



VBV

VBV - VORSORGEKASSE AG



Annual Report Sustainability Report

2015



Mein
persönliches
Nachschlagewerk

VORSORGE



nachhaltig
voranschreiten

Nachhaltige Vorsorge & Abfertigung
für Dienstnehmer & Selbständige

www.vorsorgekasse.at

The apple has accompanied VBV – Vorsorgekasse since the Company was established in 2002. Like VBV, it stands for earnings, growth, health and an environment worth living in.

2015

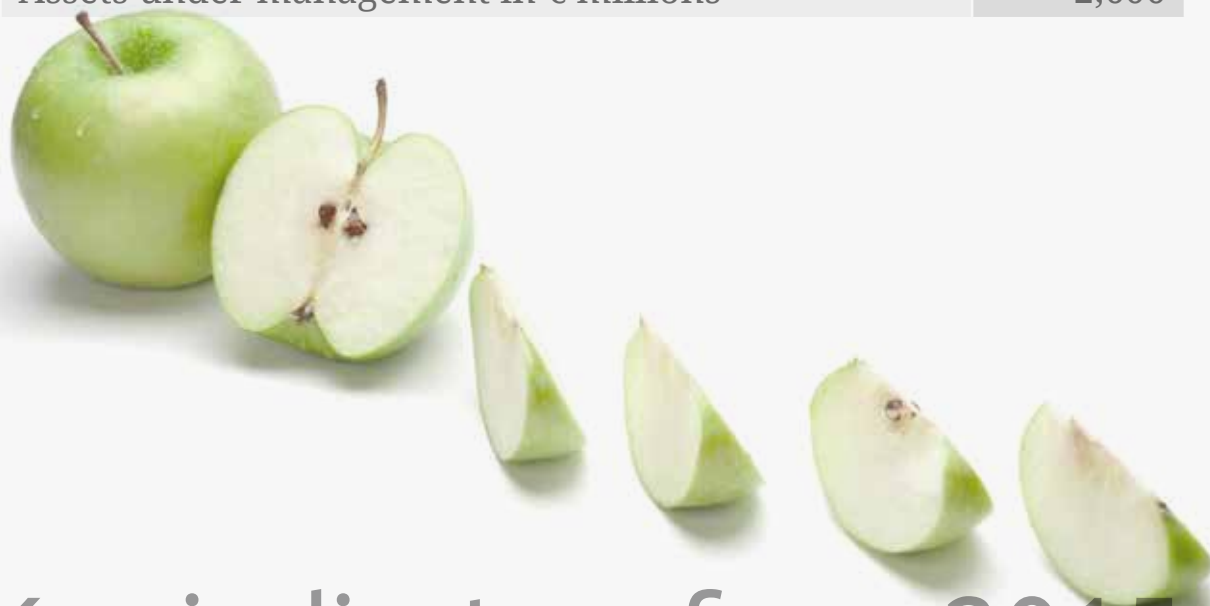
Goal Achieved!



<p>High corporate quality</p>	<p>VBV – Vorsorgekasse was awarded the EFQM “Recognised for Excellence 5-Star” rating in 2015 for its high-quality business approach and is therefore the first and only severance fund in Austria to be thus recognised by Quality Austria.</p>
<p>Further increase service quality</p>	<p>Customer satisfaction increased to 92.6% in 2015.</p>
<p>Stable and safe investment</p>	<p>At 1.93%, VBV – Vorsorgekasse turned in the industry’s best performance. The total return since the Company was established in 2002 is 48.13% – that is also the best performance among severance funds.</p>
<p>Consolidate market share</p>	<p>VBV holds a market share of around 33% with a total of 8 competitors.</p>
<p>Expand capital guarantee reserve</p>	<p>Instead of EUR 8.69 million (reserve required under the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG)), VBV has already allocated EUR 22.5 million for its customers.</p>
<p>Enhance customer information</p>	<p>In 2015, the VBV brochure “VorsorgeINFO”, which is unique in the industry, reached a total circulation of 2.85 million copies.</p>
<p>Expand dialogue and communication</p>	<p>Direct customer contact, discussions concerning the future and stakeholder surveys help to continuously increase the quality of service.</p>

Goals for 2015

Contracts	355,000
Beneficiaries in millions	2.65
Contributions in € millions	415
Assets under management in € millions	2,600



Key indicators from 2015

Contracts (as at 31/12/2015)	356,703
Beneficiaries* (as at 31/12/2015)	2,718,713
Contributions for the year in € millions	432.4
Assets under management in € millions (as at 31/12/2015)	2,732.6
Performance	1.93%
Carbon footprint investment in tCO ₂ /€ million ¹	105.5
Customer satisfaction ²	92.6%

* Total number of beneficiaries (with regular contributions or premium waivers); see page 49 for details

¹ The carbon footprint of the investment shows how many tonnes of CO₂ are emitted for every million euros invested. VBV calculated these indicators for the first time in 2015. Only equity investments were taken into account.

² Customer satisfaction is surveyed annually by VBV. The percentage rate corresponds to the share of customers who responded with "very satisfied" or "satisfied".

Goals for 2016

Contracts (as at 31/12/2016)	365,000
Beneficiaries in millions (as at 31/12/2016)	2.8
Contributions in € millions	430
Assets under management in € millions (as at 31/12/2016)	2,900
Carbon footprint investment in tCO ₂ /€ million	105.5

Customer satisfaction

With respect to the number of contracts and beneficiaries as well as the investment volume, our goal is to continue the steady growth of the previous years. This is not expected to be possible with respect to the regular contributions due to the strained situation on the labour market. Therefore, the goal for contributions in 2016 is slightly less than the value achieved in 2015.

Regarding the development of the Company's performance, a reliable forecast is not possible, and therefore it is also not possible to set a specific target. However, as a general rule, we aspire to generate a real increase in value for our beneficiaries – i.e. a return that exceeds the rate of inflation.

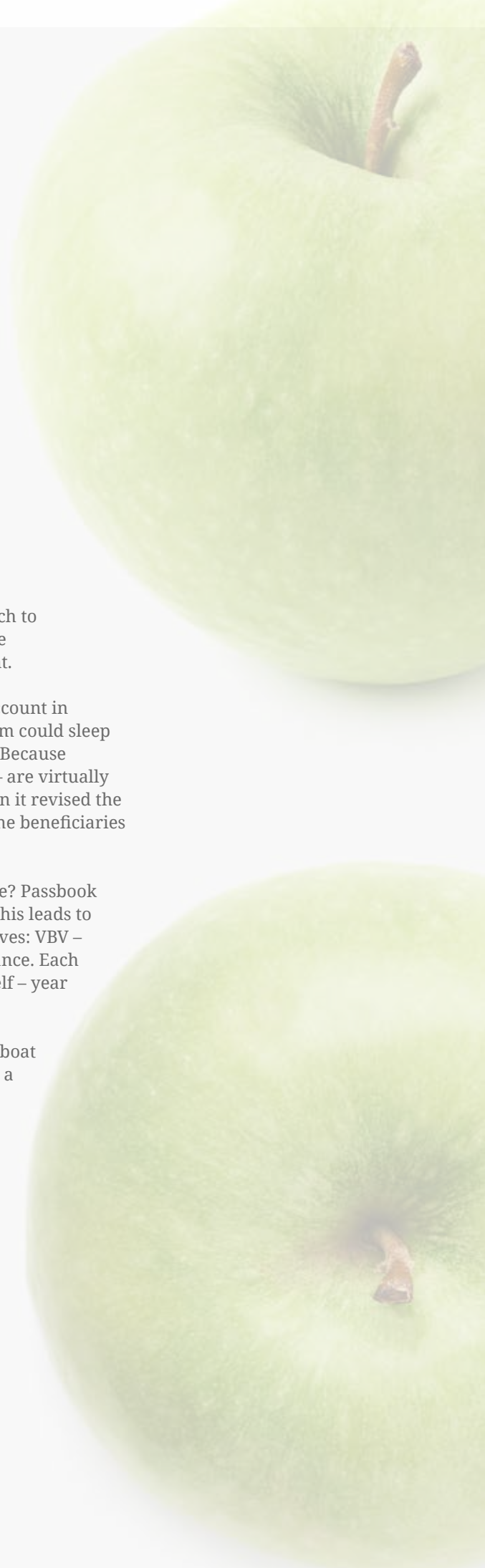
We calculated the carbon footprint of the investment for the first time in 2015 and for the time being only for the equity portion of our portfolio. Since we still don't have much experience with how the carbon footprint reacts to changes in the portfolio, our number one priority is to develop a feel for this. Our goal for 2016 is not to exceed the prior year's amount. In addition, we are planning to record the CO₂ emissions for other investment categories.

Naturally, we also want to meet the expectations of our customers in 2016. If more than 90% of our customers are satisfied with us, we are too. We can only achieve this if our employees are also satisfied.

Contents

Goals achieved	3
Goals for 2015	4
Key indicators from 2015	4
Goals for 2016	5
Letter from the Executive Board	8
Letter from the Supervisory Board	10
About this report	12
The Company	14
Legal mandate	14
Strategic orientation	15
Low-risk and sustainable investment	15
Quality and innovation	15
Dialogue and transparency	15
Overview of performance	16
Shareholders	18
Management structure	19
Executive Board	19
Supervisory Board	19
Control structures	20
Internal	20
External	20
Division of responsibilities	20
Distribution, service and administration	21
Values and governing principles	22
Stakeholder management	23
Stakeholder groups	23
Dialogue and information	24
VorsorgeINFO	26
Annual customer survey	26
Great Place to Work	27
VBV Dialogue Concerning the Future: Investment for climate protection	28
Sustainability	36
Sustainability at VBV – Vorsorgekasse	37
Major topics and Aspects	38
Opinions of our stakeholders	41
Organisation and management	42
Management report	44
Our environment	44
Financial market trends	44
Assessment of the future market trend	46
Economic trends	46
Trends in the severance fund industry	47

Economic development	48
Challenges and goals for 2015	48
Investment result	48
Key data of the Company	49
Operating results	50
Sustainable investment	51
Ethical/sustainable investment criteria	51
Evaluation and audit	56
Commitment and active ownership	57
Product portfolio	58
Employee Aspects	60
Our approach	60
Employee structure and turnover	61
Occupational health and safety	63
Training and education	64
Diversity and equal opportunity	64
Work-life balance	66
Risk management	67
Risk policies	67
Strategic objectives	67
Risk management, features	67
Risk management, process	68
Investment of financial assets	69
Investment of beneficiaries' assets	73
Compliance, anti-corruption and data protection	74
Compliance	74
Anti-corruption	75
Data protection	75
Other information	76
Outlook	77
Goals for 2016	77
Word of thanks	79
Balance sheet	80
Income statement	82
Notes to the annual financial statements	84
Statement of changes in non-current assets	92
Auditor's report	94
Report of the Supervisory Board	96
Sustainability programme	97
GRI Content index	104
Audit certificate (only in German)	112
Imprint	118



Letter from the Executive Board

Dear Shareholders,

“Do as the sundial does” – without a doubt that is a good approach to life. But to only count “the sunny hours” is no guideline for old-age pensions, where security and long-term return are most important.

Security: Gainfully employed Austrians that have a severance account in accordance with the provisions of the “Severance Pay NEW” system could sleep soundly even in the turbulent years following the financial crisis. Because severance funds – VBV just the same as the other eight providers – are virtually “unsinkable ships”. This was specified by the legislative body when it revised the system of occupational severance pay in 2002. And that is good: The beneficiaries enjoy a gross capital guarantee and losses are prohibited.

What other financial product can compete with such a guarantee? Passbook savings accounts maybe – up to a certain maximum amount. But this leads to the second important point: earnings. And this brings us to ourselves: VBV – Vorsorgekasse. Because there are no guarantees of good performance. Each severance fund must generate such earnings for its customers itself – year after year.

That is not difficult in “sunny” times. In such times even a small boat can sail across the sea. But when the weather turns bad, you need a sea-worthy vessel with an experienced team.

How was the investment weather in 2015, the period covered under this annual report and sustainability report? The worst possible turbulence that buffeted investors around the world in the years following the financial crisis has subsided in part. But the overall climate remains poor.

Drawing on another nautical image: The year 2015 was characterised by persistent interest rate doldrums. All investors were affected, even Austrian severance funds. On average, our industry realised a performance of just 1.2%. It must be said plainly: That is not good news for gainfully employed Austrians in the Severance Pay NEW pay system. In the preceding year 2014, severance funds realised an average performance of 3.98%.



We wanted to be sustainable. This course has proven itself and more and more the entire industry is following our lead.

At any rate, VBV has succeeded in clearly defending its position as a market leader even in this conceivably unfavourable environment. We are now investing the capital of more than 2.7 million customers (as at the end of 2015). The investment volume – the contributions paid so far by our customers and the income expected to be generated with these contributions – increased by 12% to EUR 2.7 billion.

VBV is also the industry leader in performance: Despite the low interest rate environment and despite the legally required gross capital guarantee that considerably limits our investment options, we achieved a performance of nearly 2% and are therefore clearly ahead of all other severance funds.

We owe this achievement to the service of our investment team and the excellent partners that have accompanied us for years. They are all an important part of the experienced team with which the vessel VBV is underway.

In addition to security and earnings, we set a third goal for ourselves when VBV was founded in 2002: We wanted to be sustainable. This course has proven itself and more and more the entire industry is following our lead.

This report is fascinating reading for anyone who wants to know exactly how sustainability is implemented in a financial enterprise, but in particular for VBV customers who want to know what happens with the contributions paid by them: They can read in detail on pages 51 to 55 about the criteria that govern how our

customers' money may be used – and which industries and companies we avoid.

We are proud of these criteria. Above all, we implement them consistently in our day-to-day operations. They can find concrete examples on page 57 of how VBV impacts companies when we get the impression that they could use some improvement in the area of sustainability.

Of course, we also place a great deal of value in operating sustainably in our own company, i.e. within VBV. For example, we offset the CO₂ that we emit in our offices or on business trips and therefore work in a carbon-neutral manner.

However, as a financial institution, the greatest impact we make on the environment and the climate by far is through our investing activities. Therefore, we decided to provide for even more transparency, true to the management maxim: "If you can't measure it, you can't manage it."

In November 2015, VBV became the first Austrian financial services provider to sign the Montréal Carbon Pledge. The signatories of this agreement undertake to periodically measure and publish their carbon footprint, i.e. the carbon intensity of their portfolio. You can find out where we currently stand on page 59 of this report.

The fact that consistent action is necessary with respect to climate protection and the role the economy and in particular financial institutions such as VBV can play was the subject of the most recent VBV dialogue concerning the future: We would like to point out this fascinating discussion, which can be found in this report on pages 28 to 35.

We are pleased to present you with this report on the progress and successes of VBV – Vorsorgekasse in the past year.

Heinz Behacker

Chairman of the Executive Board

Martin A. Vörös

Executive Board

Letter from the Supervisory Board

Dear Shareholders,

In the past financial year, VBV – Vorsorgekasse AG once again confirmed its position as a market leader. The Company realised clear growth in all core key indicators. The investment volume increased by 12% and now amounts to EUR 2.7 billion. VBV manages this amount on a fiduciary basis for its customers.

More than 2.7 million people have a pension account with VBV. Nearly 20,000 new contracts were formed (with companies as well as with individuals such as self-employed persons and freelancers).

These are impressive successes that were achieved in an environment that has been characterised by low interest rates for years. It became even more difficult in financial year 2015 to achieve adequate performance, not least as a result of the easy money policies pursued by important central banks.

The fact that VBV succeeded in realising a persistently above-average return and that it also clearly exceeded the industry average with respect to the investment of customer assets in the past financial year speaks for the Company's investment strategy and for the concrete decisions on the part of the investment team.

VBV's consistent emphasis on sustainability – not only within its “own four walls” such as with procurement or personnel policies, but also in particular in its core business of investment – once again has proven itself in 2015. Without a doubt, sustainability in investment has the largest impact on the environment and society for a financial institution. Anyone who invests sustainably, invests in those companies and industries that are geared towards the future and therefore also more economically promising. And consistent, sustainable investment is ultimately also a second form of risk management – especially important for an institution that provides its customers with a gross capital guarantee.





For a financial institution, sustainability in investment has, without a doubt, the largest impact on the environment and society.



I welcome the fact that VBV once again took an innovative step forward last year and signed the Montréal Carbon Pledge as the first financial institution in the German-speaking area. The Company thereby undertakes to measure the carbon footprint of its investments and keep it as small as possible through systematic portfolio management in order to make an active contribution in the fight against climate change.

That is an important step towards clarity and comparability with respect to the CO₂ intensity of investment portfolios!

The importance of such measures can hardly be overestimated: Those who don't know – whether as an investor or a saver and beneficiary – for which carbon emissions he is responsible for as a result of his capital investment will find it difficult to take effective and economically sensible steps to reduce his carbon footprint.

From the perspective of the owners of VBV, I am especially pleased with the success in systematically increasing the quality in management and with respect to customer service in light of the difficult demands of the financial markets and a constantly growing customer base. I only need to single out – if I may – the honours received in connection with the internationally respected EFQM quality management programme in which VBV has participated for a number of years and in which it has now achieved the highest level of certification: “Recognised for Excellence 5-Star”.

I would like to express my special thanks to the Executive Board and all the employees of VBV – Vorsorgekasse for their efforts and the success they have achieved.

Markus Posch

Chairman of the Supervisory Board

About this report

Integrated Annual and Sustainability Report

As a stock corporation, VBV – Vorsorgekasse AG is obligated to publish annual financial statements, including notes, and a management report.

Since 2006, we have also reported on our activities and efforts in the context of Sustainability and Corporate Social Responsibility (CSR). We do this in the form of an **integrated annual and sustainability report**.



Statutory requirements and voluntary guidelines

This integrated annual and sustainability report of VBV was prepared in compliance with the guidelines for sustainability reporting (Version G4, “Core” option) of the Global Reporting Initiative (GRI).

The annual financial statements and management report included in the report were published in accordance with the requirements set forth under the Austrian Commercial Code (*Unternehmensgesetzbuch, UGB*), the Austrian Banking Act (*Bankwesengesetz, BWG*) and the Austrian Corporate Staff and Self-Employment Provision Act (*Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG*).

In addition, in preparing this report the “Guidelines for the derivation of material non-financial performance indicators, in particular regarding environmental and employee-related matters” were taken into account in the management report.

The report and in particular the document “Supplementary information regarding the 2015 integrated annual and sustainability report” (www.vorsorgekasse.at/zusatzinformationen2015) include the environmental statement in accordance with EMAS Regulation (EC) No. 1221 (2009).

Reporting period and level

The reporting period for the prepared information covers financial year 2015 (1 January to 31 December) and thus seamlessly follows the reporting period of the preceding annual and sustainability report, which was published in June 2015.

VBV – Vorsorgekasse AG’s corporate headquarters are in Vienna. There are no other corporate headquarters and no subsidiaries. The reporting level for the GRI standard disclosures thus includes the entire organisation and is identical with the scope of the annual financial statements.

Contents of the report and key aspects

In addition to the obligatory contents of an annual report, this report also includes information regarding topics and aspects that are particularly important in the context of sustainable development and specifically in connection with our business activities. The question of which topics and aspects to include is discussed by VBV regularly with its stakeholders. For example, a formal dialogue and exchange takes place as part of the annual VBV dialogue concerning the future and in the regular meetings of the Ethics Committee. In addition to this, a systematic survey is conducted and our stakeholders are involved every year during the period in which the report is being prepared.

