

FIRST SUPPLEMENT DATED 7 JUNE 2024 TO THE BASE PROSPECTUS DATED 18 SEPTEMBER 2023



BANCA POPOLARE DELL'ALTO ADIGE S.P.A.

(incorporated with limited liability as a società per azioni under the laws of the Republic of Italy)

**Euro 3,000,000,000 Covered Bond (*Obbligazioni Bancarie Garantite*) Programme
unconditionally and irrevocably guaranteed as to payments of interest and principal by**

VOBA CB S.R.L.

(incorporated as a limited liability company in the Republic of Italy and registered at the Companies' Registry of Treviso-Belluno under registration number 04994460261)

This supplement (the "**Supplement**") to the base prospectus dated 18 September 2023 (the "**Base Prospectus**") constitutes a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 (as subsequently amended and supplemented, the "**Prospectus Regulation**") and is prepared in connection with the Euro 3,000,000,000 Covered Bond Programme guaranteed by Voba CB S.r.l. (the "**Programme**") established by Banca Popolare dell'Alto Adige S.p.A. ("**BPAA**" or the "**Issuer**"). This Supplement is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus. Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of the Prospectus Regulation as a base prospectus supplement issued in compliance with the Prospectus Regulation.

The purpose of the publication of this Supplement is to update (a) the sections entitled "*Risk Factors*", "*Information Incorporated by Reference*", "*The Issuer*", "*The Guarantor*", "*Taxation*" and "*General Information*" included in the Base Prospectus, (b) the last page of the Base Prospectus, and (c) the legal name of UniCredit Bank AG in the Base Prospectus.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Supplement with respect to those sections which already fall under the responsibility of each of them under the Base Prospectus and which are supplemented by means of this Supplement. To the best of its knowledge of the Issuer and the Guarantor, 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.

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be deemed amended and supplemented in the manner described below.

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

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 or incorporated by reference into this Supplement will prevail.

Copies of this Supplement and any document incorporated by reference will be available without charge (i) at the registered office of the Issuer, (ii) on the website of the Issuer (<https://www.volksbank.it/it/investor-relations/covered-bonds>), and (iii) on the website of the Luxembourg Stock Exchange at www.luxse.com.

(A) RISK FACTORS

1. On page 43 of the Base Prospectus, the following paragraph shall be added after the last sub-paragraph of the paragraph entitled “*Capital adequacy*” under the section headed “*Risk Factors*”:

“In this context, it should be noted that the Issuer has carried out, and may carry out in the future, share buyback operations providing for the reduction of its own funds for the repurchase of treasury shares for the purpose of supporting the liquidity of BPAA’s shares. Subject to the approval of the shareholders’ meeting of the Issuer and prior authorisation of the supervisory authority, treasury share operations may be renewed on an annual basis by the Issuer.”

(B) INFORMATION INCORPORATED BY REFERENCE

1. On page 73 of the Base Prospectus, the following shall be added after item (e) in the first paragraph under the section "*Information Incorporated by Reference*":

"(f) the English language version of the audited non-consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2023, together with the accompanying notes and auditors' report ("**2023 Issuer's Audited Annual Financial Statements**") (available at the following link: https://www.volksbank.it/documents/20147/340381/Financial_Report_2023+%282%29.pdf/bd5c9620-6ff3-d15e-2ba6-a4d5c06ee35d);

(g) the English language version of the audited annual financial statements of the Guarantor as at and for the year ended 31 December 2023 ("**2023 Guarantor's Audited Annual Financial Statements**") (available at the following link: https://www.volksbank.it/documents/20147/340381/VobaCB_Financial_Statements_2023.pdf/9285b507-dbbc-decc-5708-cfd8086ac369)."

2. On page 73 of the Base Prospectus, the second sub-paragraph under the section "*Information Incorporated by Reference*" shall be deleted in its entirety and replaced by the following:

"The table below sets out the relevant page references for, *inter alia* (i) the notes, the balance sheet, the income statement, the auditor's report and the accounting policies relating to the non-consolidated financial statements of the Issuer for the years ended on and as at 31 December 2023; (ii) the notes, the balance sheet, the income statement and the accounting policies relating to the condensed interim non-consolidated financial statements of the Issuer as at and for six months ended 30 June 2023; (iii) the notes, the balance sheet, the income statement, the auditor's report and the accounting policies relating to the non-consolidated financial statements of the Issuer for the years ended on and as at 31 December 2021 and 2022; and (iv) the balance sheet, the income statement, the auditor's report and the accounting policies relating to the audited financial statements of the Guarantor for the years ended on and as at 31 December 2021, 2022 and 2023."

