

**First Supplement dated 17 May 2021  
to the Prospectus dated 17 July 2020**

*This document constitutes a supplement (the "**First Supplement**") within the meaning of Article 23(1) of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended (the "**Prospectus Regulation**") and the Luxembourg act relating to prospectuses for securities of 16 July 2019 (Loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières et portant mise en œuvre du règlement (UE) 2017/1129) (the "**Luxembourg Law**"), to the two base prospectuses of Hypo Vorarlberg Bank AG: (i) the base prospectus in respect of non-equity securities (the "**Non-Equity Securities**") within the meaning of Article 2(c) of the Prospectus Regulation; and (ii) the base prospectus in respect of Pfandbriefe within the meaning of Article 2(c) of the Prospectus Regulation (together, the "**Debt Issuance Programme Prospectus**" or the "**Prospectus**").*

This First Supplement is supplemental to, and should be read in conjunction with the Debt Issuance Programme Prospectus dated 17 July 2020. Therefore, with respect to future issues of Notes under the Programme of the Issuer (as defined below), references in the Final Terms to the Prospectus are to be read as references to the Prospectus as supplemented by this First Supplement.

## **Hypo Vorarlberg Bank AG**

**EUR 6,000,000,000**  
**Debt Issuance Programme**  
(the "**Programme**")

Hypo Vorarlberg Bank AG ("**Hypo Vorarlberg**", the "**Issuer**" or the "**Bank**") has requested the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Prospectus Regulation and the Luxembourg Law to approve this First Supplement and to provide the competent authorities in the Federal Republic of Germany and the Republic of Austria with a certificate of approval attesting that the First Supplement has been drawn up in accordance with the Prospectus Regulation (each a "**Notification**"). The Issuer may request the CSSF to provide competent authorities in additional host Member States within the European Economic Area with a Notification.

This First Supplement will be published in the same way as the Debt Issuance Programme Prospectus in electronic form (together with the documents incorporated by reference) on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of the Issuer ([www.hypovbg.at](http://www.hypovbg.at)).

Hypo Vorarlberg with its registered office in Bregenz, the Republic of Austria, is solely responsible for the information given in this First Supplement. The Issuer hereby declares that to the best of its knowledge the information contained in this First Supplement is in accordance with the facts and that this First Supplement makes no omission likely to affect its import.

Terms defined or otherwise attributed meanings in the Prospectus have the same meaning in this First Supplement unless otherwise defined herein.

This First Supplement shall only be distributed in connection with and should only be read in conjunction with the Prospectus.

To the extent that there is any inconsistency between any statement in this First Supplement and any other statement in or incorporated by reference in the Prospectus, the statements in this First Supplement will prevail.

Save as disclosed in this First Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

The Issuer has confirmed to the Dealers that the Prospectus and this First Supplement contain 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 and this First Supplement 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 this First Supplement or any other document entered into 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 or any of the Dealers.

To the extent permitted by the laws of any relevant jurisdiction, neither the Arranger nor any Dealer nor any other person mentioned in the Prospectus or this First Supplement, excluding the Issuer, is responsible for the information contained in the Prospectus or this First Supplement or any Final Terms or any other document incorporated therein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

**In accordance with Article 23(2a) of the Prospectus Regulation, where the Debt Issuance Programme 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 First Supplement is published have the right, exercisable within three working days after the publication of this First Supplement, until 20 May 2021, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to in Article 23(1) of the Prospectus Regulation arose or was noted before the closing of the offer period or the delivery of the Notes, whichever occurs first. Investors wishing to exercise their right of withdrawal may contact the Issuer.**

**This First Supplement may only be used for the purpose for which it has been published.**

**This First Supplement may not be used for the purpose of an offer or solicitation by and to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

**This First Supplement does not constitute an offer or an invitation by or on behalf of the Issuer or the Dealers to any person to subscribe for or to purchase any Notes.**