In the run-up to this report, we conducted a survey of our customers, branding and sales partners regarding how important the areas of VBV's performance, sustainability and service quality are to them. We asked our customers questions regarding these three topics during regular customer visits, i.e. in face-to-face meetings. It represents a qualitative survey whose results were recorded after the customer meetings by our sales employees.

VBV's branding and sales partners were asked in an online survey to rate the importance of the three areas of performance, sustainability and service quality quantitatively on a scale from 1 "very important" to 4 "not important at all". In order for a detailed quantitative and qualitative survey regarding the respective areas to be conducted, it was necessary that they were rated with a 1 or 2.

The results of the surveys of our stakeholders in the report's preparatory phase are used to

define the existing rating of the GRI Aspects and Performance Indicators as "material", "less material" and "not material". This rating was applied for the first time in 2014 in the course of the conversion to GRI G4 based on the results of a comprehensive stakeholder survey.

This integrated annual and sustainability report published in a print edition as well as on the website includes management approaches and relevant Performance Indicators for all major GRI Aspects. You can find a list of all key Aspects on page 40.

The Performance Indicators for the "less material" GRI Aspects can be found in the document "Supplementary information regarding the 2015 integrated annual and sustainability report" on our website under: www.vorsorgekasse.at/zusatzinformationen2015

VBV does not report on those GRI Aspects rated as "not material".

The GRI Content Index on pages 105-112 provides an overview of which specific standard disclosures of the GRI guidelines we report on and where the respective disclosures can be found.

Further information specifying the contents of the report and regarding the results of the surveys conducted can be found in the document "Supplementary information regarding the 2015 integrated annual and sustainability report" on our website under: www.vorsorgekasse.at/zusatzinformationen2015

Audit and certification

The financial statements and management report were prepared in accordance with the provisions of the Austrian Commercial Code (UGB), the Austrian Banking Act (BWG) and the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG) and audited and certified by PwC Wirtschaftsprüfung GmbH (see Auditors' report on pages 94-95).

Quality Austria has confirmed our compliance with the principles governing the determination of the contents and quality of the report and the accuracy of the data and information published in accordance with GRI standard disclosures (see Audit certificate on page 113).

Questions about the report

If you have any questions regarding the report please contact:

Peter **Eitzenberger**,
CSR Officer of VBV – Vorsorgekasse AG
Tel.: 01/ 217 01-8120
E-mail: p.eitzenberger@vorsorgekasse.at

The Company



Legal mandate

A severance fund is responsible for the **secure management and investment of the contributions** (1,53% of gross salary) to be paid under the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG).

The BMSVG and thus the “Severance Pay NEW” system apply automatically and are mandatory for all genuine employment relationships beginning after 31 December 2002. Employees appointed under the old severance pay system can voluntarily switch to the Severance Pay NEW system.

The Severance Pay NEW system has been obligatory for independent contractors and self-employed persons since 1 January 2008.

Freelancers and farmers can decide in favour of this form of severance pay on a voluntary basis.

All funds paid into the severance fund, including any vested pension rights that are transferred, are subject to the gross capital guarantee stipulated in the BMSVG. Therefore, they are guaranteed by the severance fund without any deductions, i.e. on a gross basis.

Strategic orientation

Low-risk and sustainable investment

Since the commencement of its activities, VBV – Vorsorgekasse AG has focused on the forward-looking, stable and safe investment of the capital entrusted to it by its customers. Thanks to a broad diversification of investment products based on asset classes, regions, markets and management styles, we hold the risk of loss as low as possible and realise solid returns even in a difficult market environment.

In addition to risk minimisation, our investment strategy also focuses on sustainability. Our investments should be not only profitable and safe, they must also conform to our ethical, social and environmental guidelines. These are clearly defined in our investment criteria, which are broken down into inclusion and exclusion criteria. The Ethics Committee of VBV – Vorsorgekasse AG, which has been in place since 2002, i.e. since the commencement of our operations, accompanies us in the continuous further development of these criteria, supports us in the decision-making process and presents special thematic areas of focus for discussion. We thereby ensure that we direct our investments to areas that make prudent use of the earth's human and natural resources.

Quality and innovation

Our success is based on quality and innovation in all areas of the business. VBV stands for excellent management and has clearly defined responsibilities and process chains. We place great value on the systematic security and improvement of the quality of our business, because our customers expect the highest quality and best service from VBV as the industry leader.

VBV continuously improves – based on a high level of commitment to remain open to innovation – its existing structures, processes and services. As the “First Mover” of the industry, we have developed new solutions and set standards in many areas. Our success confirms that we are taking the right approach. Therefore, VBV will remain open to innovation also in the future.

Dialogue and transparency

We measure our success by the satisfaction of our customers, employees and owners. Therefore, knowledge of the different expectations and needs of these stakeholder groups and their trust in VBV is an important requirement for the success of our business activities. Periodic surveys as well as formal and informal dialogues with our stakeholders contribute to this. In this context, our own openness and transparency is especially important to us. Comprehensive and proactive information tailored to the respective target groups is an expression of this.

Overview of performance

At the end of 2015, VBV was named the “Best Severance Fund” in a ranking by the trade journal “DerBörsianer”. We scored an impressive third place in the overall classification out of 146 Austrian financial enterprises – banks, insurance providers, severance and pension funds.



In addition, we received the distinguished IPE-Award as the “Best Austrian Severance Fund” in Barcelona. We are very pleased with these national and international awards. They certify that we have done very good work and motivate the team to continue giving its best. VBV’s most important achievements in the reporting period are summarised below.



Key data of the Company

In financial year 2015, VBV achieved the goals it set for itself with respect to the Company’s key data and in some cases even clearly exceeded the target. We were able to maintain our market share of around one-third with a total of nine providers with respect to all relevant key indicators.

	Goal for 2015	Values 31/12/2015
Contracts	355,000	356,703
Beneficiaries	2.65 Mio.	2,718,713
Contributions in € millions	415	432.4
Assets under management in € millions	2,600	2,732.6

Performance

Due to their nature and the legal environment (e.g. gross capital guarantee), the returns realised by severance funds are difficult to compare to other pension products. The 2015 investment year was characterised by a high degree of volatility and several clear price corrections. Against this backdrop and in light of the current low interest rate phase, VBV can once again present a satisfactory investment result. At 1,93%, it achieved the highest return of all severance funds in Austria. The industry’s average performance was 1,2%.

A key reason for the top performance was the block of held-to-maturity investments with stable prices and loans to borrowers with high credit ratings carefully built up over the past few years. Although market conditions made it very difficult, VBV was able to maintain this steadily priced block at a very high level also in 2015.

Service and quality

VBV places a high value on providing an optimal range of services and information. We accomplish this by taking our customers' feedback seriously and continuously making improvements based thereon. With respect to the "MVK Service Award" (2014/2015), we took first place for the best telephone consulting in the industry.



The subject of quality was central in the reporting period also with respect to our internal processes. We took steps in the reporting period to further optimise the quality management system based on the EFQM model that was introduced in 2013. With success: VBV was awarded the EFQM "Recognised for Excellence 5-Star" rating in 2015 for its high-quality business approach, making us the first and only severance fund in Austria to be thus recognised by Quality Austria.

Sustainability



In November 2015, VBV became the first Austrian financial services provider to sign the Montréal Carbon Pledge. The signatories of this agreement undertake to periodically measure and publish their carbon footprint, i.e. the carbon intensity of their stock portfolio. And so we did. In addition, VBV offset its CO₂ emissions by purchasing emission rights, whereby we relied on the strictest quality criteria in the world and purchased exclusively "Gold Standard" certificates.

The satisfaction of its employees is especially important to VBV. Therefore, VBV also participated in the anonymous survey conducted by the globally active "Great Place to Work" Institute in 2015. The thoroughly satisfying results: all employees rated the workplace as "very good".

The satisfaction of the employees contributes in particular to a good work-life balance. With the Work and Family Audit for SMEs ("Audit berufundfamilie KOMPAKT"), VBV began a standardised process to analyse and improve its own family friendliness in the reporting period. VBV was awarded the basic work-and-family (berufundfamilie) audit certificate from the Austrian Federal Ministry of Families and Youth in November 2015.



Shareholders

VBV – Vorsorgekasse AG is a stock corporation as defined under the provisions of the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG).

VBV is the largest severance fund in Austria and was founded on 28 June 2002 as the joint subsidiary of Vereinigten Pensionskassen AG and BVP – Pensionskassen AG. It advises every third employee, employer and self-employed person in Austria in the area of obligatory severance pay.

The following shareholders are directly invested in VBV:



The following entities are invested in the severance fund indirectly through VBV – Betriebliche Altersvorsorge AG:

Erste Group Bank AG, Wien	23.93%
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group, Wien	17.64%
Österreichische Beamtenversicherung, Versicherungsverein auf Gegenseitigkeit, Wien	14.96%
UniCredit Bank Austria AG, Wien	13.48%
UNIQA Insurance Group AG, Wien	3.42%
DONAU Versicherung AG Vienna Insurance Group, Wien	3.32%
Grazer Wechselseitige Versicherung Aktiengesellschaft, Graz	2.78%
Sparkassen Versicherung AG Vienna Insurance Group, Wien	2.60%
UNIQA Österreich Versicherungen AG, Wien	2.48%
3-Banken Beteiligung Gesellschaft m.b.H., Linz	1.93%
Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft, Linz	1.40%
ERSTE-SPARINVEST Kapitalanlagegesellschaft m.b.H., Wien	1.40%
Kärntner Sparkasse Aktiengesellschaft, Klagenfurt	1.40%
Steiermärkische Bank und Sparkassen Aktiengesellschaft, Graz	1.40%
HYPOTIROL BANK AG, Innsbruck	1.28%
TIROLER VERSICHERUNG V.a.G., Innsbruck	0.96%
VORARLBERGER LANDES-VERSICHERUNG V.a.G., Bregenz	0.96%
Vorarlberger Landes- und Hypothekenbank Aktiengesellschaft, Bregenz	0.96%
Bankhaus Carl Spängler & Co. Aktiengesellschaft, Salzburg	0.82%
Tiroler Sparkasse Bankaktiengesellschaft Innsbruck, Innsbruck	0.70%
Austrian Anadi Bank AG, Klagenfurt	0.64%
Landes-Hypothekenbank Steiermark Aktiengesellschaft, Graz	0.64%
Kärntner Landesversicherung auf Gegenseitigkeit, Klagenfurt	0.46%
Valartis Bank (Austria) AG, Wien	0.44%

Management structure

Executive Board

 <p>Heinz Behacker Chairman of the Executive Board</p>	Investment
	Sales Coordination, Advisory & Service
	Advertising/Marketing/PR
	Human Resource
	Organisation
	Internal Call Centre
 <p>Martin A. Vörös Executive Board</p>	Accounting
	Legal
	Risk management
	IT Coordination
	Administration & Process Coordination

Supervisory Board

Markus **Posch**, Chairman
Erste Group Bank AG

Christian **Heidrich**, Vice Chairman
UniCredit Bank Austria AG

Robert **Bilek**
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group

Josef **Trawöger**
Österreichische Beamtenversicherung, Versicherungsverein auf Gegenseitigkeit

Eduard **Aschenbrenner**
Employee representative in accordance with BMSVG

David **Mum**
Employee representative in accordance with BMSVG

Commissioner: Heinrich **Lorenz**

Deputy Commissioner: Christine **Fruhstuck**

The Supervisory Board meets quarterly, while the Annual General Meeting convenes annually.

Control structures

The following legally required supervisory bodies supplement the Supervisory Board:

Internal

Compliance Officer: Antony **Raynoschek**

Money Laundering Officer: Dietmar **Sedelmaier**

Group Auditing: Ewa **Petrak**

External

Finanzmarktaufsicht (FMA)

Oesterreichische Nationalbank AG (OeNB)

Oesterreichische Kontrollbank AG (OeKB)

Bank Examiner: PwC auditing GmbH

Division of responsibilities



Environmental Officer: Markus Sumpich Commercial attorneys-in-fact (Prokuristen): Peter Eitzenberger, Günther Herndlhofer, Dietmar Sedelmaier

Sales, Service and Administration

Since the Company was founded, VBV – Vorsorgekasse AG has relied on a sales concept that combines maximum customer focus with the greatest advisory expertise. Thanks to a total of 28 branding partners (banks, savings banks and insurance providers), VBV has a nationwide network of advisers at its disposal in Austria. The branding partners take over the initial consultation of potential new customers as well as the regular consultation of existing customers. They also offer basic information regarding Severance Pay NEW/Self-Employment Provision and provide support when forming the contract as well as when transferring from the old severance pay system into the Severance Pay NEW system.

Our customers receive expert advisory services regarding VBV – Vorsorgekasse at the following companies, among others:



In order to become a member of the severance pay system, the company must sign a membership agreement with a severance fund. If the employees are represented by a works council, a labour-management contract is a prerequisite for membership. Once the contract has been formed, all other data notifications to social security institutions are carried out through the severance fund.

Since 2008, the Severance Pay NEW system has been obligatory for all self-employed persons and optional for all freelancers identified within the context of old-age provision for self-employed persons.

Our expert employees can be directly contacted for detailed inquiries on the part of customers and business partners. The employees at our in-house call centre can provide telephonic information regarding all issues related to the severance pay system and our sustainable investing activities. Naturally, our sales team is also available for personal consultations, which can take place either at the customer's location or in the offices VBV has reserved for this purpose.

We are constantly improving our range of services and information. VBV's homepage www.vorsorgekasse.at serves as an information platform and is updated on an ongoing basis. As a result of the comprehensive and detailed feedback that we receive through our customer surveys, we can implement requests that are important to our customers in our online presence. The online account features an inbox with a direct contact function. This way, indivi-

dual inquiries can be processed promptly and various informational brochures sent, which facilitates an environmentally friendly utilisation of resources. Furthermore, users of the online account receive immediate notification by e-mail as soon as the annual pay slip is transmitted by the social security provider and the data have been updated by VBV.

Payment confirmations that include the exact payment date are sent by e-mail or text message to our customers.

The homepage offers unrestricted information – even for employees, self-employed persons and employers who are not yet customers. Basic information is offered in 12 languages.

In addition, VBV offers a quarterly newsletter that provides detailed information regarding investment results as well as the Severance Pay NEW/Self-Employment Provision system and the sustainable development of VBV – Vorsorgekasse.

With the 32 page brochure "VorsorgeINFO", VBV provides employers and employees with comprehensive information in a clearly arranged format. This brochure is enclosed with the annual account statement and covers the need for basic and generally comprehensible information regarding this topic as "Severance Pay Basics".

A detailed presentation of the various services and sources of information can be found on our homepage www.vorsorgekasse.at.

Values and governing principles

The values and governing principles of VBV – Vorsorgekasse AG were developed in 2005 in coordination with all employees together with an external adviser. They serve to orient us in strategic decisions as well as in day-to-day operations.

Our values and governing principles apply permanently and are not redefined every year. Necessary modifications or additions are carried out under the inclusion of all employees – the same as the original version. The last evaluation and adjustment was made in January 2014.

Permanent values

The actions we take every day are determined by stability, orientation on the future and clear goals. Our work focuses on sustainable investment and dealing fairly and respectfully with our customers and partners as well as the environment.

Security and stability

Our operating principles are security and stability. In keeping with these principles, we invest the assets entrusted to us stably and profitably. We are a reliable employer for our employees.

Team spirit

We value cooperation within the team. Our employees can rely on one another, are helpful and create a culture of cohesion. We create a motivating and harmonious work atmosphere that encourages commitment and ensures that the employees enjoy their work thanks to mutual appreciation and trust.

Openness and clarity

Our way of doing things is characterised by openness and transparency. We place importance on clarity in our mutual goals and their extensive internal and external communication. This is how we create trusting relationships with our partners.

Ability to evolve and quality awareness

Accountability and initiative are a matter of course for our employees. This work atmosphere promotes creativity, commitment and further development. We constantly orient our actions on increasing the quality of our work and efficiently achieving our goals.



Stakeholder management

Stakeholder groups

Our stakeholders include both those groups of people that are financially impacted by our activities or have another justified interest in the development of our Company as well as those organisations that have an influence on our business activities as a result of their actions or decisions.

Our most important stakeholder groups accordingly include customers, employees, shareholders, suppliers and partners as well as socio-political actors. You can find a detailed listing of our stakeholders in the table below.

Stakeholder groups	Sub-groups Level 1	Sub-groups Level 2
Shareholders	VBV – Betriebliche Altersvorsorge AG*	
	Merkur Versicherung AG	
	Wüstenrot Versicherungs-AG	
	Vorsorge der Österreichischen Gemeindebediensteten	
Employees		
Customers	Decision-makers in corporate client companies	Managing directors/Board members
		Works council
		HR managers
		Financial officers
	Beneficiaries	Employees
		Self-employed persons
		Independent contractors
		Freelancers
Partners/suppliers	Branding and sales partners*	
	Investment partners	Capital investment companies
		Banks
		Financial service providers
	Other partners and suppliers	Research institutes
		Österreichische Post AG
Printing companies		
Socio-political actors	Platform of the severance funds (Austrian Economic Chambers (WKO))	
	Employer and employee representatives	
	Main Association of Austrian Social Security Institutions	
	Regional health insurance funds	
	Political decision-makers	

* The shareholders of VBV – Betriebliche Altersvorsorge AG (our principal shareholder) are listed on page 18 in the chapter entitled “Shareholders” and our branding and sales partners on page 21 in the chapter entitled “Sales, service and administration”.

Dialogue and Information

The preparation of information and the ongoing dialogue with our stakeholders are very important to us. We strive to ensure that our services and our communication meet the needs of the various stakeholder groups as well as possible. The following table provides an overview of the services we offer the different groups and the information we make available to them.

Services and communication

Services and communication	implemented		
	2015	2014	2013
For customers			
Homepage:	✓	✓	✓
- optimised for mobile devices (tablets, smartphones)	✓	✓	✓
- introduction of a QR code for direct access	✓	✓	✓
Online account	✓	✓	✓
Account statement sent once every year (every three years for changes under €30) free of charge to the private address	✓	✓	✓
VorsorgeINFO with questionnaire	✓	✓	✓
Newsletter (quarterly report)	✓	✓	✓
Personal contact person at VBV	✓	✓	✓
Events/trade fairs	✓	✓	✓
Investment symposiums	✓	✓	✓
Customer events	✓	✓	✓
Appointments for corporate customers	✓	✓	✓
School information fairs	✓	✓	✓
Personal consultation	✓	✓	✓
Sporting events	✓	✓	✓
Newsletter to works councils (quarterly report)	✓	✓	✓
Offer for intranet	✓	✓	✓
Local informational events	✓	✓	✓
Questionnaire	✓	✓	✓

Services and communication	implemented		
	2015	2014	2013
For partners and suppliers			
Sales training	✓	✓	✓
Annual updating of sales documents	✓	✓	✓
Regularly scheduled meetings	✓	✓	✓
Ongoing portfolio screening	✓	✓	✓
Good, long-term business relationships/quick processing	✓	✓	✓
For employees			
Training programmes (VBV – Academy)	✓	✓	✓
Qualification programmes	✓	✓	✓
Employee survey	✓	✓	✓
Quarterly meetings with the Executive Board following Supervisory Board meetings	✓	✓	✓
Sustainable management culture	✓	✓	✓
Employee orientation meetings	✓	✓	✓
Flexible working hours, part-time work	✓	✓	✓
Social security benefits	✓	✓	✓
Pension fund model	✓	✓	✓
Preventative medical screening	✓	✓	✓
Nutrition advice	✓	✓	✓
Team-building seminar	✓	✓	✓
First aid class		✓	✓
For shareholders			
Supervisory Board meetings (quarterly)	✓	✓	✓
Annual General Meeting (yearly)	✓	✓	✓
Branding partner meetings	✓	✓	✓
Informational events	✓	✓	✓
Newsletter	✓	✓	✓
Information exchange in customer and employee media	✓	✓	✓
Product design	✓	✓	✓
For socio-political actors			
Platform of the severance funds (in the Austrian Economic Chambers (WKO))	✓	✓	✓
Press meetings	✓	✓	✓
Press announcements	✓	✓	✓
Contacts with:			
- employer and employee representatives	✓	✓	✓
- political decision-makers	✓	✓	✓
Exchange of ideas with:			
- Main Association of Austrian Social Security Institutions	✓	✓	✓
- regional health insurance funds	✓	✓	✓
- OpenCare (charity platform)	✓	✓	✓

VorsorgeINFO



VorsorgeINFO is a brochure that we update and publish annually – meanwhile with a total circulation of 2.85 million copies. In addition to information regarding sustainability and the services offered by VBV – Vorsorgekasse AG, readers will find information about Severance Pay NEW – about its advantages over the old severance pay system and the different ways to transfer into the new system. In addition, the brochure contains important contact data and definitions having to do with all aspects of severance pay system. VorsorgeINFO serves as a source of reference for our beneficiaries, to whom the brochure is sent along with the account statement. You can find a browsable version online at:

www.vorsorgekasse.at/vorsorgeinfo

Annual customer survey

VBV – Vorsorgekasse AG conducts an annual survey of its customers, mainly to learn whether they are satisfied with the quality of our services. The questionnaire is enclosed with the account statement and sent to all of our customers. It can also be completed on VBV's website.