3. The information set out below supplements the section of the Base Prospectus entitled "*Information incorporated by reference*" on pages 73 – 75 therein.

By virtue of this Supplement, the English language versions of (i) audited non-consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2023, together with the accompanying notes and auditors' report and (ii) audited annual financial statements of the Guarantor as at and for the year ended 31 December 2023, are incorporated by reference in, and form part of, the Base Prospectus.

The following tables show, *inter alia*, the information that can be found in each of the abovementioned documents incorporated by reference into the Base Prospectus and which shall be included under paragraph "*Cross-reference List*" on page 74-75 of the Base Prospectus.

2023 Issuer's Audited Annual Financial Statements

	2023
<i>Non-consolidated</i>	<i>(pdf document page numbers)</i>
Balance sheet	105
Statement of income	106
Statement of changes in equity	108
Cash flow statement	109
Accounting policies and explanatory notes	113-155
Independent Auditors' report	295-300

2023 Guarantor's Audited Annual Financial Statements

	2023
<i>Non-consolidated</i>	<i>(pdf document page numbers)</i>
Balance sheet	2
Income statement	3-5
Notes to financial statements	5-26
Independent Auditors' report	27-29

(C) **THE ISSUER**

1. On page 175 of the Base Prospectus, the paragraph entitled “*Rating*” under the section headed “*The Issuer*” shall be deleted in its entirety and replaced by the following:

“The rating agencies Standard & Poor's Global Ratings (“**S&P**”), Fitch Ratings (“**Fitch**”) and Morningstar DBRS (“**DBRS**”) currently assign ratings to the Issuer.

S&P

On 25 October 2023, S&P increased the Issuer's long-term credit rating to 'BBB-' and the Issuer's short-term credit rating to 'A-3,' thus assigning affirming the BPAA's rating as 'Investment Grade'. S&P also projected the outlook at 'Stable' level.

The upgrade of Banca Popolare dell'Alto Adige reflects S&P's view that the bank has significantly strengthened its capital and that its asset quality will remain resilient over the next two years. The agency believes Banca Popolare dell'Alto Adige will continue to benefit from its strong footprint in Trentino-Alto Adige, one of Italy's wealthiest regions. In addition, BPAA's loan loss reserves--accumulated in recent years--are larger than peers' and provide buffers against future losses.

The stable outlook reflects the agency's view that in the next 12-24 months BPAA's operating performance and balance sheet will remain resilient. S&P expects the bank's RAC ratio will remain comfortably above 7% over the next two years. The agency also anticipates the bank can maintain a better risk profile than the domestic system average over the next two years, despite some contained asset-quality deterioration.

S&P Global Ratings Europe - Italian Branch is established in the European Union and registered under the CRA Regulation.

Fitch Ratings

On 31 May 2024, Fitch Ratings affirmed BPAA's Long-Term Issuer Default Rating (IDR) at 'BB+' with a Stable Outlook and Viability Rating (VR) at 'bb+'. Fitch also upgraded the bank's long-term deposit rating to 'BBB-' from 'BB+' and the short-term deposit rating to 'F3' from 'B'.

The upgrade of the deposit ratings reflects the agency's expectation that the recent imposition of minimum requirements for own funds and eligible liabilities (MREL) in excess of regulatory capital requirements to Banca Popolare dell'Alto Adige as part of its resolution framework, combined with full depositor preference in Italy, will increase the protection that would accrue to depositors in a default scenario.

Fitch Ratings Ireland Limited is established in the European Union and registered under CRA Regulation.

Morningstar DBRS

On 15 May 2024, Morningstar DBRS confirmed Banca Popolare dell'Alto Adige's "Long-Term Issuer Rating" of "BBB (low)/trend stable" and the "Short-Term Issuer Rating" of "R-2 (middle)".

In the rating agency's view, the confirmation of the credit ratings reflects BPAA's relatively small but solid and stable franchise in its home region of Trentino-Alto Adige, stable funding and liquidity position, supported by a resilient and granular deposit base, as well as its adequate capital ratios. BPPA's credit ratings also takes into account that profitability has improved, driven by net interest income growth on the back of higher interest rates, although it remains modest partly due to a relatively low revenue diversification. In addition, the credit ratings reflect BPAA's further reduction of Non-Performing Exposures (NPEs), although asset quality remains weak compared to domestic and international peers.

The ratings also considers the Bank's fragmented shareholder base and modest internal capital generation as constraints to its ability to improve its capital position. In addition, credit ratings reflect that Morningstar DBRS expects the current environment to lead to a rise in defaults.

DBRS Ratings GmbH is established in the European Union and registered under CRA Regulation.”