**The following changes are made to the Prospectus**

**I. Replacement information pertaining to the section "Risk Factors"**

- 1. The section "Risk Factors regarding Hypo Vorarlberg – 1.2 Risk factors relating to the Issuer's business - The global coronavirus (COVID-19) pandemic may have a significant impact on the Issuer and its customers." on page 11 to 12 of the Prospectus shall be entirely replaced by the following information:**

"The Issuer is directly and through its clients exposed to certain risks in relation to the worldwide pandemic caused by the corona virus SARS-CoV-2 ("**COVID-19**") and the measures taken by sovereigns, companies and others to prevent the spread of the virus. The worldwide rapid spread of the COVID-19 pandemic, the interim lockdown and the resulting business restrictions and cutbacks have led to a deterioration in the financial conditions of some of the Issuer's customers in general and of certain companies, e.g. commercial and industrial enterprises, companies in the tourism industry and in the hotel and catering industry in particular. As a result, the loan loss provisions of the Issuer have continued to rise already due to allocations for expected credit losses and unlikely-to-pay assessment. Furthermore, the quality of the Issuer's loan portfolio could further suffer or deteriorate and non-performing loans may increase because the Issuer's customers may not be able to repay their loans or may not be able to do so in a timely manner and/or the collateral to secure these loans may become insufficient. If the economic conditions worsen beyond the level foreseen, this could result in credit losses exceeding the amount of the loan loss provisions of the Issuer.

Furthermore, the COVID-19 pandemic might lead to a second wave of asset price adjustments and an increased volatility in stock exchange prices as well as to a rise in spreads, which might have a negative impact on the Issuer's refinancing costs and the liquidity of the Issuer.

In response to the COVID-19 pandemic and the expected economic crises, governments of the countries in which the Issuer operates have already taken and are likely to continue to take government intervention measures such as payment moratoria, interest rate caps, etc. in order to protect their citizens, economies, currencies or tax revenues. Each of these or similar government intervention measures could have a material adverse effect on the Issuer individually or in combination, through lower interest income, higher risk costs or higher other costs.

Government measures to curb the COVID-19 pandemic may have a direct adverse effect on the Issuer's business, if its employees fall ill, are isolated, or offices are closed. Travel restrictions may also have a negative effect on the Issuer's business, which may also limit the Issuer's ability to obtain new business through personal visits from customers. Any such or similar governmental programmes/measures may not be sufficient to mitigate the negative effects on the economy and the Issuer.

The COVID-19 pandemic may also have a negative impact on the market value of assets which are financed by the Issuer, serve as collateral for the Issuer's repayment claims and/or are included in the Issuer's cover pool. This is in particular due to the risk of high vacancy rates in (or loss of rental income in relation to) commercial real estate, such as tourism, accommodation and catering facilities, retail centres, the cancellation of trade fairs and exhibitions and possible bankruptcies of tenants, guarantors, and other providers of collateral, which may affect the solvency of customers of the Issuer and may lead to defaults on loans financed by the Issuer."

II. **Supplemental and replacement information pertaining to the section "Hypo Vorarlberg Bank AG as Issuer"**

1. **The paragraph under the heading "STATUTORY AUDITORS" on page 306 of the Prospectus shall be supplemented by the following information:**

"Ernst & Young has audited Hypo Vorarlberg's consolidated financial statements as of and for the financial year ended 31 December 2020 and has issued an unqualified auditor's report thereon."

2. **In the section "SIGNIFICANT CHANGES SINCE THE DATE OF THE ISSUER'S LAST PUBLISHED AUDITED CONSOLIDATED FINANCIAL STATEMENTS" on page 310 of the Prospectus, the text shall be replaced by the following information:**

"There has been no material adverse change in the prospects of the Issuer since the date of its last published audited consolidated financial statements as of 31 December 2020, and there have been no significant changes in the financial position or the financial performance of Hypo Vorarlberg Group since 31 December 2020, the end of the last financial period for which financial information has been published, to the date of the Prospectus as supplemented by this First Supplement."