VBV received around 320 completed surveys in 2015. The evaluation found that the majority of the customers are satisfied with VBV's activities and services.

Detailed results of the survey can be found in the document “Supplementary information regarding the 2015 integrated annual and sustainability report” on our website under:

www.vorsorgekasse.at/zusatzinformationen2015.

Great Place to Work

VBV – Vorsorgekasse AG was rated one of Austria’s “Best Employers” in 2015 and therefore once again received Austria’s most desired work award. What makes this honour so unique is the special character of this employer seal of quality awarded by Great Place to Work. Not a jury, but rather our own employees are the ones who are expressing their trust in their employer and make the award possible. That makes us both proud and strong. And it motivates all participants to continue down the path of mutual cooperation – a clear sign that our efforts to point the Company in a sustainable direction are bearing fruit at all levels. That is also one key to success as a severance fund.



Peter Eitzenberger, Heinz Behacker, Doris Palz

Approximately every third company and every third employee in Austria are serviced by the well-organised and highly efficient team of VBV – Vorsorgekasse. A trustful workplace culture based on credibility, respect and fairness is essential to this. The Company lives by the principle of open doors. Employees can meet at any time with their supervisors or the Executive Board in order to discuss their ideas and concerns. This atmosphere is appreciated both by the employees as well as the management. Conscientiously practising the Company’s core values as well as the shared joy over goals that have been met are additional factors that distinguish the “Best Employers” in the sense of the philosophy of Great Place to Work.

Quote from Doris Palz:

Managing Director “Great Place to Work”

“VBV – Vorsorgekasse clearly lives the philosophy of a Great Place to Work. It is an employer that is trusted by the people who work here, at which they are proud of what they do and enjoy the collaboration in the team. And that is here entirely a matter of course, because it is based on the Company’s basic values of sustainability and quality. The fact that this in turn leads to economic success is a logical consequence that we regularly observe with the “Best Employers”. The improvement of the business place in 2002 was also a reason for the European Commission to introduce Great Place to Work in Europe.”

Quote from Peter Eitzenberger:

“We place a great deal of value on cooperative team work and treating each other with respect. The employees can trust and rely on one another, are helpful and create a culture of cohesion. A motivating and harmonious work atmosphere is created that encourages commitment and ensures that the employees enjoy their work thanks to mutual appreciation and trust.”

Quote from Heinz Behacker:

“The motivation of the employees is the key to economic success, because motivated people tap the full potential of their abilities and creativity, work better under pressure and improve the work atmosphere – VBV recognises this lever and also practises it. The award from Great Place to Work is a sign that our efforts our well-received, that the employees are comfortable at VBV, are happy to work here and do excellent work day in and day out. That fills the management with pride and gratitude.”

Quote taken from the employee survey:

“We simply have a great work atmosphere here! We have attractive social security benefits, we can work independently, we have beautifully furnished offices, nice get-togethers and celebrations. And we are additionally motivated time and again by small gifts of appreciation. For me there is no other comparable company. I also find it great that more and more emphasis is being placed on work-life balance and that much is being done in this regard.”

VBV Dialogue Concerning the Future

Investment for climate protection – security and returns by means of sustainable cash investments

Climate protection and the economy – experts and stakeholders gathered in December 2015 to discuss this topic at the invitation of VBV – Vorsorgekasse.

The 5th VBV Dialogue Concerning the Future dealt with the issue: How is the climate doing? How are the results of the UN climate conference in Paris to be evaluated? And what contribution can institutional investors such as VBV make in order to mitigate climate change and contribute to sustainable development?

The subject of climate protection was chosen not only for its persistent controversy and urgency, but also because VBV undertook several exceptional initiatives in the area of climate protection in the past year. For example, in 2015 we let experts analyse the CO₂ emissions of all the equity investments in our portfolio in order to systematically reduce the carbon footprint of our portfolio in the future. The idea was developed in 2014 during a stakeholder workshop for the identification of important topics for the 2014 annual and sustainability report. This makes it clear just how important and fruitful the regular dialogue with our stakeholders is for us.



The following participants attended the 5th VBV Dialogue Concerning the Future (in alphabetical order):

Heinz Behacker	Chairman of the Executive Board of VBV – Vorsorgekasse AG
Franz Fischler	President of the European Forum Alpbach and former EU Commissioner
Sultana Gruber	Environmental Risk Manager of UniCredit Bank Austria AG (customer of VBV), member of the VBV Ethics Committee
Johannes Gschwandtner	Founder and Managing Director of technosert electronic GmbH (customer of VBV)
Hans Harrer	Executive Board member of the Austrian Economic Senate
Helga Kromp-Kolb	Meteorologist and climate researcher, Director of the Center for Global Change and Sustainability at the University of Natural Resources and Life Sciences in Vienna
Oliver Oehri	Executive Director & Founding Partner of the CSSP – Center for Social and Sustainable Products AG
Jürgen Schneider	Prokurist (commercial attorney-in-fact) and climate expert at the Environment Agency Austria

Moderator: Lukas **Sustala**, Economic Editor at the “Neue Zürcher Zeitung”



Below you will find a summary of the 2015 VBV Dialogue Concerning the Future.

Behacker: Ladies and gentlemen, I welcome you to the 5th Dialogue Concerning the Future of VBV – Vorsorgekasse. Thank you for your willingness to help shape the future of the Company with your contributions and ideas. The title of this year's dialogue, "Investment for climate protection" should be interpreted in two ways: The investment of its customers' money is on the one hand the core objective of a severance fund. On the other hand, we have a certain "genetic tendency" to protect the climate. Because VBV had already oriented itself towards consistent sustainability at the time of its establishment back in 2002. Today (NB: as at the end of 2015), VBV – Vorsorgekasse manages around 350.000 contracts with companies of all sizes. We invest just under EUR 3 billion in capital and we advise around 2,7 million beneficiaries in Austria. These 2,7 million people have expectations regarding their severance fund.

The ongoing dialogue with our stakeholders makes it possible for us to become acquainted with these expectations and to subsequently orient our services – and our actions in general – optimally on these expectations. The people also have certain expectations regarding the future. They want the highest quality of life possible for themselves, their children and their grandchildren. As a company, we are accordingly faced with the question: How can we invest the provident capital of our customers in order to meet their expectations with respect to returns and at the same time contribute to a thriving future with our investment?

M: I would like to open the discussion straight away with the topic of the path to a future suitable for our grandchildren. Ms Kromp-Kolb, an astonishingly broad consensus was achieved at the Paris climate conference at the end of 2015. In the agree-

ment, more than 190 countries agreed to let the earth's climate increase by a maximum of two degrees Celsius over pre-industrial levels. What does this number mean for the climate and for our future?

Kromp-Kolb: At this conference all nations agreed that a dangerous intervention in the climate system should be avoided. The question is only: What is dangerous and dangerous for whom? That is not a scientific, but rather a social question. What risks are still acceptable and at what point do we say: We don't want this any more. And who decides that? For example, island nations will consider the increase in sea levels to be a greater threat than an alpine country such as Austria. That is obvious. The two degrees that dominated the discussion for so long are now scientifically justifiable. But we have to be aware of the fact that the climate will change considerably even if



... how can we invest the provident capital of our customers in order to meet their expectations on returns ...

we meet the goal of two degrees, or even one and a half degrees. For example, it is expected that the sea level will rise by approximately one metre by the end of the century. That means that significant settlement areas will be flooded.

Schneider: It is not so easy to imagine what an increase in global temperatures of two degrees means based on our own experience. On average, we now have an increase in global temperatures of 0.85 degrees. But bodies of water warm more slowly, land areas more quickly. We know that Austria has already experienced a rise in temperatures of two degrees. I would like to remind everyone only of this past summer, which was thoroughly unbearable on some days in the city. The difference between the long-term average and this summer was a little more than two degrees. This demonstrates that, subjectively speaking, relatively small changes can already have a serious impact.

Fischler: And the effects are often not linear. In this context, we often speak of so-called tipping points that we shouldn't go beyond, because the consequences would be irreversible and hardly foreseeable.

Kromp-Kolb: That is an important point. The entire ecosystem, but also the atmosphere as an independent system, is non-linear. That means an increase of two degrees does not entail twice as much climate change as a one degree increase. On the contrary, it can be much more in certain areas and can even upend entire ecosystems. We know this from ponds that undergo eutrophication: At some point the system is upended, at which point there aren't half as many fish, but rather none at all. That is typical for natural systems that are extremely complex. One system about which we are very certain that has experienced this is the Greenland ice sheet. Greenland's icebergs are shrinking, but this does not mean that they are getting smaller and smaller. Because at a certain point the ice sheet simply collapses. And when Greenland's icebergs all melt, we will experience a dramatic and rapid increase in sea levels.

M: What does that mean exactly?

Kromp-Kolb: That could trigger a profound disturbance in the Gulf Stream in our areas. We have the Gulf Stream to thank for our mild climate in Europe. But when Greenland's icebergs melt, it is possible that the Gulf Stream will no longer reach Iceland, but will

instead descend earlier. Then we will suddenly have a cold Atlantic and that will cause our temperatures to fall dramatically. That won't take decades, but will instead occur very quickly.

M: How likely is that?

Kromp-Kolb: There is the justified hope that such a tipping point can still be avoided with two degrees. There is even greater certainty with one and a half degrees.

M: This is the goal contractually agreed by the countries in Paris. Mr Fischler, what is your political assessment of the results of the climate conference?

Fischler: In my view, the Paris Agreement must be seen in the context of the resolutions of the UN General Assembly in New York regarding the Sustainable Development Goals and those of the UN conference in Adis Abeba regarding the future of development financing. A new level of ambition was set with these three agreements. Now we have to fulfil the requirements necessary to ensure that this level is also realised. The measures taken by the signatory countries that are so far sitting at the table have been insuffi-



... and at the same time contribute to a thriving future with our investments ...

cient at any rate to remain below two degrees. The question is how the initiatives to protect the climate can be intensified and accelerated.

Schneider: I agree. But generally speaking, the Paris climate agreement was a major step in the right direction. Of course, with Kyoto I and Kyoto II, we have previously had a climate regime that essentially only included industrial countries. Kyoto II covered 12% of global greenhouse gases – 12%: that is nothing. Paris now encompasses 97% of global greenhouse gases. The agreement is now that the so-called emerging markets assume responsibility in line with their capabilities.

M: Previously we spoke of necessary measures. What measures must be taken and which challenges in particular are facing the economy and Austrian enterprises?

Schneider: The Paris agreement essentially says that we will have withdrawn from fossil fuels by the middle of the century. For me there is now no doubt that the investors will act accordingly. They will put their money where the future is. That will be in the area of renewable energy, in the area of energy efficiency. In some cases, we have already seen that

in the past three years in the performance of “fossil” corporations. If you invested there, you were really unfortunate.

M: But can we infer a long-term trend from this?

Schneider: Some people say it's a pork belly cycle – prices will rise again. I say: No recovery is in sight at least for the medium term. We currently have an oil price of USD 35 per barrel. Two years ago, many people thought it would never fall below USD 100 again. Why did it turn out this way? It wasn't speculators; the reason is fundamental market trends. The supply is greater than the demand. That is, of course, due to weak global economic development. But it is also due to the fact that much more money flowed into renewable energy than was expected or predicted. Even Greenpeace underestimated this trend by a factor of three. A second point: We have provisional data from China that are not yet fully supported, but nevertheless suggest that greenhouse gas emissions and coal consumption have stabilised there in the past couple years. It is certain that the Chinese have invested the most in renewable energy. If this trend thus continues, it is completely clear where the profitable investments will be.

Namely in the sustainable sectors.

Oehri: You are absolutely right. More and more investors will call for sustainability. The UN PRI – the United Nations Principles for Responsible Investments – are meanwhile backed by USD 59,000 billion in customer assets that demand sustainable investment. With respect to the Montréal Carbon Pledge, which originated in the autumn of 2014, the sum is at already USD 3,000 billion.

M: What can “demand” mean concretely?

Oehri: Such demand begins when the financial institutions take on a certification partner and let their entire portfolio be scrutinised. Just like VBV did as one of the first institutional investors in Austria. This way, the investors see how large the portfolio's carbon footprint is and then they can concretely work on consistently further reducing the size of this footprint, or in other words, they can exert pressure for greater sustainability.

Schneider: I am completely with you: And what this requires is transparency. There is the well-known quote from Peter Drucker: “If you can't measure it, you can't manage it.” Therefore,



... over time we have identified yet another advantage of sustainable ...

the customers are demanding to know how much CO₂ is in the portfolios. Naturally, there must also be a corresponding supply of investment possibilities. But for me there is no doubt that things will move in this direction and in that sense, Mr Behacker, you are on the right side. You are beginning once again as one of the first companies and the others will follow you.

M: Some economic representatives see in the agreement on climate protection more risks and challenges than opportunities and potential. Are they right?

Harrer: We have an enormous potential to be entrepreneurial and take concrete steps against CO₂ emissions. If we hear statements that companies threaten to migrate due to climate protection requirements, we must evaluate them on the responsibility of the persons making such statements. And measured against that standard, such statements are grossly negligent. Because the economy has the longest lever to move big things. It should also be normal for decision-makers – entrepreneurs or top managers – to behave like “rule breakers” and

not wet their pants all day because something could change, because the future will show that we need decision-makers with backbone.

Gschwandtner: I want to underscore that: we need entrepreneurs and not administrators. The difference is that the entrepreneur looks to the future and the administrator manages the past. The entrepreneur assumes responsibility. That is the most important core characteristic and therefore entrepreneurialism is the fortitude that precisely this turning point introduces, the strength we urgently need and which can accelerate things.

Harrer: At the end of the day, those who whine today will be forced to make changes. But the economy has the opportunity to shape that constructively and to their advantage. First, the economy embodies the necessary capital; second, it creates the jobs and therefore has the support of the people. A company has an impact internally on its employees and externally on its customers – that is the great multiplier effect. And I am convinced: Investments in

climate protection pay off – here we come once again to VBV – and contribute to creating a future worthy of our grandchildren.

M: Let’s take a close look at that. What opportunities and initiatives for sustainable investment do you see, Mr Oehri?

Oehri: Here as well, everything begins with transparency. We examined the carbon risks for the financial centres Germany and Switzerland. We wanted to find out how much CO₂ emissions investors are responsible for without being aware of it. I assert namely: They would change some things in this regard – if only they knew! The good news is: We can measure the carbon footprint of a portfolio. The bad news is: We won’t be pleased with the results.

M: What did you find out?

Oehri: First we looked at those funds and indices that could have “low carbon” as a goal. We were not trying to ascertain whether they could meet such targets; we were only interested in a reference point. For example, an MSCI Low Carbon



... investment: Sustainability is a second form of risk management ...

Index has 67 tonnes of CO₂ emissions for every million euros invested. In contrast, the MSCI World Index has a carbon value of 180 tonnes of CO₂ emissions for every million euros invested – that is larger by a factor of three. For comparison: The pension funds in Switzerland also have an average of 178 tonnes of CO₂ emissions for every million euros because they are oriented on a benchmark – still a factor of three.

M: And in Austria?

Oehri: *In Austria, we examined the hundred largest funds authorised to sell here with a volume of EUR 247 billion. They are responsible for 39,1 million tonnes of CO₂. That means an average of 172,8 tonnes of CO₂ for every million invested. Here, too, a factor of three. The good news: VBV is around 105. Because VBV – and that is our thesis – has already factored in sustainability, it is by definition in a much better position than the others.*

Gschwandtner: *I think it's great that we can differentiate various financial institutions based on*

their carbon footprint. We are also customers of VBV. Why are we there? Because we see that longevity and sustainability are managed there. We don't have the highest returns there every year, but we have the best return on investment over the entire investment period. Thus, as a company we can better explain to our employees why we have decided in favour of VBV in the investment of their severance funds.

Behacker: *Over time we have identified yet another advantage of sustainable investment: Sustainability is a second form of risk management. When investing we avoided many areas as a result of our exclusion criteria that came under dramatic pressure in crisis situations, in particular during the 2008 financial crisis. As a result of the application of our sustainability criteria – i.e. specifically the exclusion and inclusion criteria – we were able to protect our customers from losses. In 2008, we broke even where many others suffered double-digit losses.*

Gruber: *That is the point. Our experiences with lending have also shown that sustainable enterprises not only make a positive contribution to the climate and to the environment, they also score economic successes. Our rating system takes environmentally relevant aspects into account. Environmental risks that are identified with the help of industry-specific checklists flow as negative criteria into the rating, while positive aspects such as ISO 14001 or EMAS certification increase the customer's rating by adding points. Last but not least, it also takes less time and effort to explain the risk, because it has already been done as part of the certification.*

Oehri: *In my opinion, there is no such thing as "sustainable" and "unsustainable". Every issuer has CO₂ in their portfolio, whether they want to or not. The question is only: Should I factor that actively into my decision? Or do I simply not want to know? VBV has taken an important step here by getting certified.*



... I am convinced that VBV has made good progress in this regard ...

Gruber: That is precisely how to make things happen. We are the only bank in Austria at this time that applies the Equator Principles in project financing. It is also a matter of preventing projects from only going to non-EU countries, because emission costs can be avoided there and it's simply "business as usual" with matters related to climate change. There were also sceptics with this instrument in the beginning. Not everyone was convinced that the customers would go along with it. The Equator Principles were only signed by a handful of banks in the beginning. Meanwhile it's 81 banks worldwide. The more banks came on board, the more automatic was the acceptance.

Oehri: There are also companies that wish to bide their time and do nothing, while others see the opportunity to position themselves more positively. Once again VBV took the first step among severance funds. If the carbon footprint of the portfolio also flows into the annual sustainability rating of the severance funds through the ÖGUT environmental prize,

there is the possibility that the industry will follow suit. The pressure exerted by stakeholders could also impel pension funds and other financial institutions to follow down this path.

