



# Hypo Vorarlberg Bank AG

## EUR 6,000,000,000 (which has been increased to EUR 7,000,000,000) Debt Issuance Programme

This supplement (the "**Supplement**") dated 29 December 2022 constitutes a supplement pursuant to Article 23 (1) of the Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**") and is supplemental to, and should be read in conjunction with, the base prospectus dated 7 July 2022 (the "**Original Prospectus**") and together with the Prospectus Supplement No. 1 dated 26 September 2022 and the Prospectus Supplement No. 2 dated 26 September 2022, the "**Prospectus**") for the EUR 6,000,000,000 (which has been increased to EUR 7,000,000,000) Debt Issuance Programme (the "**Programme**") of Hypo Vorarlberg Bank AG ("**Hypo Vorarlberg**" or the "**Issuer**"). The Prospectus forms the base prospectus of the Issuer within the meaning of Article 8 (6) of the Prospectus Regulation.

The Original Prospectus has been approved on 7 July 2022 by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*, the "**FMA**").

This Supplement has been filed with and approved by the FMA in its capacity as competent authority, filed with the Vienna Stock Exchange (*Wiener Börse*) and published in electronic form on the Issuer's website under "[www.hypovbg.at](http://www.hypovbg.at)".

Terms defined in the Prospectus shall have the same meaning when used in this Supplement.

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

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

**In accordance with Article 23 (2a) of the Prospectus Regulation, investors who have already agreed to purchase or subscribe for securities issued or to be issued by the Issuer before this Supplement was published have the right, exercisable within three working days after the publication of this Supplement, to withdraw their acceptances until, and including 3 January 2023, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period and the delivery of the Notes, whichever occurs first. Investors may contact the relevant financial intermediary if they wish to exercise their right of withdrawal.**

The accuracy of the information contained in this Supplement does not fall within the scope of examination by the FMA under the Prospectus Regulation. The FMA only approves this Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Supplement.

*Arranger and Dealer*  
**Erste Group Bank AG**

## **RESPONSIBILITY STATEMENT**

The Issuer, with its registered office at Hypo-Passage 1, 6900 Bregenz, Austria, is responsible for the information given in this Supplement.

The Issuer hereby declares that, to the best of the knowledge of the Issuer, the information contained in this Supplement is in accordance with the facts and makes no omission likely to affect its import.

## **NOTICE**

This Supplement shall only be distributed in connection with the Prospectus.

The Issuer confirms that the Prospectus contains all information with regard to the Issuer and any Notes which is material in the context of the Programme and the issue and offering of Notes thereunder, that the information contained therein is accurate in all material respects and is not misleading, that the opinions and intentions expressed therein are honestly held, that there are no other facts, the omission of which would make the Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect, and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained therein.

No person has been authorised to give any information which is not contained in, or not consistent with, the Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer, Erste Group Bank AG as arranger and dealer or any of them.

Neither Erste Group Bank AG as arranger and dealer nor any other person mentioned in the Prospectus, excluding the Issuer, is responsible for the information contained in the Prospectus or any other document incorporated therein by reference and, accordingly, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

Significant new factors, material mistakes and/or material inaccuracies (as referred to in Article 23 (1) of the Prospectus Regulation) have arisen which in the Issuer's perception are capable of affecting the assessment of the Notes, and are thus herewith included in the Original Prospectus as follows:

**1.1 In the section entitled "RISK FACTORS" the text in the risk factor entitled "The Issuer is exposed to risks of changes in interest rates (interest rate risk)." on page 9 of the Original Prospectus shall be replaced by the following text:**

"The Issuer collects interest from loans and other assets and pays distributions to security holders and other creditors. Interest rates are highly sensitive to many factors which are beyond the Issuer's control, such as inflation, the monetary policy determined by central banks or governments, innovations in financial services and increased competition in the financial markets in which the Issuer operates, national and international economic and political conditions. In an environment of very low or even negative interest rates, the Issuer will bear higher costs for maintaining regulatory liquidity reserves in cash holdings and highly liquid assets. An increase in the interest rates charged to the Issuer's customers may also have a negative effect on the Issuer's net interest income if it results in less funds being raised from its customers. For reasons of competition, the Issuer may also decide to increase the interest rates on deposits without raising the interest rates on loans granted accordingly. Finally, an imbalance in the maturity structure of interest-bearing assets and interest-bearing liabilities in the event of changes in the yield curve could reduce the Issuer's net interest margin over a certain period of time, with a significant negative impact on its net interest income. This may also affect the Issuer's ability to make payments on the Notes."

**1.2 In the section entitled "RISK FACTORS" the second list paragraph in the risk factor entitled "The Issuer must comply with its applicable regulatory capital requirements at any time." on page 13 of the Original Prospectus shall be replaced by the following list paragraph:**

"In addition, the Issuer is required to satisfy at all times the capital requirements that are imposed by the FMA following the supervisory review and evaluation process ("**SREP**") (so-called "Pillar 2 requirements") ("**SREP add-on**") in form of CET 1 capital. As of 29 December 2022, the SREP add-on determined for the Issuer (on individual and consolidated basis) amounts to 2.3%. In addition, the Issuer is required to satisfy the so-called "Pillar 2 guidance"."