3. **The section "SELECTED FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES – Selected Historical Financial Information" on pages 314 to 315 of the Prospectus shall be supplemented by the following information:**

"The following tables show selected historical financial information of Hypo Vorarlberg as of and for the financial years ended 31 December 2020 and 31 December 2019 extracted or derived from the audited consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020 (including comparative financial information for the prior year). These audited consolidated financial statements have been prepared on the basis of International Financial Reporting Standards as adopted by the EU ("IFRS"). Where financial information in the following tables is labelled "audited", this means that it has been taken from the audited consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020. The label "unaudited" is used in the following tables to indicate financial information that has not been taken from those audited consolidated financial statements but has been calculated based on figures from Hypo Vorarlberg's consolidated financial statements as of and for the financial year ended 31 December 2020 or derived from Hypo Vorarlberg's reporting system.

**Income statement** (in EUR thousand (rounded))

	31 December 2020 audited	31 December 2019 audited
Net interest income	174,160	169,541
Net fee and commission income	34,647	36,466
Loan loss provisions and impairment of financial assets	-41,443	-21,592
Net trading income <sup>1</sup>	1,104	4,098
Earnings before taxes	48,825	91,692

<sup>1</sup> Shown as result from trading in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

Net profit or loss attributable to equity holders of the parent <sup>2</sup>	37,174	69,113
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**Balance sheet** (in EUR thousand (rounded), unless otherwise indicated)

	31 December 2020 audited, unless otherwise indicated	31 December 2019 audited, unless otherwise indicated	Value as outcome from the most recent Supervisory Review and Evaluation Process (SREP)
Total assets	15,296,768	13,979,941	-
Senior debt (unaudited) <sup>3</sup>	4,808,573	5,040,842	-
Subordinated debt (unaudited) <sup>4</sup>	377,925	384,489	-
Loans and advances to customers (unaudited) <sup>5</sup>	10,340,227	10,042,455	-
Liabilities to customers (unaudited) <sup>6</sup>	5,646,971	5,434,969	-
Own funds	1,539,927	1,509,673	-
Non-performing loans <sup>7</sup>	1.42%	1.51%	-
CET1 capital ratio (CET1)	14.34%	14.07%	6.07% (minimum require ment as of the latest SREP notice of 18 April 2019), CET1 + SREP
Total capital ratio	17.81%	17.85%	10.80% (minimum require ment as of the latest SREP notice of 18 April 2019), CET1 +

<sup>2</sup> Shown as annual net income attributable to owners of the parent company in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

<sup>3</sup> Sum of mortgage bonds, municipal bonds, bonds, housing construction bonds and medium-term fixed-rate notes contained in the measurement categories 'financial liabilities at fair value (option)' and 'financial liabilities at amortised cost', each as shown in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

<sup>4</sup> Sum of supplementary capital and additional core capital contained in the measurement categories 'financial liabilities at fair value (option)' and 'financial liabilities at amortised cost', each as shown in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

<sup>5</sup> Sum of loans and advances to customers which are contained in the measurement categories 'financial assets at fair value (Non-SPPI)', 'financial assets at fair value (option)' and 'financial assets at amortised cost', each as shown in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

<sup>6</sup> Sum of deposits from customers which are contained in the measurement categories 'financial liabilities at fair value (option)' and 'financial liabilities at cost', each as shown in the consolidated financial statements of Hypo Vorarlberg as of and for the financial year ended 31 December 2020.

<sup>7</sup> Non-performing loans comprise loans in the regulatory asset class of loans in arrears (90-days in arrears, liability is unlikely to be settled) in the amount of EUR 256,986 thousand as at 31 December 2020 and EUR 248,726 thousand as at 31 December 2019 as a percentage of the maximum default risk in the amount of EUR 18,057,220 thousand as at 31 December 2020 and EUR 16,474,906 thousand as at 31 December 2019.