2. On page 180 and ff. of the Base Prospectus, the paragraph entitled “*Strategy*” under the section “*The Issuer*” shall be deleted in its entirety and replaced by the following:

“On 24 November 2023, the Board of Directors of the Issuer approved the Strategic Plan “*I-mpact 2026*” containing the BPAA's strategic guidelines and economic, financial and capital targets for the period 2024-2026.

The Strategic Plan states the BPAA's vision over 3 to 5 years providing for the Bank's growth of operations in digital frontier services and under the social profile, as well as the increase of positive impact in the regions in which the Bank operates and for stakeholders.

The main pillars of the Strategic Plan are three:

- growth as a lever of value creation for shareholders (in order to increase the level of operational efficiency) and for the territories to which the Bank's network is envisaged for to be extended. For these reasons, a plan for branches growth has been designed (in the provinces of Padua, Venice, Vicenza and Verona) in order to reach 175 units over the plan period. Significant investments are also planned to improve the services offered in the area of management and protection of customers' assets, in a macroeconomic context in which the commission contribution will once again become significant for the banks' income development;

- the integration of digital processes with artificial intelligence in order to continue in the development of the dematerialized and remoting document exchange and transactional service with clients, using artificial intelligence for the efficiency of internal processes (IT security, regulations, etc.) and using digital support to improve the understanding of client needs and the commercial effectiveness (in terms of cross-selling) of the advice given;
- the enhancement of the social component of the ESG, while continuing the development of the environmental component being already subject of the former "Sustainable 2023" plan. In particular, BPAA will give impulse to projects of "social green mobility" supporting most vulnerable individual groups, to projects for the support of individual frail (such as Alzheimer's, autism, disability, etc.) and for the support of families in childcare. This is in a context of continuity in supporting youth sports activities and cultural initiatives with local value. Lastly, BPAA is launching "Volksbank Connect" a project of discussion with stakeholders to transform the bank into a facilitator of development projects in the area (bank as a real engine of the area).

As of the date of this Base Prospectus, the core strategy of the Strategic Plan with respect to the former plan "Sustainable 2023" and the guidelines that identify its scope are in fact confirmed.”

3. On page 199 of the Base Prospectus, at the end of the paragraph entitled “*Significant events after the six-month period*” under the section headed “*The Issuer*” the following shall be added:

“Rating by S&P Global Ratings

On 25 October 2023, BPAA announced that the credit rating agency S&P Global Ratings has increased the Bank's rating from 'BB+/B' to 'BBB-/A-3' with a 'Stable' outlook, thus affirming the Bank's rating as 'Investment Grade'.

Strategic Plan “*I-mpact 2026*”

On 24 November 2023, the Board of Directors of the Issuer approved the new strategic plan "*I-mpact 2026*" setting out the Bank's strategic guidelines and economic, financial and capital targets for the period 2024-2026.

Shareholders' meeting held on 20 April 2024

On 20 April 2024, the shareholders' meeting of BPAA resolved to, *inter alia*, (i) approve the 2023 Issuer's Audited Annual Financial Statements; and (ii) provide the Issuer's share buyback fund (*Fondo acquisto azioni proprie*) with an additional Euro 3.5 million of funding in order to carry out new treasury share buyback operation to support the liquidity of BPAA's shares. The implementation of such new operation is conditional upon prior approval by the Bank of Italy.

Rating by Morningstar DBRS

On 15 May 2024, BPAA announced that the credit rating agency Morningstar DBRS has confirmed the Bank's "Long-Term Issuer Rating" of "BBB (low)/trend stable" and the "Short-Term Issuer Rating" of "R-2 (middle).

Rating by Fitch Ratings

On 31 May 2024, Fitch Ratings affirmed BPAA's Long-Term Issuer Default Rating (IDR) at 'BB+' with a Stable Outlook and Viability Rating (VR) at 'bb+'. Fitch also upgraded the bank's long-term deposit rating to 'BBB-' from 'BB+' and the short-term deposit rating to 'F3' from 'B'."

(D) THE GUARANTOR

1. On page 208 of the Base Prospectus, the last the paragraph entitled “*Auditors*” under the section headed “*The Guarantor*” shall be deleted in its entirety and replaced by the following:

“The independent auditors of the Guarantor are KPMG, with a registered office at Via Vittor Pisani 27, 20124 Milan, Italy. KPMG is registered on the Register of certified auditors (*Registro dei revisori legali*) held by the Ministry of Economy and Finance (“MEF”) pursuant to Legislative Decree No. 39 of 27 January 2010.

KPMG audited the financial statements for the year ended 31 December 2021, 31 December 2022 and 31 December 2023.”