M: Ms Gruber, where do you see the opportunities for stakeholders to join forces and exert pressure?

Gruber: I am a member of the VBV's Ethics Committee and have observed in recent years how this company has attempted to bring others on board. VBV also has used the opportunity to exert pressure as an investor. NGOs may also exert pressure with regards to sustainability – and that also has some effect. But it is clearly necessary that an investor such as VBV exerts pressure, not least through its own commitment.

Oehri: The requirement for this is that I want to be sustainable in the first place. Firms that do not pursue this goal through their investment policy cannot demonstrate commitment. I welcome it wholeheartedly

when institutions oriented towards sustainability demonstrate commitment. But they must also stay the course. If the partners don't react, I have to pull my money out and invest it with others.

Behacker: I agree entirely. We decided at the end of 2015 to completely withdraw from companies that produce or process coal in appreciable volumes. For us, the threshold is 5% of sales that a company realises with coal. We are thus considerably stricter here than the 30% threshold some other investors set for themselves. VBV still had an investment volume of around EUR 4 million invested in coal processing companies at the end of 2015. We are currently in the process of disinvesting. Naturally, we are safeguarding the interests of our customers and doing this successively. But at the end of this process, VBV will be free of coal companies.

Fischler: That is very good. However, what you are proposing is, unfortunately, not already mainstream. What can we do to ensure that it becomes



... we will continue to carry out our role as the driver in matters concerning sustainability and quality in 2016 and beyond ...

mainstream? We surely need entrepreneurial thinking for this. In particular, we need a certain quality of entrepreneurial thinking. All too often, we still have a mentality – even with entrepreneurs – that says: “You go first – I’ll be right behind you”. We must learn to understand that this also represents an enormous opportunity for the economy. It is no doubt also fraught with sizeable risks. These risks must be managed. But to only consider the risks while ignoring the opportunities is downright self-destructive. And do we even have an alternative to taking precisely this path and working out a head start for ourselves, in particular with respect to competitors from emerging markets? That means in fact that we have to do a better job of covering the research and development sector – in particular technology development. Otherwise there won’t be any innovations. But we need such innovations in order to achieve our own climate goals.

Schneider: At any rate, the transformation to a low-carbon economy is having a major impact on the financial economy, in the area of living, in mobility and in the area of taxation. It is absolutely correct when the progressive forces – and this includes VBV – network and make a good example of moving forward while calling for others to join them.

Behacker: We will do this and I am convinced that VBV has made good progress in this regard. What I take from this round table: Everything must happen more quickly. To implement something by 2030 or 2050 is simply much too late. Therefore, we will further intensify the pressure on our peer group. We will promote the topic of CO₂ where we can have the most influence: in our investments. We have already spoken today about letting the carbon footprint for the area of equity investing be certified by third parties. We will also do this for the corporate area. Here we have the same possibilities of creating more transparency and further expanding on our leading role in Austria. We

will continue to press ahead in our role as a driver for sustainable cash investments. We will also press ahead with investments in renewable energy, even if that is not exactly easy for a severance fund: For starters, we want to meet the income expectations of our customers and we are obligated by lawmakers to invest in a particularly conservative manner. And we must also pay attention to special economic risks precisely in areas such as renewable energy or in innovative sectors in general. Therefore, we will act with corresponding prudence in these areas. We also want to take further sustainable steps in the social area. In the past, we launched new funds for health-care real estate. We will expand our position here. I consider myself confirmed – in particular after this discussion with you – that we as VBV – Vorsorgekasse are heading in the right direction. Therefore, we will continue to carry out our role as the driver in matters concerning sustainability and quality in 2016 and beyond.



Sustainability

... our investments should be not only profitable and safe, they must also conform to our ethical, ...

Sustainability at VBV – Vorsorgekasse

At an operating level, the subject of **sustainability** – often under the label of Corporate Social Responsibility (CSR) – has meanwhile moved into the mainstream of the economy. The starting point for operational sustainability management is the analysis of the positive and negative impact of the business activities in the areas of economy, environment and social welfare.

... social and environmental guidelines ...

The goal to minimise the negative and amplify the positive impacts by taking appropriate measures.

The central effect of our business activities lies in the core business – the stakeholders have also confirmed this in many cases – i.e. in the investment of the capital entrusted to us. VBV has the largest lever at its disposal to contribute effectively to sustainable development.

From an economic perspective, the challenge is to achieve the highest and most stable returns possible for the beneficiaries and to generate profits in the interest of the owners. After all, our investments should be not only profitable and safe, they must also conform to our ethical, social and environmental guidelines.

In addition to sustainable investment, we consider the second core task of sustainability management to be dealing responsibly with our employees. Because qualified, committed and healthy employees are a crucial requirement for our success.

You can find information regarding VBV's performance in these two areas in the management report in the sections on "Sustainable Investment" and "Employee Aspects". The following section shows which aspects our report covers in detail.

Major topics and Aspects

The contents of a sustainability report should concentrate on the major themes. The assessment of which topics and aspects are “material” must be carried out in accordance with the GRI guidelines for sustainability reporting taking the stakeholders into account. VBV has published an integrated annual and sustainability report every year since 2006 and has conducted many stakeholder surveys, dialogues and expert workshops over the years. Therefore, we can build upon what has already been achieved with stakeholders and experts in the annual materiality analysis.

In order to test the existing assessment of materiality and update it if necessary, we survey our stakeholders before the report is drafted or enter into discussions with experts. In the run-up to this annual and sustainability report, we asked our customers and separately also our sales partners how important the three areas of performance, sustainability and service quality of VBV are to them in general.

We asked our customers questions regarding these topics during regular customer visits, i.e. in face-to-face meetings. According to the results of this qualitative survey, all three areas tend to be regarded as important. As can be expected, the customers have different areas of focus: Whereas some customers see the priority in maximum performance, others assess the predominant market environment more realistically and value the gross capital guarantee and stable income. The perspectives on the value of sustainability at VBV are also heterogeneous. While many customers consider sustainability to be especially important and in some cases even more important than profits, others place less value on this subject. In particular companies that orient themselves on sustainable values rate VBV’s sustainable orientation very positively. The majority of the customers rate high service quality as “very important” or “important” and some of them also consider it to be a matter of course.

VBV's branding and sales partners were asked in an online survey to rate the importance of the three areas of performance, sustainability and service quality quantitatively on a scale from 1 "very important" to 4 "not important at all". In order for a detailed quantitative and qualitative survey regarding the respective areas to be conducted, it was necessary that they were rated with a 1 or 2. A majority of 96.5% of the 31 participants in the survey rated performance as "very important" or "important", while 90% rated sustainability and service similarly.

The detailed survey of the three areas was structured such that various Aspects of these areas could first be quantitatively assessed, with the survey participants later being asked to formulate their expectations and recommendations regarding the respective Aspects.

In the area of sustainability, the Aspects of economic success, reduction of the environmental impact, an attractive employer and ethically sustainable investment were assessed by our sales partners. All Aspects – with the exception of an attractive employer – were classified by more than three-quarters of the survey participants as "very important" or "important". Most of the qualitative feedback that we received underscores that these topics are important. At the same time, however, some of our sales partners do not consider sustainability in general or certain Aspects to be particularly important.

Original comments that we received from our customers and sales partners during the two surveys can be read under "Opinions of our stakeholders".

Upon evaluation of the survey results, it was not advisable to alter the assessment of materiality at the detailed level of the GRI Aspects. The assessment that we made on the basis of past stakeholder surveys and in connection with an expert workshop in the run-up to last year's report remains unchanged. The Aspects remain classified as "material", "less material" and "not material" the same as before.

All Aspects that are classified as “material” and regarding which this report provides information are listed below.



GRI category “Economic”

- Economic Performance
- Indirect Economic Impacts

GRI category “Social”

- Employment
- Occupational Health and Safety
- Training and Education
- Diversity and Equal Opportunity
- Equal Remuneration for Women and Men
- Anti-corruption
- Compliance
- Product and Service Labelling
- Customer Privacy

GRI Financial sector disclosures

- Product Portfolio
- Audit
- Active Ownership

The GRI category “Environmental”, which includes Aspects regarding operational environmental protection, was rated as “less material” by stakeholders and experts than, for example, the areas of “Sustainable Investment” and “Employee Aspects”. This is justified, since VBV as a service provider with 1.119,66 m² of office space and 38 employees does not have a significant direct impact on the environment. Therefore, this report does not include and information on operational environmental protection.

Nevertheless, we are making every effort in line with our consistent and holistic orientation towards sustainability to structure our material and energy usage as efficiently as possible and to keep our waste accumulation and our CO₂ emissions as low as possible. VBV’s environmental management system, which is certified to ISO 14001 and EMAS, serves the continuous improvement in these areas.

You can find information on VBV’s operational environmental protection in the document entitled “Supplementary information regarding the 2015 annual and sustainability report” on our website under: www.vorsorgekasse.at/zusatzinformationen2015

You can learn about which guidelines and instructions exist with respect to the “material” Aspects, what goals we are pursuing and what measures we have implemented and/or plan to implement in our sustainability programme (see pp. 98–103).

Opinions of our stakeholders

We have asked our customers and our sales partners about what is important to them with respect to VBV's performance and investing activities and what significance sustainability has for them. Some of the statements made by our stakeholders are listed below.

Quotes regarding investment & performance

Customers

"Security is number one. I prefer steady performance over sharp fluctuations."

"I always advise my employees to focus less on severance pay and set money aside for the future. Even if you don't earn much interest – it is always a motivation for the employees to have their contributions paid out after they retire."

"Security and low volatility with respect to investing is most important. How does Joe Public achieve this if he receives 10% less severance pay than his colleague who retired six months earlier at the same salary?"

Branding partners

"Broad diversification in investing is in the interest of the investor and therefore a very good strategy."

"I am more in favour of conservative investment and this appears to be the case at VBV."

"Considering the persistently low interest rate environment, VBV's performance for the past few years has been impressive."

"We consider a balanced investment policy that assesses risk to the greatest possible extent to be positive."

"The investment should also be broadly diversified in the future in order to minimise risk and maximise income."

Quotes regarding sustainability

Customers

"Our company is engaged in the area of sustainability and the severance fund must also be a good fit for the company."

"Sustainability is very important, because it ensures an additional instance of supervision. The Austrian economy should be strengthened as much as possible with the money. I am pleased that VBV works so hard in this regard."

"As an ecclesiastical institution, it is naturally very important to us that the contributions are handled in a responsible manner."

"Sustainability and a responsible approach to managing our environment is very important to the senior management. I find it very good that VBV applies inclusion and exclusion criteria in its investing activities, but also, for instance, that an online account is offered, thereby saving postage and paper."

Branding partners

"Naturally, ethical investment is important and the result is also positive in the very long term. But VBV's task is a good investing result; therefore, performance should have the highest priority."

"Sustainability is the current trend! Unethical aspects have absolutely no place – in either the customary business activities or in the investing activities."

"VBV should invest more in markets whose goal is to reduce environmental impacts and to protect resources."

Organisation and management

Sustainability is an interdisciplinary issue that impacts all processes at VBV. Consequently, there are also several management systems, codes and positions and/or people who cover the Aspects of sustainability.

The management handbook serves as a general basis for our operational organisation. This handbook identifies the responsible persons and their representatives as well as the processes

The CSR Officer Peter **Eitzenberger** is responsible for sustainability management. This follows a process of data collection and analysis, adaptation of the sustainability programme, implementation of the measures defined therein, internal audit and management assessment. The results of the audit and management assessment together with the renewed data collection and analysis are in turn the starting point for the adaptation of the sustainability programme. Peter Eitzenberger coordinates the implementation of the measures stipulated in the sustainability programme and also coordinates with the CSR Team and the persons and institutions responsible for the respective areas (e.g. RespACT, GRI, etc.).

The Compliance Officer Antony **Raynoschek** is responsible for adapting the compliance guidelines as well as for the internal supervision of the provisions included therein (see also pp. 74–75). The guidelines and the adherence to the compliance rules of the Financial Market Authority (FMA) are audited externally.

The HR manager Alexandra **Kovacs** handles personnel development, health at work and all other employee aspects on behalf of the Executive Board. We receive a major performance review with respect to the employee satisfaction that we strive for thanks to the annual participation in the survey conducted by the international Great Place to Work institute.

The continuous improvement of our operational environmental protection efforts and our compliance with environmental laws fall under Markus **Sumpich's** responsibility. The environmental management system, which is certified to ISO 14001 and EMAS, is periodically validated by external auditors.

In addition to his duties as the Money Laundering and Data Protection Officer, Dietmar **Sedelmaier** is also responsible for coordinating quality management. The quality management is reviewed externally by Quality Austria in accordance with the EFQM Excellence Model.

The investment process, which is geared towards sustainable investing, is the responsibility of VBV Asset Management under the direction of Günther **Herndlhofer**, whereby the constant further development of the processes, ensuring compliance with the ethical/sustainable investment criteria and various engagement activities are of key importance in this endeavour. VBV's investment also makes use of external sustainability ratings and/or service providers as well as the expertise of Erste Asset Management GmbH, which is an important collaborative partner in this area.



The Ethics Committee of VBV – Vorsorgekasse AG also regularly evaluates the portfolio with respect to the investment criteria.

Its members represent the areas of Social, Environment, Church and Economy. The advisory committee combines a high level of expertise with which it conducts the necessary analyses and assessments as well as recommendations for VBV's investment policies.

The members of VBV's Ethics Committee as at 31 December 2015 are:

Sultana Gruber

Environmental Ethics

Reinhard Friesenbichler

Ethical Investment

David Mum

Social Ethics

P. Franz Pilz

Ecclesiastical Ethics

Wolfgang Pinner

Forum Nachhaltige
Geldanlagen (FNG) Austria

Klaus Stöger

Economic Ethics

Martin Weishäupl

Environmental Ethics

Peter Eitzenberger

CSR Expert

The external review of sustainable investment is performed every year by ÖGUT.

In addition to the ongoing bilateral coordination, an internal meeting is held twice each year in which Mr Eitzenberger, Ms Kovacs, Mr Sumpich and Mr Sedelmaier participate along with other employees as needed under the direction of the CSR Officer. These meetings serve to evaluate the status of the implementation of the resolved measures and to carry out any changes in the sustainability programme.


The Chairman of the Executive Board bears the final responsibility for VBV's sustainability management.

Management report

Our environment

Financial market trends

The year 2015 was characterised by high volatility and several distinct price corrections on the capital markets. In the first quarter, stocks and bonds posted a strong performance, driven by better economic prospects in the USA and Europe and a continued expansive monetary policy on the part of the ECB and the Japanese central bank. These significant measures on the part of central banks aimed to stimulate economic growth and increase the rate of inflation. However, another central bank, namely the Swiss National Bank, caused quite a stir at the beginning of the year: Much to everyone's surprise, it announced the end of the minimum exchange rate of EUR 1.20 per Swiss franc. The euro immediately declined in value against the Swiss franc. Foreign currencies, in particular the US dollar, appreciated sharply against the euro.



In the second quarter there was a massive price correction on bond markets (euro area government bonds from high to low -6%), triggered by excessive valuations and the announcement on the part of the US central bank (the “Fed”) that it would be ending its zero-interest rate policy in the foreseeable future. The escalation of the Greek debt crisis and the negative economic trend in the emerging markets also provided for uncertainty on the capital markets.

While the situation on the European bond markets settled down once again over the summer months, the fears on the part of market participants that the economic slowdown in the emerging markets could also spread to the industrial nations exerted increasing pressure on global stocks, emerging market bonds and global corporate bonds. At the same time, commodity prices further declined. The wave of selling stocks reached its high point (global stocks from high to low -15%) then in late summer with the Chinese central bank’s announcement that it would be devaluing its currency, and the US central bank’s announcement that it was postponing its planned interest rate hike. Emerging market government bonds also underwent a noticeable correction during this phase.

In October, the situation on the financial markets turned around and there was a broad recovery, not least due to the temporarily better economic data from China and the willingness on the part of the ECB to further loosen its interest rate policy if necessary. However, the monetary policy measures taken by the ECB in December were smaller than expected, while the Fed increased its key interest rate in the same month as had been long expected and verbally prepared. However, the high volatility, in particular on stock markets, remained in place until the end of the year. In return, the key interest rate in China was reduced. The sell-out on the high-yield markets, also lasted until the end of the year (global high-yield bonds from high to low -8%), driven in particular by the high sensitivity of US issuers vis-à-vis the price of crude oil. The following picture emerged for the asset classes: A weak year with respect to profits; both government bonds as well as corporate bonds fell short of expectations. With respect to stocks, in particular Japan and the euro zone scored profits, while American stocks ended the year slightly down.

Assessment of the future market trend

For 2016, the majority of market participants expected a rather difficult market environment for investors compared to previous years. In addition to geopolitical risks, numerous factors are weighing on the global economy. Low global economic growth, deflation and/or recessionary tendencies, the decline of energy prices, and the problems in China speak for a defensive orientation with respect to investments.

Even if the American central bank raised interest rates for the first time in years at the end of the year, the phase of low interest rates will continue. It also remains questionable whether the expansive monetary policy measures on the part of central banks are enough to support markets as in the past.

Economic trends

As can be gathered from the WIFO forecast from December 2015, the economy grew only slightly in the reporting period in Austria: Gross domestic product compared to the previous year only rose by 0.8%. The persistently weak global economic environment curbed exports, investments only picked up over the course of the year, and consumer spending only increased slightly due to high unemployment and a weak income trend compared to the previous year.

However, despite the economy's weak basic momentum, the economy should grow much more robustly in the coming years. For example, the increase in asylum applications in 2015 and 2016 entails expenditures for the care and basic provision of asylum seekers as well as for means-tested minimum income, which increases private and public consumption. The tax reform that went into effect at the beginning of 2016 provides relief for the income of private households and is also expected to have a positive effect on consumer spending, which however will be weakened by the counter-financing measures.

Capital expenditures gathered strength over the course of 2015. Improved expectations prompted companies to gradually invest again in the expansion and modernisation of production capacities. Demand for investments will therefore continue to increase in 2016 and 2017 as the economy picks up and the export environment recovers.