			AT1 + Tier 2 + SREP
Leverage Ratio (unaudited)	8.51%	8.44%	3.0% (minimum requirement pursuant to CRR applicable as of 2021)

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**4. The section "RECENT DEVELOPMENTS AND OUTLOOK – COVID-19 pandemic" on pages 316 to 317 of the Prospectus shall be replaced by the following information:**

"As expected, the economic consequences of the COVID-19 pandemic had a negative impact on the economy in the market areas of the Issuer and thus also on the Hypo Vorarlberg Group's business results in the 2020 financial year.

While the operating result of the Issuer increased despite the COVID-19 crisis, valuations and higher loan loss provisions in particular led to a significant decline in the result: Earnings before taxes in the group amounted to EUR 48,825 thousand in 2020 (2019: EUR 91,692 thousand). The annual result after taxes in 2020 was EUR 37,331 thousand (2019: EUR 70,376 thousand).

It is to be expected that the economic crisis as a result of the pandemic will continue to affect all business areas of the Issuer in 2021. Bankruptcies and loss of income will increasingly lead to loan defaults in the directly affected industries as well as in the further value chain in the coming years. Due to the increasing risk provisioning, significant pressure on the result at bank and group level of the Issuer is to be expected.

After valuation effects and staging in 2020, the results of the Issuer will probably only be influenced by actual failures with a time delay - possibly not until the following years. For the economic development of the Hypo Vorarlberg's Group in the 2021 financial year, the duration of the crisis and how much of it can be compensated with catch-up effects will be decisive. The role of public authorities in dealing with the economic consequences of the pandemic will continue to be of crucial importance."

**III. Supplemental information pertaining to the section "Documents Incorporated by Reference"**

**1. The section "Documents Incorporated by Reference" on page 328 of the Prospectus shall be supplemented by the following information:**

"– Consolidated Financial Statements 2020 (German Version) included in the Annual Report 2020 of Hypo Vorarlberg."

2. The list in the section "Comparative Table of Documents Incorporated by Reference" on pages 328 to 329 of the Prospectus shall be supplemented by the following information:

"Page	Section of Prospectus	Documents Incorporated by Reference
314	<b>Hypo Vorarlberg, Historical Financial Information</b>	<p><b>Consolidated Financial Statements 2020 (German Version) of Hypo Vorarlberg included in the Annual Report 2020</b></p> <p>Statement of comprehensive income (<i>Gesamtergebnisrechnung</i>) for the period from 1 January to 31 December 2020 (page 36)</p> <p>Balance sheet (<i>Bilanz</i>) dated 31 December 2020 (page 37)</p> <p>Statement of changes in shareholders' equity (<i>Eigenkapitalveränderungsrechnung</i>) (page 38)</p> <p>Cash flow statement (<i>Geldflussrechnung</i>) (page 39)</p> <p>Notes (<i>Erläuterungen / Notes</i>) (pages 40-110)</p> <p>Auditor's report (<i>Bestätigungsvermerk</i>) (pages 117-119)</p> <p>Available under:  <a href="https://www.hypovbg.at/geschaeftsbericht-2020">https://www.hypovbg.at/geschaeftsbericht-2020</a> "</p>

## **ADDRESSES**

### **Issuer**

Hypo Vorarlberg Bank AG  
Hypo-Passage 1  
6900 Bregenz  
Republic of Austria

### **Fiscal and Paying Agent**

Deutsche Bank Aktiengesellschaft  
Issuer Services  
Taunusanlage 12  
60325 Frankfurt am Main  
Federal Republic of Germany

### **Austrian Fiscal Agent**

(for Notes (including Pfandbriefe) in bearer form with an Austrian International Securities Identification Number (ISIN) for which OeKB acts as Clearing System)

Hypo Vorarlberg Bank AG  
Hypo-Passage 1  
6900 Bregenz  
Republic of Austria

### **Listing Agent in the Grand Duchy of Luxembourg**

Banque de Luxembourg  
14, boulevard Royal  
2449 Luxembourg  
Grand Duchy of Luxembourg