(E) TAXATION

1. On page 253 of the Base Prospectus, the fourth sub-paragraph in the paragraph entitled “*Italian resident Covered Bondholders*” under the section headed “*Taxation*” shall be deleted in its entirety and replaced by the following:

“If an investor is resident in Italy and is an open-ended or closed-ended investment fund (the “**Fund**”), a SICAV or a non-real estate SICAF established in Italy and either the Fund, the SICAF or the SICAV or their manager is subject to the supervision of a regulatory authority, and the Covered Bonds are held by an authorised intermediary, Interest accrued during the holding period on the Covered Bonds will not be subject to *imposta sostitutiva* but must be included in the management results of the Fund, the SICAV or the non-real estate SICAF accrued at the end of each tax period. The Fund, the SICAV or the non-real estate SICAF will not be subject to taxation on such result, but a substitutive tax, up to 26%, will apply, in certain circumstances, to distributions and/or redemptions of the units/shares made in favour of unitholders or shareholders.”

2. On page 259 of the Base Prospectus, the paragraph entitled “*Wealth Tax on securities deposited abroad*” under the section “*Taxation*” shall be deleted in its entirety and replaced by the following:

“Pursuant to Article 19(18) of Decree No. 201 of 6 December 2011, as subsequently amended and supplemented, Italian resident individuals, non-commercial entities and certain partnerships including *società semplici* or similar partnerships pursuant to Article 5 of TUIR holding the securities outside the Italian territory are required to pay an additional tax at a rate of 0.20% (starting from January 1, 2024, the wealth tax applies at a rate of 0.40% if the Covered Bonds are held in a country listed in the Italian Ministerial Decree dated 4 May 1999, pursuant to the provisions of Law No. 213/2023), which is determined in proportion to the period of ownership. The wealth tax cannot exceed Euro 14,000 per year for taxpayers other than individuals.

This tax is calculated on the market value of the securities at the end of the relevant year or – if no market value figure is available – the nominal value or the redemption value, or in the lack thereof, on the purchase price, of such financial assets held outside the Italian territory. If the financial assets are no longer held at year end, reference shall be made to the value at the end of the holding period.

Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

The Italian tax authority clarified that financial assets held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the Covered Bonds have been subject to stamp duty by the same intermediaries.”

(F) GENERAL INFORMATION

1. On page 267 of the Base Prospectus, the paragraph entitled "*Trend Information*" under the section headed "*General Information*" shall be deleted in its entirety and replaced by the following:

“Since 31 December 2023, there has been no material adverse change in the prospects of Banca Popolare dell’Alto Adige and the BPAA Group.

Since 31 December 2023, there has been no material adverse change in the prospects of the Guarantor.”

2. On page 267 of the Base Prospectus, the paragraph entitled "*No Significant Change*" under the section headed "*General Information*" shall be deleted in its entirety and replaced by the following:

“There has been no significant change in the financial performance or financial position of Banca Popolare dell’Alto Adige and the BPAA Group since 31 December 2023.

There has been no significant change in the financial performance or financial position of the Guarantor since 31 December 2023.”

3. On page 268 of the Base Prospectus, the following shall be added after item (x) of the paragraph entitled "*Documents available for inspection*" under the section headed "*General Information*":

“(xi) the audited non-consolidated annual financial statements of the Issuer as at and for the years ended 31 December 2023, together with the accompanying notes and auditors' report;

(xii) the audited annual financial statements of the Guarantor as at and for the year ended 31 December 2023.”

4. On page 269 of the Base Prospectus, the paragraph entitled “*Auditors*” under the section headed “*General Information*” shall be deleted in its entirety and replaced by the following:

“The financial statements of the Issuer have been audited without qualification for the years ended 31 December 2021, 31 December 2022 and 31 December 2023 by KPMG S.p.A., Via Vittor Pisani, 27/31, 20124, Milan Italy, independent accountants.

KPMG is registered on the Register of certified auditors (*Registro dei revisori legali*) held by the Ministry of Economy and Finance (“**MEF**”) pursuant to Legislative Decree No. 39 of 27 January 2010.”

(G) LAST PAGE

1. On page 302 of the Base Prospectus, the paragraph entitled “*Legal Advisors*” is deleted and replaced as follows:

“To the Arrangers and Dealers

Hogan Lovells Studio Legale

Via Marche, 1-3

00187 Rome

Italy”

Update of the legal name of UniCredit Bank AG in the Base Prospectus

With effect from 7 June 2024, all references to “UniCredit Bank AG” in the Base Prospectus shall be deleted and replaced with “UniCredit Bank GmbH”.