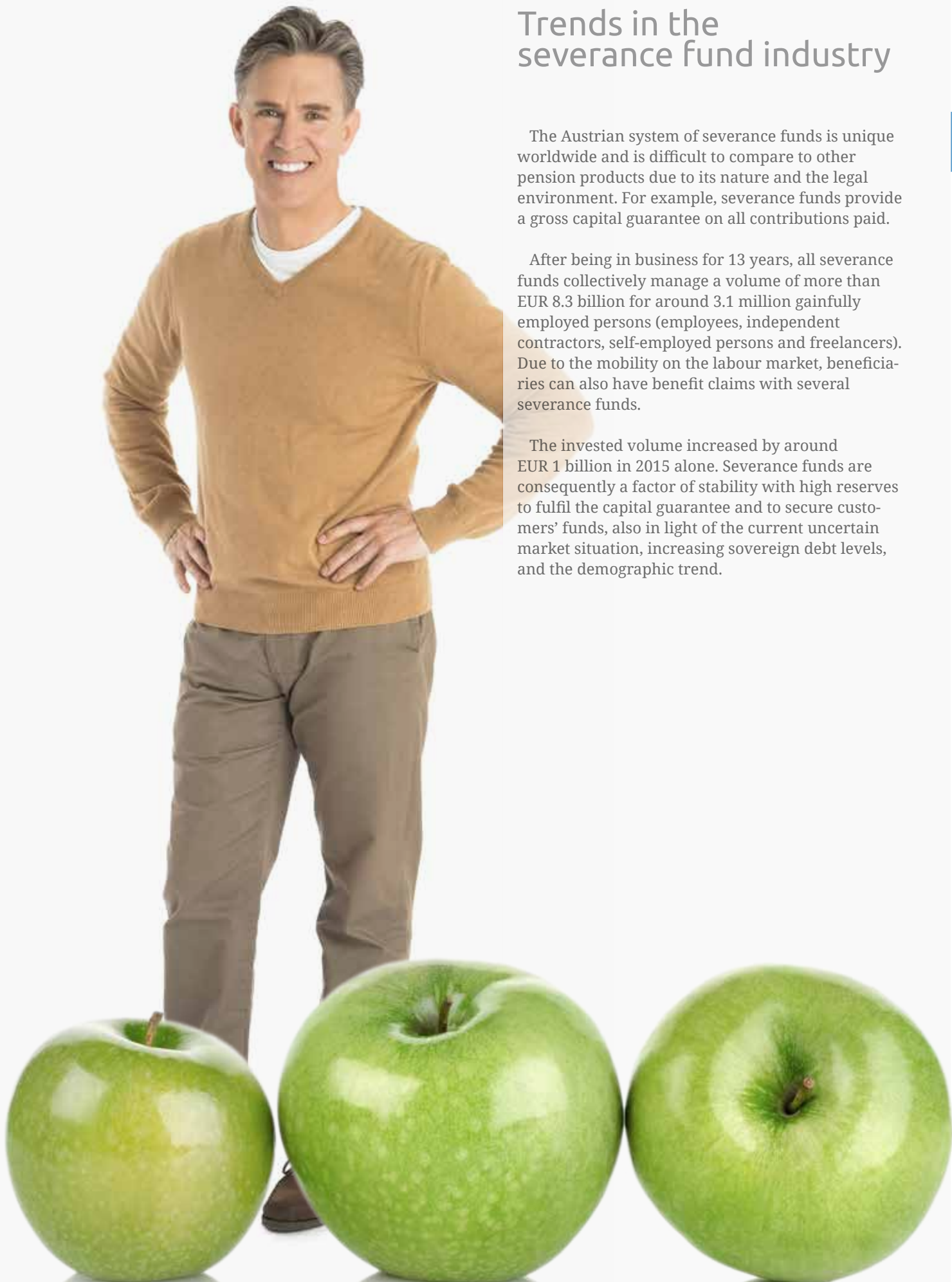
Employment in Austria continued to grow despite the weak economy. In November 2015, the number of active dependent employees was around 49,000 (+1.4%) higher than in the previous year. According to WIFO's calculations, the annual average for 2015 increased by 30,000 (+0.9%). The increase in 2016 and 2017 due to economic factors should also lead to a somewhat higher increase in employment of 36,000 (+1.0%) for each of these years. However, this increase in employment will not suffice to reduce the number of unemployed persons, since the supply of workers is increasing at the same time. In addition, the increase in the working age population is also a factor – among other things as a result of the asylum migration, the increase in effective retirement age and the increase in the share of employable women.

Trends in the severance fund industry

The Austrian system of severance funds is unique worldwide and is difficult to compare to other pension products due to its nature and the legal environment. For example, severance funds provide a gross capital guarantee on all contributions paid.

After being in business for 13 years, all severance funds collectively manage a volume of more than EUR 8.3 billion for around 3.1 million gainfully employed persons (employees, independent contractors, self-employed persons and freelancers). Due to the mobility on the labour market, beneficiaries can also have benefit claims with several severance funds.

The invested volume increased by around EUR 1 billion in 2015 alone. Severance funds are consequently a factor of stability with high reserves to fulfil the capital guarantee and to secure customers' funds, also in light of the current uncertain market situation, increasing sovereign debt levels, and the demographic trend.



Economic development

Challenges and goals for 2015

Like all severance funds, VBV – Vorsorgekasse AG is operating in an increasingly saturated market. Thanks to its heightened market presence, customer focus and high service quality, VBV was able to secure its traditionally high market share also in 2015. The premium volume (including transfers) based on more than 356,000 contracts already amounts to more than EUR 432 million.

Goals	2015
Contracts	355,000
Beneficiaries (in millions)	2.65
Contributions (in € millions)	415
Investment volume (in € millions)	2,600

As the Company's key data show, all goals set for 2015 were met or exceeded.

Investment result

VBV realised a performance gain of 1.93%. A real return was generated for trust assets, as inflation amounted to 0.9% in the reporting period according to the consumer price index. The severance fund industry as a whole achieved a performance gain of 1.2%. Thus, we can point to a thoroughly satisfying result, considering the persistently low interest rates and the volatile market environment.



Key data of the Company

The Company's total assets as at the reporting date amounted to EUR 2,792.2 million (previous year: EUR 2,481.0 million).

Within the investment community, the structure can be presented as follows on the reporting date:

Successes and achievements

	2015	2014
Contracts	356,703	337,200
Beneficiaries *	2,718,713	2,554,036
> of which with regular contributions	1,047,414	1,007,226
> of which paid up	1,671,299	1,546,810
Contributions (in € millions)	432.4	407.3
> of which regular (in € million)	422.5	401.2
> of which from transfers (in € million)	9.9	6.1
Payments (in € million)	168.8	135.4
> of which from the capital guarantee reserve (in € million)	0.1	0.1
Future severance rights (in € million)	2,730.4	2,429.1
> of which claims under sec. 47 BMSVG (in € million)	0.4	0.7
Invested assets (in € millions)	2,732.6	2,431.0
Investment result (OeKB method)	1.93	4.23
3-year performance p.a. (OeKB method)	2.84	3.60
5-year performance p.a. (OeKB method)	2.48	2.50
10-year performance p.a. (OeKB method)	2.41	2.78

* In order to avoid duplicate payments in the category of beneficiaries, a beneficiary is presented as "paid up" if VBV was assigned exclusively completed qualifying periods for the beneficiary.

The Company's market share exceeds expectations in all core areas.

Cash flow statement

		2015	2014
Cash and cash equivalents at the beginning of the period	€ thousands	3,872.65	3,667.23
Net cash flow from operating activities	€ thousands	12,786.34	11,414.03
Net cash flow from investing activities	€ thousands	-9,104.49	-8,677.36
Net cash flow from financing activities	€ thousands	-2,700.00	-2,531.25
Cash and cash equivalents at the end of the period	€ thousands	4,854.50	3,872.65

Equity structure

		2015	2014
1. Share capital	€ million	3.375	3.375
2. Capital reserves	€ million	0.500	0.500
3. Revenue reserves	€ million	22.625	18.225
4. Reserve for the fulfilment of the capital guarantee	€ million	22.500	18.100
5. Net retained profits	€ million	3.227	2.838
Total equity	€ million	52.227	43.038

Operating results

Financial year 2015 developed positively for VBV: The number of beneficiaries increased continuously, making the 6% increase in contributions received possible.

In addition, a significant consolidation of own funds was realised that represents the greatest possible security and stability for our customers.

The result from ordinary activities in the reporting period amounts to EUR 15.958.280,91 (previous year: EUR 15.082 thousand). Taking the extraordinary result into account, a positive result for the year in the amount of EUR 3.089.481,98 remains for income taxes and the fluctuation in reserves (previous year: EUR 1.635 thousand).

The reserve fluctuations comprise the legally required allocation to the reserve for the fulfilment of the capital guarantee in the amount of EUR 2.730,5 thousand (previous year: EUR 2.429,2 thousand) and a reversal thereof in the amount of around EUR 56 thousand (previous year: EUR 66 thousand). This was supplemented by a voluntary allocation for the capital guarantee in the amount of EUR 1.725,5 thousand. In addition, the Executive Board resolved to allocate an additional EUR 4.400 thousand to the revenue reserves in order to further increase the security of the customers.

No significant event occurred after the end of financial year 2015.

Recommendation for the appropriation of profits

It is recommended to the Annual General Meeting that the net retained profit in the amount of EUR 3.227.193,63 (previous year: EUR 2.838 thousand), comprising the profit for the year in the amount of EUR 3.089.481,98 and retained profits brought forward in the amount of EUR 137.711,65, be used for the distribution of a dividend in the amount of EUR 0,90 per share and that the remaining amount be carried forward to a new account.

Sustainable investment

Ethical and sustainable investment criteria

In addition to economic investment goals, VBV – Vorsorgekasse AG also takes ethical/sustainable values into account with respect to its investments. Accordingly, we pay attention not only to returns, security and availability, but also to the adherence to promising environmental and social aspects.

Our investment horizon is global, but we invest consistently also in Austrian companies in order to make a contribution to the security of permanent establishments and jobs in Austria.

Together with the Ethics Committee, we already cast our basic values in detailed investment criteria back in 2002. For instance, we do not invest in companies that threaten life or limb as a result of their operations, that jeopardise human dignity or derive benefits from unsocial and ethically questionable economic activities. Inclusion criteria include desirable environmental and social achievements, to which we give preference in our investments.

Compliance with the criteria is reviewed and evaluated on an ongoing basis by internal and external bodies. See the Section entitled “Evaluation and audit”.



The following inclusion and exclusion criteria are currently to be taken into account by our asset management team:



Inclusion criteria

Good stakeholder relationships

We prefer to invest in companies that have anchored the structuring of fair relationships with interest groups ...

- in their basic principles and strategies,
- have integrated them in their management systems and their reporting
- and pursue them systematically in their ongoing processes and actions.

Examples of this include ...

- good working conditions for employees by means of protecting against layoffs, social standards, promotion of education, remuneration, job security, etc.
- good customer relationships through quality, good cost-effectiveness, product safety, service orientation, fair communication, etc.
- good relationships with suppliers and other business partners through fair pay, long-term partnerships, etc.
- good relationships with lenders through profitability, creditworthiness, stability, transparency, etc.
- good relationships with the society as a whole in the form of media, state, and administration, neighbours and the general public.

Sustainable products

We prefer to invest in companies with sustainable products and services, that ...

- take environmental and social consequences into account already in their product development,
- exhibit a solid environmental balance over the entire life cycle, from production to utilisation to disposal,
- exhibit a solid social balance over the entire life cycle, from production to utilisation to disposal
- and create meaning for the users as well as for society as a whole.

Examples of this include ...

- achievements from the areas of medicine and healthcare,
- environmental technologies and products from the renewable energy segment,
- products and services related to the purification and provision of water,
- services that serve to transfer knowledge and provide education.

Inclusion

Protecting the environment

We prefer to invest in companies that have anchored the best-possible protection of the natural environment ...

- in their basic principles and strategies,
- have integrated them in their management systems and their reporting
- and pursue them systematically in their ongoing processes and actions.

Examples of this include ...

- established environmental management systems, for example in accordance with ISO or EMAS,
- the use of renewable energy and the reduction of fossil sources of energy,
- a lower or more efficient utilisation of resources, such as energy or raw materials,
- a large share of recycled or reused materials,
- a small impact on water, air and land as a result of emissions,
- a good climate balance.

Sustainable countries and international organisations

We prefer to invest in countries, member states, government-related and supranational organisations that ...

- maintain peaceful relationships with their neighbours and are committed internationally to preserving and promoting peace,
- treat their residents fairly and grant them comprehensive political/democratic rights and civil freedoms,
- provide their residents with a high degree of physical and economic safety,
- promote the personal and economic development of their residents,
- protect the natural environment and
- provide a high level of transparency.

criteria

Exclusion criteria

Labour and human rights violations

Companies are excluded that systematically ...

- violate employee rights in the form of the principles of the “ILO Declaration on Fundamental Principles and Rights at Work” (freedom of association, compulsory labour, child labour, discrimination) or other standards (for example, with respect to safety, remuneration, or working hours).
- violate human rights in the form of the “UN Declaration on Human Rights” (to the extent relevant for companies and not covered under employee rights).

Countries are excluded that systematically and to a significant degree ...

- violate human rights as stipulated by the “UN Declaration on Human Rights”.

Nuclear energy

Companies are excluded that to a significant degree ...

- generate electricity from nuclear energy*;
- produce nuclear fuels*;
- manufacture nuclear power plants or major components for nuclear power plants or provide related services**.

Authoritarian regimes

Countries are excluded that ...

- are classified as “not free” by the Freedom House.

Gene technology

Companies are excluded that to a significant degree ...

- produce genetically engineered seeds*;
- produce genetically engineered animals*;
- manipulate human genetic material or conduct experiments with human embryos*.

Controversial economic practices

Companies are excluded that ...

- systematically disregard statutory provisions or generally accepted rules of good behaviour (for example, corruption).

criteria

Massive environmental impacts

Companies are excluded that to a significant degree ...

- massively impact the natural environment through their products, technologies, or actions.

Tobacco

Companies are excluded that to a significant degree ...

- manufacture tobacco and tobacco products*.

Death penalty

Countries are excluded that ...

- practise the death penalty.

Weapons and munitions

Companies are excluded that to a significant degree ...

- produce or deal in military weapons or weapon systems*;
- produce or deal in other munitions.

Countries are excluded that ...

- possess weapons of mass destruction (atomic, biological, chemical, or radiological).

* to a significant degree” means: Realises more than 1% in sales revenues in this segment or is a market or technology leader.

** “to a significant degree” means: Realises more than 5% in sales revenues in this segment or is a market or technology leader.

Signatory of:



In addition to the investment criteria, we take into account the UN Principles for Responsible Investments (UN PRI). The UN PRI is an international investor initiative in partnership with the financial initiative of the UN environmental programme UNEP and the UN Global Compact. VBV became a member of this initiative back in 2008 as one of the first companies in Austria, which was initiated by the former UN General Secretary Kofi Annan and established in 2006.

Evaluation and audit

VBV Asset Management is responsible for compliance with the ethical/sustainable investment criteria. It also uses the expertise and ratings from sustainability rating agencies (oekom research, MSCI ESG and RFU), which are consequently important cooperative partners for us in the selection of investment products.

The Ethics Committee of VBV – Vorsorgekasse AG also regularly evaluates the portfolio with respect to the investment criteria listed in the preceding section.

The Ethics Committee held three meetings in the reporting period in which the following persons also participated in addition to the committee's members:

- **Heinz Behacker**
Chairman of the Executive Board of VBV
- **Günther Herndlhofer**
Director of VBV Asset Management
- **Martin Cech**
Erste Responsible Investment Team
- **A representative of the employees** of VBV

Since 2004, the sustainability of VBV's investments has also been reviewed externally by an independent expert jury of the Austrian Society for Environment and Technology (Österreichische Gesellschaft für Umwelt und Technik – ÖGUT). ÖGUT examines three areas: The funds' principles & methodology, portfolio and environment. In the area of principles & methodology, the research and monitoring with respect to the compliance with criteria in the severance fund are also examined in addition to the investment principles and criteria. The objective of the review in the portfolio area is to examine the actual investment during the reporting period. In order to design the review as comprehensively as possible in terms of sustainability, ÖGUT also includes the severance funds' environment in addition to investment. This includes an analysis of communication and transparency, the commitment approach and significance of sustainability also with respect to the respective severance fund itself (e.g. environmental aspects, employee policies, corporate citizenship).

In 2009, VBV was the first and only severance fund to receive ÖGUT's Premium certificate. Since 2010, it has received the successive Gold certificate, which VBV was awarded for the fifth time in a row in 2015.

Commitment and active ownership

Commitment is understood in the world of finance as the long-term dialogue between investors and the companies in their portfolio. The goal is to convince the management to take social, ethical and environmental criteria into account.

VBV – Vorsorgekasse discusses and decides on potential commitment activities together with the Ethics Committee. If violations of sustainability criteria are ascertained at an Austrian investee, contact is established with the management in order to receive information, to communicate VBV's expectations and suggest improvements. Decisions are taken regarding the holding or disposal of investments based on the results. Internationally, we cooperate with qualified partners who are familiar with our criteria and engage in a dialogue with the investees as representatives of VBV – Vorsorgekasse. In addition, VBV is active in the capital market over the UN PRI Collaboration Platform "Clearinghouse" together with other sustainable actors. The collaboration process regarding the topic of working standards in agricultural supplier chains was continued over this platform. Furthermore, the dialogue regarding the handling of human rights with respect to crude oil, mining and other exploration companies was started in 2015.

In Austria, a collaboration discussion took place with OMV, among others, in 2015. Internationally, we have prepared a series of reports for our collaboration partners and conducted consultations.

We were involved with major companies in the industries of construction, water and solutions to climate change regarding these same topics. An intensive dialogue was begun with Nestlé regarding the topic of water rights. There was an active dialogue with around 250 companies thanks to the cooperation with a globally operating collaboration specialist.

In the case of serious or persistent deviations from VBV's sustainability criteria or if a collaboration does not produce an appropriate reaction, we reserve the right to end the investment. The last time this happened was in 2012. No such drastic steps had to be taken in the reporting period, among other things because the portfolio is optimised on an ongoing basis in terms of sustainability through the screening of investment partners. We discussed how to proceed in the case of Volkswagen together with the Ethics Committee. Ultimately, we decided to distance ourselves from a direct commitment and to sell gradually so as to safeguard the interests of our stakeholders.

In addition to collaboration activities, actively exercising the right to vote and asking questions at Annual General Meetings can also be a means of influencing the behaviour of companies in the direction of sustainability. VBV exercised its voting rights at around 150 international Annual General Meetings by means of proxy voting.

Product portfolio

Sustainable asset management

Investments must take place within the sustainable investment universe that is defined by our inclusion and exclusion criteria.

Our internal investment team monthly receives inputs from various sustainability rating agencies on a monthly basis, consolidates them by sector and thereby defines the investable universe.

Current events, currently arising investment ideas or offers or necessary tactical measures are discussed in a daily teleconference. A regularly scheduled investment meeting takes place every month with the participation of risk management.

Structure of the portfolio

The weighting of the employed asset classes is presented and interpreted in the personal account statements of our beneficiaries and also published on our homepage under www.vorsorgekasse.at. The regional focus of our investments lies in Austria.

Regional breakdown of investments

Austria	23.8%
Euro zone	43.9%
Europe, non-EUR	13.7%
America	14.1%
Asia/Pacific	3.9%
Not assigned	0.6%



Ecolabel funds

The portfolio of VBV – Vorsorgekasse included 15 funds with the Austrian Ecolabel at the end of 2015. The selection criteria for Ecolabel funds are clearly defined and are reviewed by institutions within the funds or by external organisations. Funds that invest in nuclear energy or munitions or in commercial transactions in these areas are excluded. Activities in the area of genetic engineering are also reviewed and can lead to exclusion if appropriate. Investments in companies or institutions that systematically violate human or labour rights as well as key political, social, or environmental standards are also excluded.

The selection process must be suited to identify companies that actually bring positive benefits for society and the environment. In order to ensure this, a defined standard of quality must be observed.

Funds with the Ecolabel present information on the environmental-social concept in accordance with the transparency guidelines of the European Sustainable and Responsible Investment Forum.

Sustainable portfolio measures 2015

We continue to develop our portfolio based on the discussions in the Ethics Committee as well as the suggestions by stakeholders and experts in connection with the dialogue concerning the future. The following measures were implemented in the reporting period with the purpose of optimisation with respect to sustainability.