**1.3 In the section entitled "HYPO VORARLBERG BANK AG" the information in the subsection entitled "Key financial information" commencing on page 362 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022 shall be replaced by the following information:**

"The following table shows key historical financial information of Hypo Vorarlberg as of 30 September 2022, 30 June 2022, 31 December 2021 and 31 December 2020 derived from the third quarter financial information 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 September 2022, the semi-annual financial report 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 June 2022 and from the audited consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2021 (including comparative financial information as of and for the prior financial year ended 31 December 2020). The audited consolidated financial statements as of and for the financial year ended 31 December 2021 and 31 December 2020 have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS) and the additional requirements § 245a Austrian Company Code (*Unternehmensgesetzbuch, UGB*) or from Hypo Vorarlberg's reporting system.

	<b>30 September 2022</b>	<b>30 June 2022</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
Senior debt (in issue) (unaudited) in EUR million <sup>33</sup>	4,968	5,399	5,146	4,809
Subordinated debt (in issue) (unaudited) in EUR million <sup>34</sup>	364	363	376	378

Leverage ratio (unaudited)	7.81%	7.78%	7.94%	8.51%
Liquidity coverage ratio (LCR) (unaudited)	136%	158%	188%	151%
Net stable funding ratio (NSFR) (unaudited)	118.20%	117.81%	124.24%	121.67%

Source: Internal information of the Issuer. All figures in the table above are rounded.

### Key profitability, efficiency and risk indicators

	30 September 2022	30 June 2022	31 December 2021	31 December 2020
Cost income ratio (CIR)	64.78%	72.91%	54.86%	51.18%
Return on equity (ROE)	13.91%	11.18%	7.64%	4.07%
Non-Performing Loan (NPL) ratio	1.92%	1.68%	1.74%	1.86%

Source: Internal information of the Issuer. All figures in the table above are rounded.

### Alternative Performance Measures

Alternative Performance Measure	Description / Purpose	Calculation
Cost income ratio	Cost income ratio is an efficiency measure comparing operating cost to operating income based on consolidated result before tax for the period.	<p>The cost income ratio is calculated on a consolidated basis as follows:</p> $\frac{((\text{Administrative expenses} + \text{Depreciation and amortization} + \text{Other Expenses} - \text{Other tax expenses}) / (\text{Net interest income} + \text{Dividend income} + \text{Net fee and commission income} + \text{Net result from financial instruments at fair value} - \text{Valuation derivatives} - \text{Valuation of hedging relationships} - \text{Valuation Fair value} + \text{other income}))}{123,323 + 56 + 27,005 + 76,173 - 60,449 - 13,682 + 8,020 + 22,088} * 100 = 64.78\%$ <p>Example for the third quarter 2022:</p> $\frac{80,621 + 6,200 + 34,136 - 2,704}{123,323 + 56 + 27,005 + 76,173 - 60,449 - 13,682 + 8,020 + 22,088} * 100 = 64.78\%$
Return on equity	Return on equity is a profitability measure which compares the consolidated profit for the period to shareholders equity at the beginning of the period.	<p>The return on equity is calculated as follows:</p> $\frac{(\text{Profit for the period projected to one year} / (\text{shareholders equity at the beginning of the period} - \text{distributions to shareholders}))}{1,290,390 - 4,446} * 100 = 13.91\%$ <p>Example for the third quarter 2022:</p> $\frac{134,202 * 1.333}{1,290,390 - 4,446} * 100 = 13.91\%$
Non-Performing Loan (NPL) ratio	NPL ratio is a risk ratio which assesses the quality of a portfolio by showing the percentage of non-performing loans over the total loan volume.	<p>The NPL ratio is calculated as follows:</p> $\frac{(\text{Gross carrying amount of non performing loans and advances} / \text{Gross carrying amount of total loans})}{15,451.04} * 100 = 1.92\%$ <p>Example for the third quarter 2022:</p> $\frac{296.66}{15,451.04} * 100 = 1.92\%$

Sources: Information and calculation of the Issuer on the basis of internal information of the Issuer.

All figures in the table above are rounded and shown in EUR thousand."

### 1.4 In the section entitled "HYPO VORARLBERG BANK AG" the text of the footnotes numbered (i) "33" and (ii) "34" in the subsection entitled "Key financial information" commencing on page 362 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022 shall be replaced by the following footnotes:

(i):

"Sum of mortgage bonds (*Pfandbriefe*), municipal bonds (*Kommunalbriefe*), bonds (*Anleihen*), housing construction bonds (*Wohnbaubankanleihen*) and medium-term fixed-rate notes

(*Kassenobligationen*) contained in the measurement categories 'financial liabilities at fair value (option)' (*Finanzielle Verbindlichkeiten at Fair Value (Option)*) and 'financial liabilities at amortised cost' (*Finanzielle Verbindlichkeiten at Amortized Cost*), as based on internal information of the Issuer for the third quarter 2022 and each as shown in the semi-annual financial report 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 June 2022 and in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2021."

