per le Società e la Borsa* of Italy and the *Comisión Nacional del Mercado de Valores* of the Kingdom of Spain with a certificate of approval attesting that the Third Supplement has been drawn up in accordance with the Prospectus Regulation (each a “Notification”).

The Third Supplement has been filed with the Competent Authority and has been published together with the Original Base Prospectus on the website of the Issuer www.pfandbriefbank.com (see <https://www.pfandbriefbank.com/en/investors/debt-investors/issuance-programmes/dip.html>). Upon request (to be addressed to Deutsche Pfandbriefbank AG, Parkring 28, 85748 Garching, Germany), the Issuer will provide, free of charge, a copy of the Third Supplement and of the Original Base Prospectus.

The Third Supplement has been prepared following the publication of the consolidated interim financial statements of the Issuer for the first six months of the financial year 2020 on 12 August 2020.

OVERALL AMENDMENTS

If reference is made in the Original Base Prospectus to “Base Prospectus”, then the respective reference includes all changes made by the First Supplement, the Second Supplement and this Third Supplement.

**I. SUPPLEMENTAL INFORMATION
RELATING TO THE SECTION “II. RISK FACTORS”**

SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. RISKS RELATING TO THE NOTES”

On page 27 et seq. of the Original Base Prospectus the risk factor “Notes issued as Green Bonds may not be a suitable investment for investors seeking an exposure to green or sustainable assets. Any failure to allocate the net proceeds of Green Bonds to finance or to refinance Green Projects will not constitute an Event of Default, but may have an adverse effect on the market value of the Green Bond.” shall be deleted and replaced by the following risk factor:

***“Notes issued as Green Bonds may not be a suitable investment for investors seeking an exposure to green or sustainable assets. Any failure to allocate the net proceeds of Green Bonds to finance or to refinance Green Projects will not constitute an Event of Default, but may have an adverse effect on the market value of the Green Bond.*”**

In respect of any Notes issued with a specific use of proceeds, such as a “**Green Bond**”, there can be no assurance that such use of proceeds will be suitable for the investment criteria of an investor.

The Final Terms relating to any specific Series of Notes may provide that it will be the Issuer’s intention to apply the proceeds from an offer of those Notes for the financing or refinancing of projects and activities (mainly commercial real estate) that promote climate-friendly and other environmental purposes (“**Green Projects**”). Prospective investors should have regard to the information set out in the relevant Final Terms regarding such use of proceeds and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary. In particular no assurance is given by the Issuer that the use of such proceeds for any Green Projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green” or “sustainable” or an equivalently-labelled project or as to what precise criteria are required to be complied with for a particular project to be defined as “green” or “sustainable” or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time and that the Issuer’s Green Bonds will comply with such definition and consensus. Accordingly, no assurance is or can be given to investors that any of the Issuer’s Green Bond and assets financed or refinanced by the Issuer will meet any or all investor expectations regarding such “green”, “sustainable” or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer) which may be made available in connection with the issue of any Notes and in particular with any Green Projects to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer or any other person to buy, sell or hold any such Notes. Any such opinion or certification is only current as of the date that opinion was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that any such Notes are listed or admitted to trading on any dedicated “green”, “environmental”, “sustainable” or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to

another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply or hold assets in an amount equivalent to the proceeds of any Notes so specified for Green Projects in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant project(s) or use(s) the subject of, or related to, any Green Projects will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be totally or partially applied for such Green Projects. Nor can there be any assurance that such Green Projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Terms and Conditions of the Notes.

Any such event or failure to apply or to hold assets equivalent to the proceeds of any issue of Notes for any Green Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the market value of such Notes and also potentially the value of any other Notes which are intended to finance Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.”

**II. SUPPLEMENTAL INFORMATION
RELATING TO THE SECTION “III. DEUTSCHE PFANDBRIEFBANK AG”**

1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “2. INFORMATION ABOUT THE ISSUER”

On page 33 of the Original Base Prospectus the second paragraph of the subsection “Recent Events” shall be deleted and replaced by the following information:

“Adhering to the ECB’s renewed recommendation issued on 28 July, the Issuer’s Management Board and Supervisory Board resolved to suspend dividend distributions until January 2021. The Issuer affirms its dividend policy, as outlined in March 2020. Given the ECB’s indication that it will review its position on dividend payments during the fourth quarter of 2020, the Issuer will comment on the possible resumption of the Issuer’s dividend distribution without undue delay – at the latest upon publication of preliminary results for the 2020 financial year, scheduled for March 2021.”

2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “5. TREND INFORMATION”

On page 35 of the Original Base Prospectus the information in this section shall be deleted and replaced by the following information:

“Save for the developments referred to below, there has been no material adverse change in the prospects of the Issuer since the date of its last published audited consolidated financial statements (31 December 2019).

The corona pandemic is likely to have a negative impact on the Issuer’s business, its results of operation, its financial condition, and on the Issuer’s refinancing costs. As at the date of this Third Supplement it is, however, too soon to estimate the actual extent of the impact. The ultimate impact and effects are difficult to assess and quantify at the date of the Third Supplement.

There has been no significant change in the financial performance of the Issuer and its consolidated subsidiaries since the end of the last financial period for which interim financial information has been published (30 June 2020) to the date of this Third Supplement.”

3. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “8. HISTORICAL FINANCIAL INFORMATION”

On page 37 of the Original Base Prospectus, the following paragraph shall be added at the end of the subsection “Interim and other Financial Information” as supplemented by the Second Supplement:

“On 12 August 2020, the Issuer has published consolidated interim financial statements for the first half of the financial year 2020 including the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows (condensed), the notes (condensed) and the review report (the “Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020”). The Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020 is incorporated by reference (see Section XIV.9 “Incorporation by Reference”). The Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020 has been prepared on the basis of IFRS applicable in the EU, but not with IFRS as a whole promulgated by the International Accounting Standards Board (“IASB”). The Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020 is unaudited and has been subject to a review by the statutory auditors (*prüferische Durchsicht*) only. The statutory auditors of the Issuer have issued an unqualified review report (*Bescheinigung über die prüferische Durchsicht*).”

On page 38 of the Original Base Prospectus, the information contained in the subsection “Significant Change in Issuer’s Financial Position” shall be deleted and replaced as follows:

“There has been no significant change in the financial position of the Issuer and its consolidated subsidiaries since the end of the last financial period for which interim financial information has been published (30 June 2020).”

**III. SUPPLEMENTAL INFORMATION
RELATING TO THE SECTION “XII. GENERAL INFORMATION”**

1. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “9. INCORPORATION BY REFERENCE”

On page 446 of the Original Base Prospectus, the following item shall be added at the end of the list of the documents incorporated by reference into the Original Base Prospectus:

- “• Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020 published on the website of the Issuer (www.pfandbriefbank.com) (see https://www.pfandbriefbank.com/fileadmin/user_upload/downloads/investor_relations/reports/2008_Halbjahresbericht_en.pdf) on 12 August 2020.”

On page 449 of the Original Base Prospectus, the following information shall be added at the end of the table of the subsection “Table of Incorporated Sections”:

“37	III.8. Deutsche Pfandbriefbank AG - Historical Financial Information	Deutsche Pfandbriefbank Consolidated Interim Financial Information First Half 2020 <ul style="list-style-type: none">• Internal Capital Adequacy Assessment Process (ICAAP) (extract from Group Interim Management Report – Risk and Opportunity Report) (pages 28 to 31)• Income Statement (page 34)• Statement of Comprehensive Income (page 35)• Statement of Financial Position (pages 36)• Statement of Changes in Equity (page 37)• Statement of Cash Flows (condensed) (page 37)• Notes (condensed) (pages 38 to 54)• Review Report (page 56)”
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On page 449 of the Original Base Prospectus, the paragraph below the subsection “Table of Incorporated Sections” shall be deleted and replaced by the following paragraph:

“Any information not incorporated by reference into the Base Prospectus but contained in one of the documents mentioned as source documents in the cross-reference lists above is either not relevant for investors or covered elsewhere in the Base Prospectus.”

2. SUPPLEMENTAL INFORMATION RELATING TO THE SECTION “10. IMPORTANT NOTICE ABOUT THIS BASE PROSPECTUS”

On page 452 of the Original Base Prospectus, the following information shall be added at the end of the subsection “Alternative Performance Measures” in relation to “Return on Equity”:

“For the first half of 2020, the return on equity before tax amounts to 1.6 per cent.¹ (compared to 7.6 per cent. for

¹ Annualised profit before tax less accrued AT1-coupon amounts to Euro 45 million divided by the average equity excluding accumulated other comprehensive income (“OCI”) from cash flow hedge accounting, financial assets at fair value through OCI and AT1 capital (Euro 2,893 million for the first half of 2020). Such average equity is calculated by dividing the sum of the respective equity values less accumulated OCI from cash flow hedge accounting, financial assets at fair value through OCI and AT1 capital as at 1 January 2020 which equals the corresponding equity value as at 31 December 2019 (Euro 3,236 million minus Euro 352 million being Euro 2,884 million), as at 31 March 2020 (Euro 3,244 million minus Euro 343 million being Euro 2,901 million) and as at 30 June 2020 (Euro 3,237 million minus Euro 342 million being Euro 2,895 million), in

the first half of the financial year 2019) and the return on equity after tax amounts to 1.0 per cent.² (compared to 6.3 per cent. for the first half of the financial year 2019).”

total by the relevant number of reporting dates, i.e. three.

² Annualised net income amounts to Euro 29 million divided by the average equity less accumulated OCI from cash flow hedge accounting, financial assets at fair value through OCI and AT1 capital. For the calculation of the average equity less accumulated OCI from cash flow hedge accounting, financial assets at fair value through OCI and AT1 capital see preceding footnote.

To the extent that there is any inconsistency between any statement in the Third Supplement and any other statement in or incorporated in the Original Base Prospectus, the statements in the Third Supplement will prevail.

In accordance with article 23 paragraph 2 of the Prospectus Regulation, where the Base Prospectus relates to an offer of Notes to the public, investors who have already agreed to purchase or subscribe for the Notes to be issued under this Programme before this Third Supplement was published and where the Notes had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted shall have the right, exercisable within a time period of two working days after the publication of this Third Supplement (therefore starting on 14 August 2020 and ending on 18 August 2020), to withdraw their acceptances. Investors wishing to exercise their right of withdrawal may contact the Issuer.