Equities

- Putting together a portfolio in the area of renewable energy
- Measurement of the carbon footprint for the entire investment in stocks

Alternative investments

- First investment in a Canadian sustainable real estate fund

Bonds

- First investment in a fund that invests globally and exclusively in certified “Green Bonds” or “Social Bonds” and which was awarded the Austrian Ecolabel shortly after it was launched
- Direct investment in a bond in the area of social residential construction
- First bond issue and blending of two global bond funds that are managed based on sustainable criteria and which are aimed at receiving the Austrian Ecolabel
- Adding to a fund mix that focuses on investing in institutions and companies with high social standards or business purpose in the UK
- Adding to a fund mix that invests in supranationale issuers in emerging market currencies. This fund also carries the Austrian Ecolabel

Montréal Carbon Pledge

VBV signed the Montréal Carbon Pledge in 2015 as the first Austrian financial service provider. Signatories of this agreement undertake to measure and publish the carbon intensity of their portfolio (the so-called carbon footprint).

The goal of this initiative is to create more transparency with respect to the carbon footprint of stock portfolios and to thereby contribute to reducing its size over the long term. The Montréal Pledge is open for all investors worldwide and is supported by PRI (Principles for Responsible Investment) and UNEP FI (United Nations Environment Programme Finance Initiative).

VBV has implemented the agreement at two levels. In a first step, the Company compensated the CO₂ emissions it caused by acquiring emission rights, whereby it focused on the most strict quality criteria in the world and purchased only certificates of the “Gold Standard”.

In a second step, VBV began to identify the carbon footprint in its own investments, which is far more important in terms of climate protection. An external expert was also engaged to analyse VBV’s stock portfolio. At 105,5 t CO₂/million euros, the carbon footprint of this portfolio is around 40% lower than the reference value of the MSCI World Portfolio.

For VBV, the measurement and publication of its carbon footprint is an important instrument in making its own portfolio consistently more sustainable. In addition, VBV has decided to exclude all companies that realise at least 5% of their sales revenue with the reduction of coal from the investable universe (stocks and corporate bonds).

Employee Aspects

Our approach

Qualified, committed and healthy employees are the basis for our success. Therefore, VBV – Vorsorgekasse AG maintains personnel management focusing on the interests and qualities of the employees and takes their individual needs into consideration as much as possible.



We promote advanced training and further education of the employees. The training opportunities offered by the VBV – Academy serve the interest of specialised further education and are geared to all employees, regardless of age, gender, or length of service. As a result of regular job rotation, we supplement the internal management of know-how in the interest of the customers, an enhanced innovative capacity and greater satisfaction on the part of the employees.

For the sustainable management of personnel, it is also advisable for VBV that we communicate transparently and openly also internally, as we do externally with customers or sales partners. An example: The Executive Board informs all employees of the relevant details and decisions taken after every Supervisory Board meeting.

VBV makes an effort to ensure the long-term loyalty of the employees and thus provides job security and a pleasant work atmosphere. We value equal remuneration for equal work and also that it is possible to further develop within the company regardless of gender.

Since it was founded, VBV has had a flexible working time model in place that is well-embraced by the employees. This flexibility creates the necessary space in particular for working mothers and fathers to take care of their children.

In order to supplement the old-age provisions of its employees, VBV has made contributions to a pension fund since it was established.

In addition to the aforementioned measures, there are also team seminars, regular field trips and employee events that promote team spirit. The result of these measures shows in the extraordinary commitment of the employees and in their satisfaction with the workplace. The latter was confirmed by the anonymous survey of the globally active Great Place to Work institute in which VBV also participated in 2015. The thoroughly satisfying results: All employees rated the workplace as “very good”. Thus, it was once again able to improve upon the previous year, in which it achieved third place in the category “Small” (29-50 employees) with 98% “very good” ratings across Austria.



Employee structure and turnover

VBV – Vorsorgekasse had a total of 42 employees (not including Executive Board members) as at 31 December 2015 and thus 4 more than at the end of 2014.

As of the reporting date, two salaried employees had a limited contract with VBV. As a rule, limited employee contracts are only formed with new employees for a specific length of time – three months on average. Upon the expiration of this period, the employees receive indefinite contracts.

Around a third of our employees are employed on a part-time basis. In particular female employees frequently prefer part-time employment over full-time.

Total workforce (headcount) by type of employment and employment contract based on gender*

	2015			2014			2013		
	♀	♂	♀♂	♀	♂	♀♂	♀	♂	♀♂
Number of employees	29	13	42	24	14	38	22	11	33
> Full-time employees	18	9	27	13	11	24	12	8	20
> Part-time employees	11	4	15	11	3	14	10	3	13
> Employees with indefinite contracts	28	12	40	24	14	38	21	11	32
> Employees with limited contracts	1	1	2	0	0	0	1	0	1
Number of supervised employees	0	0	0	0	0	0	0	0	0

* Since the members of the Executive Board do not have the same status as salaried employees under labour laws, the two Executive Board members are not included in the Table of key employee indicators. In addition, employees on parental leave are also not included.

Due to the satisfying increase in the number of contracts and beneficiaries and also thanks to the expansion of services for our customers, the amount of work also steadily increases despite efficient management. In order to cope with this, we hired six new salaried employees in 2015 (five women, one man). Three employees left the Company in the same period. Consequently, the employee turnover in 2015 amounted to 7.7%.

Total number and ratio of newly hired employees as well as employee turnover based on age group and gender

2015							
Gender	♀			♂			♀♂
Age group	< 30	30-50	> 50	< 30	30-50	> 50	alle
Number of employees	17	10	2	4	8	1	42
Number of newly hired employees	5	0	0	1	0	0	6
Percentage of newly hired employees	35.7%	0.0%	0.0%	33.3%	0.0%	0.0%	15.8%
Number of employees who left the company	1	2	0	0	0	0	3
Number of employees who left the company in%	7.7%	16.7%	0.0%	0.0%	0.0%	0.0%	7.7%
2014							
Gender	♀			♂			♀♂
Age group	< 30	30-50	> 50	< 30	30-50	> 50	alle
Number of employees	14	11	1	4	7	1	38
Number of newly hired employees	5	1	0	2	0	0	8
Percentage of newly hired employees	50.0%	9.1%	0.0%	66.7%	0.0%	0.0%	24.2%
Number of employees who left the company	1	1	0	1	0	0	3
Number of employees who left the company in%	10.0%	9.1%	0.0%	33.3%	0.0%	0.0%	9.1%
2013							
Gender	♀			♂			♀♂
Age group	< 30	30-50	> 50	< 30	30-50	> 50	alle
Number of employees	8	13	1	3	7	1	33
Number of newly hired employees	0	1	0	2	0	0	3
Percentage of newly hired employees	0.0%	7.7%	0.0%	200%	0.0%	0.0%	9.7%
Number of employees who left the company	0	1	0	0	0	0	1
Number of employees who left the company in%	0.0%	7.7%	0.0%	0.0%	0.0%	0.0%	3.2%

VBV focuses on stability and continuity in the structure of the workforce, in particular with respect to employees with know-how in key positions. There were no personnel changes in the Executive Board or the management team. The average length of service of our employees in 2015 was 6.6 years. Thus, the value increased slightly once again despite a few new hires following a slight decrease in 2014.

Length of employee service in years		
2015	2014	2013
6.6	6.4	7.1

Occupational Health and Safety

The typical occupational diseases as defined by the Austrian accident insurer AUVA do not exist in the financial industry. No special risks have so far been identified even in the course of annual examinations of physical stress at the workplace. Nevertheless, VBV strives to promote health at the workplace and the health of its employees overall, as we see this making a major contribution to the satisfaction of the employees and for their commitment for the customers and for the Company.

Once a year, the employees of VBV – Vorsorgekasse can take part in a health exam conducted in-house at VBV. Furthermore, VBV makes it possible to participate in a series of vaccination campaigns and covers the costs for this.

Fitness courses free-of-charge in-house and preferential rates for external fitness and sports programmes round out our contribution to employee health.

Very satisfying: Sick days decreased considerably in the reporting period. In 2015, the employees of VBV took 6.5 sick days. In the two preceding years it was 8.9 (2014) and 8.6 (2013) sick days.



Training and Education

Qualified, well-trained employees are especially important for a financial service provider such as VBV. We provide for regular, advanced professional training at our own VBV – Academy.

The entire workforce is required by lawmakers to attend annual training in the area of data protection and for the avoidance of money laundering and the financing of terrorism. The members of the Executive Board and authorised signatories (Prokuristen) must also complete so-called Fit & Proper training courses.

In addition to the mandatory training courses, for which our employees spend on average around four training days per year, we also offer the opportunity of goal-oriented, individual advanced training and further education. In this way, we ensure that our customers are advised at the highest possible professional level.

As a general rule, four types of training courses are conducted at the VBV – Academy:

- External training courses
- Internal training courses for all employees
- Internal training courses specifically for new employees (start package and enrolment)
- Internal qualification measures and advanced training in core tasks (in the team)

In 2015, the employees spent 988 hours in external training courses (an average of 24 hours per employee). That is slightly less than the high level that VBV reached in 2014.

With the in-house fair, VBV has developed an innovative format for internal further education and brainstorming that was used for the first time in 2013. The concept envisages that the employees acquire knowledge on various topics in groups on their own responsibility and subsequently pass it on to their colleagues. In this way, possibilities are identified and ideas are developed in a pleasant training environment that can contribute to a positive development. During the 2015 in-house fair, our employees presented information as well as suggestions for improvement regarding the topics of career and family, attracting and keeping customers, social commitment, data protection and avoiding money laundering and the financing of terrorism and discussed them with their colleagues.

VBV's advanced training and further education courses are not only directed at young employees, but instead are offered in equal measure to all of our employees, who also take advantage of this opportunity.

An employee orientation meeting is held once a year with every employee in which they are assessed by their supervisor and agree on goals as well as on advanced training and further education measures for the coming year. The assessment of the services rendered in the past year is a crucial factor for receiving and determining the amount of the individual goal achievement bonus. All of VBV's employees are subject to this performance-based bonus rule.

Diversity and Equal Opportunity

VBV – Vorsorgekasse does not differentiate based on gender either with respect to salary or with respect to career opportunities.

Of the four group supervisors, three are women (two part-time employees) and one is a man. The positions on the Executive Board and authorised signatories (Prokuristen) are occupied by men.

Salaries and remuneration are determined based on the position and qualifications (school, higher education, professional experience). Men and women in comparable positions and with comparable qualifications earn the same amount at VBV.

Breakdown of the workforce by employee category with respect to gender, age group and foreign citizenship.

	EC1	EC2	Total
2015			
Number of employees	8	34	42
Percentage of employees (female)	37.5%	76.5%	69.0%
Percentage of employees (male)	62.5%	23.5%	31.0%
Percentage of employees < 30 years	0.0%	61.8%	50.0%
Percentage of employees 30–50 years	50.0%	41.2%	42.9%
Percentage of employees > 50 years	12.5%	5.9%	7.1%
Percentage of employees with foreign citizenship	0.0%	2.9%	2.4%
	< 30	30-50	> 50
Number employees (female)	17	10	2
Percentage of employees (female)	81.0%	55.6%	66.7%
Number of employees (male)	4	8	1
Percentage of employees (male)	19.0%	44.4%	33.3%
2014			
Number of employees	8	30	38
Percentage of employees (female)	37.5%	70.0%	63.2%
Percentage of employees (male)	62.5%	30.0%	36.8%
Percentage of employees < 30 years	0.0%	60.0%	47.4%
Percentage of employees 30–50 years	87.5%	36.7%	47.4%
Percentage of employees > 50 years	12.5%	3.3%	5.3%
Percentage of employees with foreign citizenship	0.0%	6.7%	5.3%
	< 30	30-50	> 50
Number of employees (female)	14	11	1
Percentage of employees (female)	77.8%	61.1%	50.0%
Number of employees (male)	4	7	1
Percentage of employees (male)	22.2%	38.9%	50.0%
2013			
Number of employees	8	25	33
Percentage of employees (female)	37.5%	76.0%	66.7%
Percentage of employees (male)	62.5%	24.0%	33.3%
Percentage of employees < 30 years	0.0%	36.0%	27.3%
Percentage of employees 30–50 years	75.0%	60.0%	63.6%
Percentage of employees > 50 years	25.0%	4.0%	9.1%
Percentage of employees with foreign citizenship	0.0%	8.0%	6.1%
	< 30	30-50	> 50
Number of employees (female)	8	13	1
Percentage of employees (female)	72.7%	65.0%	50.0%
Number of employees (male)	3	7	1
Percentage of employees (male)	27.3%	35.0%	50.0%

EC1: Employees with management responsibilities or in staff positions (including team supervisors)

EC2: Employees without management responsibilities

Both Executive Board members (ages 61 and 49) are men with Austrian citizenship.

Work-life balance

Since it was founded, VBV has maintained family-friendly personnel policies and has therefore long paid heed to proper work-life balance. In order to systematically further develop this issue in its personnel policies, VBV began a standardised process for the analysis and improvement of its own family-friendliness with the “Work and Family Audit for SMEs” in September 2015.

VBV was awarded the basic work-and-family (berufundfamilie) audit certificate from the Austrian Federal Ministry of Families and Youth in November 2015. A requirement for this was the identification of potential for improvement in the relevant fields of action for a family-friendly company. In particular, this also included the derivation of specific goals and measures.

These were developed by a working group made up of VBV employees and an adviser and resolved by the management:

1. Consideration of career and family in the work organization
2. Creation of a “Work and Family” primer/ catalogue
3. Establishment of a VBV family day
4. Broadening the approach to “work-life balance”
5. Expansion of the employee orientation meeting to include this topic
6. Introduction of periodic meetings for persons on leave (e.g. quarterly)
7. Introduction of a “parenting sabbatical” rule

Recertification is planned in three years. A requirement for this is that the measures resolved were implemented and the goal of further increasing VBV’s family-friendliness was achieved. In the case of successful certification, the companies participating in the audit receive the government seal of quality for more family-friendliness.



Risk management

Risk policies

The **risk policy** of VBV – Vorsorgekasse AG defines the general conditions, tasks and goals of the risk management process and is thus a core element of the Company's investment policy.

As a severance fund, the Company is subject, among other things, to the provisions of the Austrian Corporate Staff and Self-Employment Provision Act (*Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG*), the Austrian Banking Act (*Bankwesengesetz, BWG*) and the accompanying orders of the Austrian Financial Market Authority (*Finanzmarktaufsicht, FMA*). As a funded form of old-age provision, the Company is continuously trying to strike a balance between short-term investment success and the long-term savings process. The provision of sufficient liquid funds at all times, the realisation of corresponding income and satisfying the legally stipulated gross capital guarantee characterise the tasks of the Company's investment and risk management.

Strategic objectives

As a market leader, VBV lays claim to its right to set standards. In this sense, VBV established the area of investment risk management in the autumn of 2005 after the European Parliament's guidelines on employee pension funds went into effect and thereby organisationally supplemented the area of investments. In subsequent years, the area of responsibility of investment risk management was successively expanded in the direction of company-wide risk management. Together with other areas, such as the Internal Auditing department, investment and risk management contributes to the security of satisfying contractual performances.

Risk management, features

The area of risk management bundles expertise from the area of investing, finance and insurance mathematics corresponding to the responsibilities of asset-liability management. As a separate area, risk management ensures a simultaneous asset/liability perspective based on the statutory provisions.



Risk management, process

VBV's understanding of the individual risk categories, the determination of the risk-bearing capacity and the establishment of goals apply as the basis for the risk management process. The process is defined as a closed circuit at VBV. Basically, the individual risk categories must be observed over time both separately as well as in aggregate form.

The collective observation of qualitative and quantitative aspects serves as the basis for determining the risk-bearing capacity and definition of targets.

Process-typical elements such as risk identification, analysis, evaluation, management, monitoring and documentation ensure a structured sequence. Timely and regular reports submitted to the defined bodies provide a risk-based foundation for making decisions.

The process is integrated into a continuous improvement process (CIP) on the basis of steps already taken, ensures the monitoring of measures implemented and provides impetus for further measures if necessary.

For VBV, risk can be subdivided into the following risk categories:

Market risk

Market risk refers to the risk that existing assets lose value due to negative market trends (e.g. share price, interest rate trend, currencies) and result in a loss for the risk-bearer.

Liquidity risk

Liquidity risk refers to the risk to capital and/or profits in the event of a potential inability to meet payment obligations without incurring high losses.

Concentration of risk

Concentration of risk is understood as the risk arising as a result of the aggregation of individual risk positions such as guarantors, managers, sectors, etc., and which can lead to substantial losses on the part of the risk-bearer.

Credit risk

Credit risk refers to the risk that the lender (risk-bearer) incurs a loss because a borrower cannot meet their obligations (e.g. as a result of insolvency).

Operational and technological risks

Operational risks are understood as the risk of losses as a result of inappropriate behaviour or the failure on the part of employees, internal processes, or systems or due to external events.

The customary definition of risk, risk categories and other associated terms also used by the Company is in line with the definitions used by the Austrian Financial Market Authority (FMA) and the Oesterreichische Nationalbank (OeNB), which can be found on their homepages at:

www.fma.gv.at/cms/site/DE/

<http://www.oenb.at/Service/>

These risks are discussed below if they prove to be specific to the Company.

Investment of financial assets

As at the reporting date 31 December 2015, the Company's financial assets amount to around EUR 55.4 million.

The Company's financial assets are largely invested in fixed-interest assets. An additional portion of assets are held in the form of cash for reasons of liquidity management. Creditworthiness for the identification of credit risk is classified with the help of generally recognised agencies such as Standard & Poor's or Moody's. The portfolio of fixed-income securities can be classified almost exclusively as "investment grade". If individual issues do not have an external rating, the issuer's rating is applied. The financial instruments in the portfolio of financial assets are measured at the balance sheet date under fixed assets in accordance with section 56 BWG and under current assets based on the strict principle of lower of cost or market.

Breakdown of financial assets as at 31 December 2015 by asset class	VK AG
Government bonds in EUR	20,164,657.92
Bank bonds in EUR	25,750,135.20
Corporate bonds in EUR	4,627,033.92
Cash	4,854,565.41
Total	55,396,392.45

Market risk

Due to the conservative orientation of the financial assets, there is no stock market risk or foreign exchange risk. Interest rate risk is a risk category to which the Company is exposed. This risk is countered as a precautionary measure by the prudent, diversified orientation of the investing activities. Fluctuations in the area of the euro yield curve influence the value of the Company's financial assets.

The presented scenarios show various critical market price changes. The first two scenarios are inputs for stress scenarios specified by the Austrian Financial Market Authority, the scenario labelled "BAFIN" originates from the German regulatory agency. In particular the FMA Stress Scenario 1 represents an extreme scenario.

With respect to the effects on the capital adequacy rules under national solvency laws, reference is made to a special feature of severance funds. A general rule that applies for the Company is the fact that a capital market-based stress that leads to sharp changes in market prices influences both financial assets as well as the basis for the requirements under solvency laws and the actuarial reserve in equal measure.

Section 20(1) of the Austrian Corporate Staff and Self-Employment Provision Act (*Betriebliches Mitarbeiter- und Selbständigenvorsorgegesetz, BMSVG*) with a nominal amount of 0.25% of the total sum of the future severance rights applies for the severance fund as a specification to be met annually for the satisfaction of own funds deductible; in addition, the specification under section 20(2) BMSVG with respect to the targeted value of 1% of the total sum of future severance rights also applies. The specified minimum allocation until this amount is reached equals 0.1% annually.

At any rate, the coupling of the targeted specifications that serve as the basis for the nominal amounts and can also fluctuate based on the capital markets applies. With respect to the amount of any imminent capital infusions as a result of the gross capital guarantee in accordance with section 24(1) BMSVG and the resulting effects on the financial assets, please refer to the Section entitled "Investment of beneficiaries' assets".