(ii):

"Sum of supplementary capital (*Ergänzungskapital*) and additional tier 1 capital (*Zusätzliches Kernkapital*) contained in the measurement categories 'financial liabilities at fair value (option)' (*Finanzielle Verbindlichkeiten at Fair Value (Option)*) and 'financial liabilities at amortised cost' (*Finanzielle Verbindlichkeiten at Amortized Cost*), as based on internal information of the Issuer for the third quarter 2022 and each as shown in the semi-annual financial report 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 June 2022 and in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2021."

- 1.5 In the section entitled "DOCUMENTS INCORPORATED BY REFERENCE" commencing on page 367 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022, below the table regarding the German language version of the Semi-Annual Financial Report 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 June 2022 the following table shall be added:**

"Document/Heading	Page reference
<b>German language version of the Third Quarter Financial Information 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 September 2022 (<i>Quartalsinformation zum 30. September 2022</i>) (the "Third Quarter Financial Information 2022")</b>	
Group Key Figures ( <i>Konzern-Kennzahlen</i> )	3
Statement of Comprehensive Income ( <i>Gesamtergebnisrechnung</i> )	6
Balance Sheet ( <i>Bilanz</i> )	7"

- 1.6 In the section entitled "DOCUMENTS INCORPORATED BY REFERENCE" commencing on page 367 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022, the first paragraph after the table regarding the English language translation of the Audited Consolidated Financial Statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020 and the Auditor's Report thereon shall be replaced by the following paragraph:**


"For the avoidance of doubt, such parts of the Hypo Vorarlberg Bank AG Annual Report 2020 and the Hypo Vorarlberg Bank AG Annual Report 2021 and the Semi-Annual Financial Report 2022 as well as the Third Quarter Financial Information 2022, which are not explicitly listed in the tables above, are not incorporated by reference into this Prospectus as these parts are either not relevant for the investor or covered elsewhere in this Prospectus."

- 1.7 In the section entitled "DOCUMENTS AVAILABLE FOR INSPECTION" on page 369 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022 after the list paragraph numbered "(viii)", the following list paragraph numbered "(ix)" shall be inserted:**

"(ix) the Third Quarter Financial Information 2022 incorporated by reference into this Prospectus  
 ("<https://www.hypovbg.at/permlink/investor-relations/quartalsinformation-Q3-2022>")"

- 1.8 In the section entitled "GLOSSARY AND LIST OF ABBREVIATIONS" commencing on page 370 of the Original Prospectus as amended by Prospectus Supplement No. 2 dated 26 September 2022 after the line regarding "Terms and Conditions", the following line shall be inserted:

"Third Quarter Financial Information 2022 German language version of the Third Quarter Financial Information 2022 of Hypo Vorarlberg as of and for the financial period ending on 30 September 2022 (Quartalsinformation zum 30. September 2022)"

Signaturwert	FwvAtiw3s2sLw4lkv68ZKZ/YukaTLJFi/10zaI19HNR8ViuGg3C/gQgzH3gvLrLgTLXFZ79GxvhA7ey5PexdI0fXDuW/Nff3vaTcPl/y2381cLBfFWJTgcd2mnbIiMmft5NWiSg4NbCSpgZYLe6pXbKs0fPkMCixlw+gosPQi45oHr+4i901ZKC7JNiC0ob3Vds+1lAUy30Hs3ZDvYrkJWo0bTGOiG5E+JXKNlp20tK+Tfzl5IS+Bza/0y+mBkwLbGRsIq3sGxFBkxW4nEoY7z9C8AqetJwnBWLcQn3a2WIP425CF0hIQI19S40htjq4++wwVE4D5RGio+LaI9Rug==	
	Unterzeichner	Österreichische Finanzmarktaufsichtsbehörde
	Datum/Zeit-UTC	2022-12-29T10:09:09Z
	Aussteller-Zertifikat	CN=a-sign-corporate-light-02,OU=a-sign-corporate-light-02,O=A-Trust Ges. f. Sicherheitssysteme im elektr. Datenverkehr GmbH,C=AT
	Serien-Nr.	532114608
	Methode	urn:pdfsigfilter:bka.gv.at:binaer:v1.1.0
Prüfinformation	Informationen zur Prüfung des elektronischen Siegels bzw. der elektronischen Signatur finden Sie unter: <a href="http://www.signaturpruefung.gv.at">http://www.signaturpruefung.gv.at</a>	
Hinweis	Dieses Dokument wurde amtssigniert. Auch ein Ausdruck dieses Dokuments hat gemäß § 20 E-Government-Gesetz die Beweiskraft einer öffentlichen Urkunde.	