The tables below show the effects of various scenarios on the Company's financial assets:

FMA Stress Scenario 1

Breakdown of financial assets as at 31 December 2015 based on asset classes	Stress return	VK AG
Government bonds in EUR	-20.00%	16,131,726.34
Bank bonds in EUR	-20.00%	20,600,108.16
Corporate bonds in EUR	-20.00%	3,701,627.14
Cash	0.00%	4,854,565.41
Total		45,288,027.05

FMA Stress Scenario 2

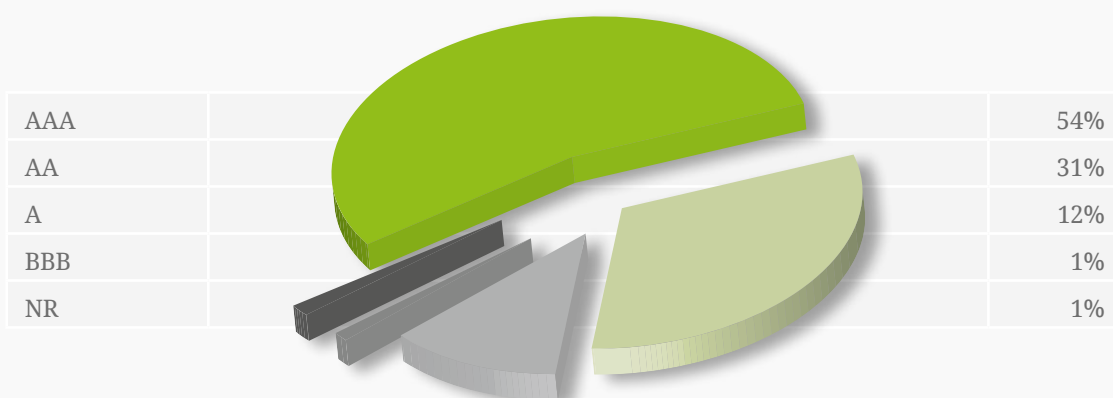
Breakdown of financial assets as at 31 December 2015 based on asset classes	Stress return	VK AG
Government bonds in EUR	-10.00%	18,148,192.13
Bank bonds in EUR	-10.00%	23,175,121.68
Corporate bonds in EUR	-10.00%	4,164,330.53
Cash	0.00%	4,854,565.41
Total		50,342,209.75

BAFIN RA25

Breakdown of financial assets as at 31 December 2015 based on asset classes	Stress return	VK AG
Government bonds in EUR	-5.00%	19,156,425.02
Bank bonds in EUR	-5.00%	24,462,628.44
Corporate bonds in EUR	-5.00%	4,395,682.22
Cash	0.00%	4,854,565.41
Total		52,869,301.10

Credit risk

Ratings from generally accepted sources are applied to estimate the creditworthiness of issuers or counterparties. The chart below shows the breakdown of the portfolio of bonds and loans based on ratings.



Liquidity risk

The satisfaction of payment obligations is ensured by the holding of liquid funds in the form of cash as well as by the possibility of being able to sell sufficient marketable securities at any time.

In addition, the tables below show the maturity structure in the portfolio:

Maturity structure of assets classified as Held To Maturity	VK AG
without a due date	70.00
up to 1 month	199,970.30
more than 1 month and up to 12 months	1,748,610.35
more than 1 year and up to 5 years	20,199,279.15
more than 5 years and up to 10 years	22,349,908.79
more than 10 years	6,044,058.45
Total	50,541,897.04

Maturity structure of assets classified as Available for Sale	VK AG
without a due date	4,854,495.41
up to 1 month	0.00
more than 1 month and up to 12 months	0.00
more than 1 year and up to 5 years	0.00
more than 5 years and up to 10 years	0.00
more than 10 years	0.00
Total	4,854,495.41

The presentation lists the maturities, based on an assumption of implicit regular market phases. In such phases, marketability cannot always be guaranteed at all times even for essentially liquid products as a result of temporary crisis situations, or if so then only with corresponding discounts.

Operational and technological risks, Company-wide risk management

Operational risk is the determining risk category in operational processes.

From the perspective of VBV, a sound education and solid qualifications are central for all employees. Ongoing personnel development and further qualification ensure an adequate level. Rules of representation limit the risk of a loss of key personnel. The installed internal control system (ICS) and a universal policy of dual control are in effect.

The organisational structure chosen by VBV and the separation of functions derived therefrom form the basis for limiting risk. Clear responsibilities are defined with respect to expertise, signature authorisations and rules of representation. The documentation of important work processes in corresponding regulations as well as the communication to all participants have been specified.

Technological risks are identified by means of corresponding attention to ongoing tests of controls and the approval of tested systems as well as the sufficient documentation of all processes.

In addition to one of the core responsibilities of risk management, i.e. investment risk management, all core areas of the Company are integrated and identified in a Company-wide, uniform risk management process with the goal of supplying the management with a holistic risk report as a component of the management information system.



Investment of beneficiaries' assets

As at the reporting date, 31 December 2015, the assets of the beneficiaries of VBV – Vorsorgekasse AG are recognised in a collective investment entity (CIE) of the severance fund. The CIE represents a pool of segregated assets under accounting laws.

This specific situation can be presented as follows:

The future severance rights of the collective investment entity are invested with respect to section 30 BMSVG under the aspect of security, profitability, the need for liquid funds and the appropriate mix and diversification of assets.

For the Company, the gross capital guarantee set forth under section 24(1) BMSVG represents a special risk, because the amounts that flow to the severance fund are to be guaranteed to the beneficiaries without any deductions, regardless of the developments in the international capital and financial markets. For example, the minimum claim on the part of the beneficiaries vis-à-vis the severance fund equals the sum of severance contributions that have flowed to the severance fund plus any vested future severance rights transferred as well as any future severance rights transferred from another severance fund. If future severance rights or self-employment provisions are transferred in accordance with section 12(3) BMSVG, the minimum claim vis-à-vis the new severance fund increases by an amount equal to the contributions that flowed to the transferring severance fund. The guarantee and the resulting risk are measured in a model developed by the Company that enables projections and simulations of various scenarios based on the Company's customer portfolio.

The chosen approach is validated and adapted with respect to the validity of the underlying assumptions.

The risk of the capital guarantee is taken into account when determining the strategic orientation of the investment made under the collective investment entity. With respect to the capital guarantee to be fulfilled, no unforeseen risks arose in financial year 2015. The amount allocated to the reserves in accordance with section 20(2) BMSVG was larger than required under the law with the intention of providing additional security for the customers. An optional guaranteed interest rate as defined under section 24(2) BMSVG was not granted.

Compliance, anti-corruption and data protection

Compliance

Compliance is understood as the **adherence** to national and European legal provisions (laws, directives and regulations) as well as ethical and moral principles.

As a severance fund, VBV – Vorsorgekasse is subject to multiple supervisory laws as well as monitoring by the Austrian Financial Market Authority (FMA). With respect to supervisory compliance, the focus is on the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG) and the Stock Exchange Act 1989 (BörseG).

In accordance with section 48s in conjunction with section 82(5) BörseG, severance funds are obligated to take appropriate actions to avoid insider trading. VBV complies with this stipulation.

The activities of the Compliance Officer are based on VBV's internal guidelines for the avoidance of the abuse of insider information and market manipulation in companies ("Compliance Guidelines"). The Compliance Guidelines define confidential areas and the associated prior notification duty on the part of employees from this group of individuals in the case of certain securities transactions.

The objective of this guideline is the avoidance of market abuse as defined in the legal provisions, in particular by regulating the principles under which compliance and/or price-relevant data are forwarded or may be forwarded in companies. At the same time, the associated clarification of the rules of conduct also serve to protect the employees themselves.

Every employee of VBV is informed of the prohibition against the abuse of insider information in securities trading before their first day of work. The employees must immediately contact the Compliance Officer if they have justified suspicions based on the facts and information available to them that a planned or completed transaction could represent insider trading or market manipulation.

The Compliance Officer is obliged to continuously monitor compliance with the guidelines.

In addition to the Compliance Guidelines, the Guidelines on Dealing with Conflicts of Interest ensure that conflicts of interest are avoided or resolved.

In addition, VBV has set up an internal whistleblowing system. Employees can report violations using a “whistleblowing mailbox” – in particular, violations of the following laws:

- The Austrian Corporate Staff and Self-Employment Provision Act (BMSVG) (including regulations)
- The Austrian Banking Act (BWG) (including regulations)
- The Investment Fund Act 2011 (InvFG) (including regulations)
- Real Estate Investment Fund Laws (including regulations)
- Regulation (EU) No. 575/2013 (CRR)

The reports are reviewed by the Data Protection Officer and the Compliance Officer.

Thus, the compliance rules and standards are tailored to VBV’s actual operations and organisational structure. The rules and standards are based on the principle of integrity and serve to prevent dependencies and interlocking interests that harm customers or unfairly influence the capital market and which could be detrimental to VBV’s reputation.

There were no violations of the aforementioned guidelines in the 2015 reporting period.

Anti-corruption

Based on the business model and the legal mandate, the risk of corruption at VBV per se is low. For example, there are no fund managers in our Company who could enrich themselves by means of kickback arrangements.

As a result of the existing organisational structure with its strict separation of functions and clear instructions governing responsibilities with respect to signatory authorisations and rules of representation, we reduce any potentially remaining risk of corruption to a minimum.

In addition, all important work processes and related instructions are clearly documented in binding guidelines. For example, according to the principle of dual control that applies at VBV, all documents, investments, declarations of disposition, etc., must be reviewed by at least two people.

Facts and circumstances relevant to corruption are governed in the Compliance Guidelines, in the Guidelines on Dealing with Conflicts of Interest and in the Handbook on Money Laundering and the Financing of Terrorism.

Compliance with the provisions is monitored on an ongoing basis by both responsible officers, who are appropriately trained for this work.

In the reporting period, all employees of VBV were trained in the subject of avoiding money laundering and corruption. There were no violations of laws or internal provisions related to the aforementioned areas in 2015.

Data protection

At VBV there is a Data Protection Officer who is responsible for the continuous review and compliance with legal stipulations and internal rules in the area of data protection. This person’s activities are based on the VBV Data Protection Handbook.

There were no violations of laws or internal provisions related to data protection in 2015.

Other information

Non-financial performance indicators

In accordance with the Austrian Commercial Code (*Unternehmensgesetzbuch, UGB*), since the 2004 Amendment of Accounting Act (ReLÄG 2004) went into effect, companies must also publish non-financial performance indicators in the management report, in particular regarding environmental and employee matters if they have a relevant impact on the success of the business and the economic position of the company.

Together with stakeholders and external experts, the management team of VBV – Vorsorgekasse identified Employee Aspects and Sustainable Investment as significant non-financial areas in this sense. These two topics are discussed in detail in the management report.

Since VBV, as a service provider with classic office operations, has only a minor direct impact on the environment and the internal environmental performances do not have a relevant impact on the success of the business, no information is published regarding this in the management report. Nevertheless, the topic of environmental protection is important to us. You can find information regarding our environmental management system, which is certified to ISO 14001 and EMAS, on our website in the document entitled “Supplementary information regarding the 2015 integrated annual and sustainability report”:

www.vorsorgekasse.at/zusatzinformationen2015

Research and development

VBV does not conduct any research and development in the classic sense.



Outlook

The Company has positioned itself very well among the competition and has maintained a large share of the market since 2002. Thanks to the dedication of our team, we have exceeded the goals we set for ourselves year after year. Due to high unemployment, our beneficiaries have been withdrawing considerably more capital than before. However, we also expect the investment volume to further increase in 2016.

Goals 2016

Contracts	365,000
Beneficiaries in millions	2.8
Contributions in € millions	430
Assets under management in € millions	2,900

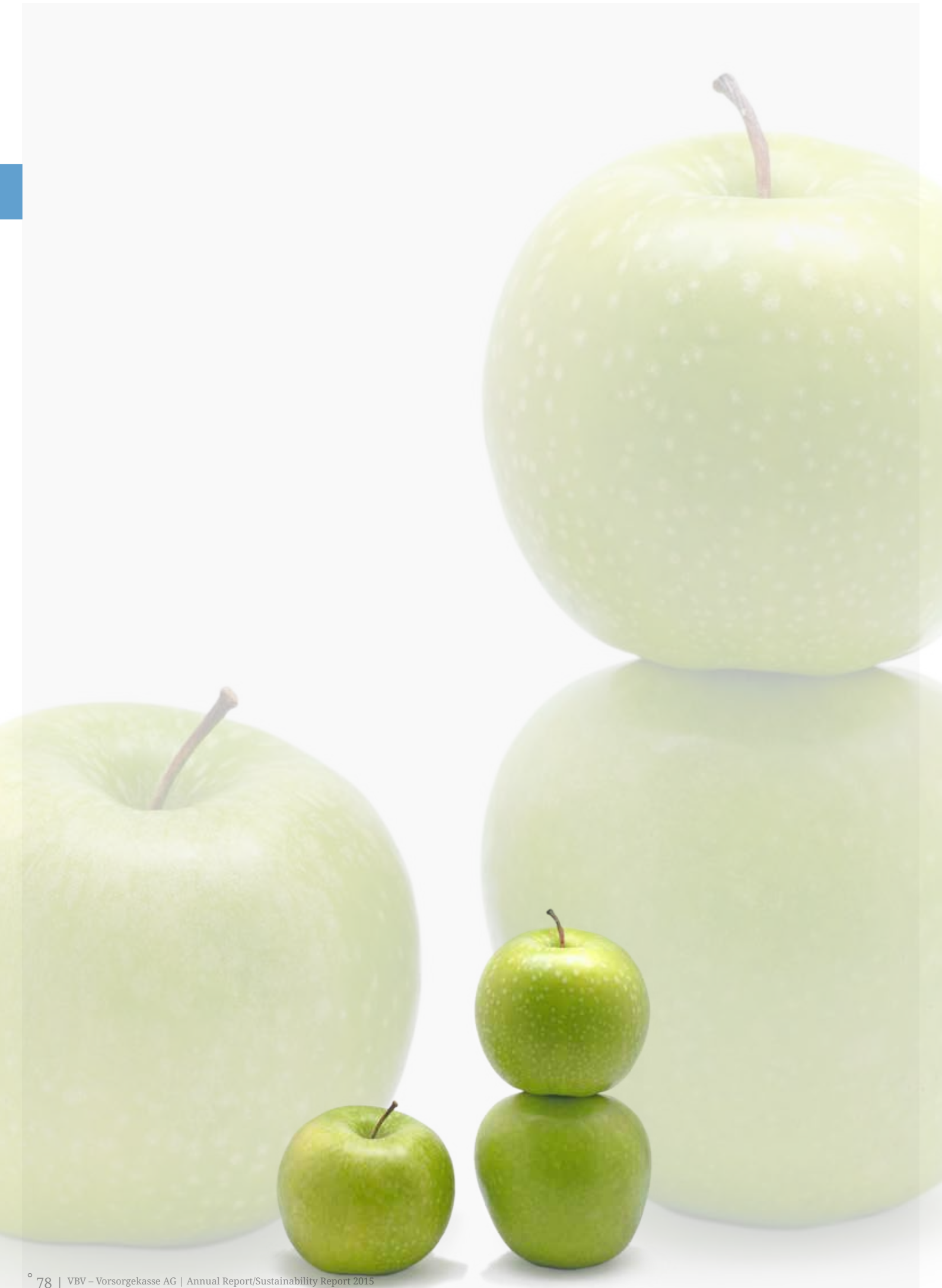
With respect to the goals for 2016, we are striving for excellent customer satisfaction and growth in the central key indicators. We also want to practise innovative sustainability in 2016, further differentiate our investment and maintain our focus on the security and stability of our customers' funds with increasing volumes of money. We also intend to further increase the number of companies and beneficiaries – despite the saturated market.

With the strategic focus on the highest quality, collaborative dialogues, optimum service, practising transparency and sustainable, conservative investment that simultaneously safeguards opportunities, we would like to live up to our customers' high standards of quality also in the future.

VBV continues to advocate for old-age provision based on the model of severance funds, which lend themselves well precisely because of their proven resistance to crises and the functioning collection system over regional health insurance funds for other areas of severance pay, in particular the socially necessary old-age provision.

Another major goal is to continue to maintain the carbon footprint of our investments at a low level compared to the MSCI World Index or to make it even smaller.





Word of thanks

VBV – Vorsorgekasse grew rapidly also in 2015: We now have 2.7 million beneficiaries. The number of contracts, i.e. companies and self-employed persons to service, rose by nearly 20,000 to now 357,000.

We find that even more gratifying, considering that VBV also succeeded in further expanding the level of service and quality achieved in recent years. Taking first place with the MVK Service Award for our telephonic consultation and the five star rating received for our EFQM Quality Management substantiate this impressively.

We would like to expressly thank our employees, who made this growth and these achievements possible in the first place.

We thank the members of our Ethics Committee, who have accompanied our sustainable investment strategy and supported our investment decisions with their valuable contributions.

We would also like to thank the owners of VBV, who have supported our sustainable business strategy from the very beginning.

We thank our branding partners, who made their own contributions towards ensuring that we clearly defended our role as the market leader of Austrian severance funds also in 2015.

We thank our business partners for the excellent collaboration – only together with them were we able to achieve the high goals that we set for ourselves for 2015.

And, of course, we also thank our customers: Their million-fold trust in VBV forms the basis of our success, and will remain so in the coming years.

The Executive Board



Heinz **Behacker**



Martin A. **Vörös**

Balance sheet

as at 31 December 2015

ASSETS		Reference figures	
		EUR	EUR
A.	Non-current Assets		
I.	Intangible fixed assets		
	Concessions, trademarks and similar rights and benefits, and licences in such rights and benefits		425,703.00
		454,681.00	
II.	Tangible fixed assets		
	Other equipment, operating and office equipment		183,843.00
		190,016.00	
III.	Long-term financial assets		
1.	Other long-term equity investments	70.00	70.00
2.	Long-term securities (loan stock rights)	50,541,827.04	41,568,965.98
			41,569,035.98
		50,541,897.04	
		51,186,594.04	42,178,581.98
B.	Current assets		
I.	Inventories		
			34.90
		191.07	
II.	Receivables and other assets		
1.	Receivable under sec. 26(3) no. 2 BMSVG	0.00	0.00
2.	Other receivables and assets	2,742,360.37	2,857,046.67
			2,857,046.67
		2,742,360.37	
III.	Securities and shares		
			0.00
		0.00	
IV.	Cash-in-hand, cheques and bank balances		
			3,872,649.09
		4,854,495.41	
		7,597,046.85	6,729,730.66
C.	Prepaid expenses		
			143,485.53
		154,539.78	
	Total of items A-C: Assets of the stock corporation	58,938,180.67	49,051,798.17
D.	Assets under the collective investment entity		
I.	Credit balances denominated in euros	39,032,185.45	31,198,339.04
II.	Credit balances denominated in foreign currencies	15,304,378.93	98,936,084.34
III.	Loans and advances denominated in euros	319,480,000.00	281,700,000.00
IV.	Loans and advances denominated in foreign currencies	0.00	0.00
V.	Debt securities denominated in euros	0.00	0.00
VI.	Debt securities denominated in foreign currencies	0.00	0.00
VII.	Equity instruments denominated in euros	0.00	7,763,984.00
VIII.	Equity instruments denominated in foreign currencies	0.00	0.00
IX.	Shares in investment funds and alternative investment funds denominated in euros	2,286,776,457.64	1,922,378,338.54
X.	Shares in investment funds and alternative investment funds denominated in foreign currencies	38,270,618.63	33,195,156.91
XI.	Shares in real estate investment trusts denominated in euros	28,071,620.00	51,407,157.24
XII.	Shares in real estate investment trusts denominated in foreign currencies	0.00	0.00
XIII.	Receivables	6,297,305.69	5,359,191.64
XIV.	Prepaid expenses	2.26	0.00
XV.	Other assets	0.00	0.00
		2,733,232,568.60	2,431,938,251.71
		2,792,170,749.27	2,480,990,049.88

EQUITY & LIABILITIES

	EUR	EUR	Reference figures 2014 EUR
A. Equity			
I. Share capital		3,375,000.00	3,375,000.00
II. Capital reserves			
1. Unallocated		500,000.00	500,000.00
III. Revenue reserves			
1. Legal reserve	337,500.00		337,500.00
2. Other reserves (distributable reserves)	22,287,500.00		17,887,500.00
		22,625,000.00	18,225,000.00
IV. Reserve for fulfilling the capital guarantee		22,500,000.00	18,100,000.00
V. Reserve for fulfilling the interest rate guarantee		0.00	0.00
VI. Net retained profits, of which retained profits brought forward: EUR 137.711,65 (31/12/2014: EUR 1.203 thousand)		3,227,193.63	2,837,711.65
		52,227,193.63	43,037,711.65
B. Untaxed reserves		0.00	0.00
C. Provisions			
1. Provisions for severance payments	134,171.00		116,113.00
2. Other provisions	5,309,250.00		4,743,191.00
		5,443,421.00	4,859,304.00
D. Liabilities			
1. Liabilities to banks	38,924.56		33,563.32
2. Trade payables	426,737.63		534,993.45
3. Liabilities to associated companies	531,668.58		274,555.69
4. Liabilities to other long-term investees and investors	157,045.77		211,472.52
5. Other liabilities, of which from taxes EUR 58.530,94 (31/12/2014: EUR 54 thousand) of which relating to social security and similar obligations EUR 53.419,89 (31/12/2014: EUR 46 thousand)	113,189.50		100,197.54
		1,267,566.04	1,154,782.52
E. Deferred income		0.00	0.00
Total of items A-E: Equity and liabilities of the stock corporation		58,938,180.67	49,051,798.17
F. Equity and liabilities under the collective investment entity			
I. Future severance rights		2,730,404,845.77	2,429,127,693.06
II. Liabilities		2,732,999.97	2,766,305.29
III. Deferred income		94,722.86	44,253.36
IV. Other equity and liabilities		0.00	0.00
		2,733,232,568.60	2,431,938,251.71
		2,792,170,749.27	2,480,990,049.88

Income statement

for 2015

	EUR	EUR	Reference figures 2014 EUR
A. Result of the collective investment entity			
I. Investment income	64,911,086.99		108,899,334.58
II. Guarantee	56,025.93		66,151.13
III. Contributions	432,371,789.62		407,332,853.60
IV. Costs	-26,931,480.36		-26,145,670.29
V. Payment of severance benefits	-168,803,957.06		-135,421,618.56
VI. Result of the collective investment entity	301,603,465.12		354,731,050.46
VII. Utilisation of the result of the collective investment entity	-301,603,465.12		-354,731,050.46
Remaining result		0.00	0.00
B. Income and expenses of the severance fund			
1. Administrative expenses		26,335,641.25	25,691,104.52
2. Operating expenses			
a) Personnel expenses	-2,535,400.76		-2,359,085.22
aa) Wages	0.00		0.00
bb) Salaries	-1,869,759.01		-1,757,126.17
cc) Expenses for severance payments and payments to severance funds	-38,588.11		-36,860.17
dd) Cost of old age pensions	-65,598.29		-62,072.04
ee) Expenses for social security contributions as required by law as well as income-based charges and mandatory contributions	-471,398.78		-439,794.02
ff) Other social expenses	-90,056.57		-63,232.82
b) Depreciation and amortisation of fixed assets	-230,618.65		-203,017.85
c) Other operating, administrative and sales expenses	-8,776,354.54		-8,789,983.55
		-11,542,373.95	-11,352,086.62
Ordinary operating result		14,793,267.30	14,339,017.90
3. Financial income			
a) Income from long-term equity investments	0.00		0.00
b) Interest income and other regular income from the investment of own funds and the outside capital not allocated to the collective investment entity	841,079.93		822,371.00
c) Income from the disposal of and reversal of impairment losses on long-term financial assets that are not allocated to the collective investment entity	126,886.95		70,296.20

VBV – Vorsorgekasse AG

1020 Vienna, Obere Donaustrasse 49-53

	EUR	EUR	Reference figures 2014 EUR
		967,966.88	892,667.20
4. Financial expenses			
a) Expenses from long-term equity investments	0.00		0.00
b) Write-downs of other financial assets that are not allocated to the collective investment entity	-182.39		-1,584.42
c) Interest and similar expenses	-311,247.96		-265,955.54
		-311,430.35	-267,539.96
Financial result		656,536.53	625,127.24
5. Other income and expenses			
a) Income	638,275.66		202,755.78
b) Expenses	-129,798.58		-84,921.61
		508,477.08	117,834.17
6. Result from ordinary activities		15,958,280.91	15,081,979.31
7. Extraordinary result			
a) Extraordinary income	0.00		0.00
b) Extraordinary expenses	-56,025.93		-66,151.13
		-56,025.93	-66,151.13
8. Income taxes		-4,012,773.00	-3,781,196.00
9. Net income for the financial year		11,889,481.98	11,234,632.18
10. Change in reserves			
a) Allocations			
- to retained earnings	-4,400,000.00		-4,800,000.00
- to the capital guarantee reserve	-4,456,025.93		-4,866,151.13
		-8,856,025.93	-9,666,151.13
b) Reversals			
- of capital reserves	0.00		0.00
- of retained earnings	0.00		0.00
- of the capital guarantee reserve	56,025.93	56,025.93	66,151.13
		-8,800,000.00	-9,600,000.00
Profit for the year		3,089,481.98	1,634,632.18
11. Retained profits brought forward		137,711.65	1,203,079.47
12. Net retained profits		3,227,193.63	2,837,711.65

Notes

to the annual financial statements

of VBV – Vorsorgekasse AG, Vienna

as at 31 December 2015

I. General information

The annual financial statements of VBV – Vorsorgekasse AG, Vienna, were prepared in accordance with Austrian Generally Accepted Accounting Principles and the standard requiring the fair presentation of the Company's net assets, financial position and results of operations.

The individual line items of the annual financial statements are recognised, measured and stated in compliance with the provisions of the Austrian Commercial Code (UGB), the Austrian Banking Act (BWG) and the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG).

II. Accounting policies

VBV – Vorsorgekasse AG does not have any assets or liabilities denominated in foreign currencies.

1. Non-current Assets

Intangible fixed assets are recognised at cost less amortisation and extraordinary write-downs. Amortisation charges are based on depreciation rates between 10% and 33.3%.

Tangible fixed assets are measured at cost less cumulative depreciation and depreciation for the financial year.

The straight-line method of depreciation is chosen to determine the depreciation rates. The depreciation rates for tangible fixed assets range between 10% and 25%.

Assets with separate costs of less than EUR 400.00 are written off in full in the year of acquisition.

Long-term financial assets are measured in accordance with section 56(1) of the Austrian Banking Act (*Bankwesengesetz, BWG*). The option granted under section 56(2) BWG was utilised in the amount of EUR 182.39 and the option granted under (3) was utilised in the amount of EUR 43,606.92. The measurement is carried out monthly as well as on the balance sheet date. A trading book may not be kept.

Extraordinary write-downs are recognised in accordance with statutory provisions.

There is an investment in Einlagensicherung der Banken & Bankiers Gesellschaft m. b. H. in the amount of EUR 70.00.

2. Current assets

Current assets are measured at cost based on the strict principle of lower of cost or market.

All receivables shown are due within one year.

3. Provisions

Provisions are recognised in the amount necessary based on prudent business judgement.

Other provisions were set aside corresponding to the principle of prudence.

4. Liabilities

Liabilities were determined prudently based on the repayment amount.

All liabilities shown are due within one year.

III. General notes to the balance sheet and income statement

Amounts are measured under the assumption that the Company will continue as a going concern.

The income statement is classified in accordance with the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG).

There is a group agreement with VBV – Betriebliche Altersvorsorge AG (group parent) as defined under the Austrian Corporate Income Tax Act (KStG). The tax allocation amounts to 25% of the attributable positive income of the group member or 50% of the tax savings, which are derived by offsetting any attributed negative taxable income.

All transactions entered into with related parties were carried out at arm's length.

IV. Notes to the balance sheet

1. Non-current Assets

With respect to the development of the individual line items of non-current Assets and the breakdown of annual depreciation and amortisation charges, please refer to the statement of changes in non-current assets (appendix to the Notes to the financial statements).

Classification of securities based on remaining maturities (listed securities): The company does not employ any derivative instruments.

Category	in € thousands Banks	in € thousands Non-banks	
0-30 days (1 month)	200	0	
>30-90 days (1-3 months)	0	0	
>90-180 days (3-6 months)	0	849	
>180-360 days (6-12 months)	450	450	
>1-2 years	4,797	2,646	
>2-3 years	2,747	0	
>3-4 years	3,346	900	
>4-5 years	4,132	1,630	
>5-7 years	6,795	2,233	
>7-10 years	3,428	9,894	
>10-15 years	1,883	3,467	
>15-20 years	0	695	
> 20 years	0	0	Total:
	27,778	22,764	50,542

2. Prepaid expenses

Payments made prior to the reporting date that relate to the next period are shown here.

3. Assets under the collective investment entity

Securities allocated to the collective investment entity are measured monthly and at the reporting date at spot rates and at the mean rate of exchange in accordance with section 31 BMSVG.

4. Equity

The group of shareholders can be presented as follows at 31 December 2015:

	EUR	%
VBV – Betriebliche Altersvorsorge AG, Wien	3,071,250.00	91.00
Merkur Versicherung Aktiengesellschaft, Graz	101,250.00	3.00
Wüstenrot Versicherungs-Aktiengesellschaft, Salzburg	101,250.00	3.00
Vorsorge der Österreichischen Gemeindebediensteten, Wien	101,250.00	3.00
	<u>3,375,000.00</u>	<u>100.00</u>

The Company's financial year ended with a net profit for the year of EUR 3,227,193.63 (previous year: EUR 2,837,711.65).

Development of retained earnings:

Balance on 1/1/2015	2,837,711.65	
Distribution of dividends for the financial year	-2,700,000.00	
Balance on 31/12/2015	<u>137,711.65</u>	

Capital reserves:

	31/12/2015	31/12/2014
The unallocated capital reserves amount to:	500,000.00	500,000.00
	<u>500,000.00</u>	<u>500,000.00</u>

The revenue reserves net of taxes developed as follows:

The legal revenue reserve amounts to:	2015	2014
Balance on 1/1	337,500.00	337,500.00
Allocation to the legal revenue reserve	0.00	0.00
Balance on 31/12	<u>337,500.00</u>	<u>337,500.00</u>
The distributable revenue reserve developed as follows:	2015	2014
Balance on 1/1	17,887,500.00	13,087,500.00
Allocation to the distributable revenue reserve	4,400,000.00	4,800,000.00
Balance on 31/12	<u>22,287,500.00</u>	<u>17,887,500.00</u>
Total revenue reserves:	<u>22,625,000.00</u>	<u>18,225,000.00</u>

The reserve to be set aside for the fulfilment of the capital guarantee in accordance with section 20(2) BMSVG developed as follows:

	2015	2014
Balance on 1/1	18,100,000.00	13,300,000.00
Mandatory allocation to the capital guarantee reserve	2,730,500.00	2,429,200.00
Voluntary allocation to the capital guarantee reserve	1,725,525.93	2,436,951.13
Reversal of capital guarantee reserve	-56,025.93	-66,151.13
Balance on 31/12	22,500,000.00	18,100,000.00

5. Provisions

Provisions break down as follows:

	31/12/2015	31/12/2014
Provision for severance pay	134,171.00	116,113.00
Other provisions	5,309,250.00	4,743,191.00
	5,443,421.00	4,859,304.00

Other provisions include, among others, postage and print costs for account statements in the amount of around EUR 2 million and a provision for the scaled adjustment of administrative expenses in the amount of around EUR 0.8 million.

6. Liabilities

Liabilities exclusively exhibit remaining terms of less than one year and are not secured with collateral.

Liabilities to affiliated companies and liabilities to other long-term investees and investors relate to trade payables.

7. Other financial commitments

Commitments based on the use of fixed assets that are not shown in the balance sheet amount to EUR 338,639.52 for the following financial year and EUR 1,693,197.60 for the following five financial years.

V. Notes to the income statement

1. Income and expenses of the severance fund

All contributions and administrative expenses arise from contracts with Austrian contractual partners.

The administrative expenses mainly include regular administrative expenses and asset management costs.

Disclosures required under section 237 no. 14 of the Austrian Commercial Code (*Unternehmensgesetzbuch, UGB*): The expenses for the auditor (PwC Wirtschaftsprüfung GmbH) for the 2015 audit of the annual financial statements amount to EUR 15 thousand. No advisory services were invoiced.

Financial income/expenses associated with the securities can be broken down geographically as follows:

Continents:	Income	Expenses
Africa	0.00	0.00
North and South America	28,293.09	0.00
Asia	0.00	0.00
Australia	32,100.31	0.00
Europe	906,929.54	-182.39
	967,322.94	-182.39

Other income and expenses relate to reversals of provisions from prior periods and costs charged to third parties.

The contribution paid from the capital guarantee to the collective investment entity is presented under the extraordinary result.

Income taxes include corporate income tax based on a tax allocation of EUR 4,012,773.00 (previous year: EUR 3,781,196.00). The option to capitalise deferred income taxes on temporary differences between the financial and tax accounts was not utilised. The amount that can be capitalised in accordance with section 198(10) UGB is EUR 370,894.31 (previous year: EUR 338,216.80).

The financial year ended with net income for the year (before reserves) in the amount of EUR 11,889,481.98 (previous year: EUR 11,234,632.18). Taking into account the allocation to the capital guarantee reserve in the amount of EUR 4,456,025.93, the allocation to the revenue reserve in the amount of EUR 4,400,000.00 and the reversals of the capital guarantee reserve, a profit for the year is shown in the amount of EUR 3,089,481.98 (previous year: profit for the year of EUR 1,634,632.18).

VI. Other disclosures

1. Personnel

The number of personnel on the reporting date was 36 employees (full time equivalents).

The average number of employees (full time) was

	2015	2014
Executive Board members	2	2
Salaried employees	35	31
	37	33

The members of the Supervisory Board did not receive any remuneration in 2015 for their activities for the Company.

The expenses for severance pay can be broken down as follows:

	2015	2014
Executive Board members	0.00	0.00
Senior executives	12,668.00	12,907.00
Other employees	5,390.00	5,046.00
	18,058.00	17,953.00

Provisions for severance pay were calculated based on the projected unit credit method for the first time on 31 December 2015. The calculation is based on the following parameters: Discount rate p.a. (UGB) 2.25% (average market interest rate of first-rate corporate bonds with 15 years remaining maturity); salary increase p.a. (UGB) 2.25%; calculatory basis AVÖ 2008-P (salaried employees). The earliest possible retirement age in accordance with legal provisions in the currently applicable version (corridor pension) was used as the computed retirement age for both men and women. A fluctuation discount is not taken into account.

The difference (EUR 18 thousand) resulting from the calculation method used in the previous year (Austrian entry age normal method with an actuarial interest rate of 1.5%) was recognised in full as an expense in the income statement in the financial year.

The remaining employees are subject to the Austrian Corporate Staff and Self-Employment Provision Act (BMSVG).

Severance fund contributions can be broken down as follows:

	2015	2014
Executive Board members	0.00	0.00
Senior executives	3,605.00	2,991.05
Other employees	16,925.11	15,916.12
	20,530.11	18,907.17

The expenses for old age pensions (pension fund contributions) can be broken down as follows:

	2015	2014
Executive Board members	20,339.81	19,996.09
Senior executives	13,280.63	12,247.07
Other employees	31,977.85	29,828.88
	<u>65,598.29</u>	<u>62,072.04</u>

2. Governing bodies

Members of the Executive Board:

Karl Heinz **Behacker**
Chairman of the Executive Board

Martin A. **Vörös**

Members of the Supervisory Board:

Markus **Posch**
Chairman

Christian **Heidrich**
Vice Chairman of the Supervisory Board

Robert **Bilek**

Josef **Trawöger**

Eduard **Aschenbrenner**

David **Mum**

Authorised signatories:

Peter **Eitzenberger**

Dietmar **Sedelmaier**

Günther **Herndlhofer**

The Austrian Minister of Finance appointed

Heinrich **Lorenz** as Commissioner as well as

Christine **Fruhstuck** as Deputy Commissioner.

There were no advances or loans outstanding to the members of the Executive Board as at 31 December 2015.

There were no advances or loans outstanding to the members of the Supervisory Board as at 31 December 2015.

There were no liabilities for members of the Executive Board or the Supervisory Board as at 31 December 2015.

Vienna, 29 April 2016



Karl Heinz **Behacker**



Martin A. **Vörös**

Statement of changes in non-current assets

Asset item	Acquisition costs Production costs 1/1/2015	Additions	Disposals
	EUR	EUR	EUR
I. Intangible fixed assets			
1. Concessions, trademarks and similar rights and benefits, and licences in such rights and benefits	2,690,760.07	187,791.75	0.00
II. Tangible fixed assets			
Other equipment, operating and office equipment	689,983.74	77,977.90	-11,295.64
III. Long-term financial assets			
1. Other long-term equity investments	70.00	0.00	0.00
2. Long-term securities (loan stock rights)	41,465,885.28	13,278,658.00	-4,332,799.67
	41,465,955.28	13,278,658.00	-4,332,799.67
	44,846,699.09	13,544,427.65	-4,344,095.31

Acquisition costs Production costs 31/12/2015	Cumulative Depreciation and amortisation/Cumulative impairment reversals	Carrying amount 31/12/2015	Carrying amount 1/1/2015	Depreciation and amortisation/Impairment reversals of the financial year
EUR	EUR	EUR	EUR	EUR
2,878,551.82	-2,423,870.82	454,681.00	425,703.00	-158,813.75
756,666.00	-566,650.00	190,016.00	183,843.00	-71,804.90
70.00	0.00	70.00	70.00	0.00
50,411,743.61	130,083.43	50,541,827.04	41,568,965.98	43,424.53
50,411,813.61	130,083.43	50,541,897.04	41,569,035.98	43,424.53
54,047,031.43	-2,860,437.39	51,186,594.04	42,178,581.98	-187,194.12

Auditor's report

Report on the Financial Statements

We have audited the accompanying financial statements of VBV – Vorsorgekasse AG, Vienna, comprising the balance sheet as at 31 December 2015, the income statement for the financial year ending on this reporting date and the notes.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation and proper overall presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles and the provisions of the Austrian Banking Act as well as the provisions of the Austrian Corporate Staff and Self-Employment Provision Act and for the internal controls that the management considers necessary to enable the preparation of financial statements that are free from – intentional or unintentional – material misstatement.

Auditors' Responsibility

Our responsibility is to express an opinion on the annual financial statements based on our audit. We conducted our audit in accordance Austrian Standards on Auditing. These standards require the application of International Standards on Auditing. These standards require that we comply with professional ethical requirements and plan and perform our audit so as to obtain reasonable assurance regarding whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the annual financial statements. The selection of the audit procedures lies within the auditor's due discretion. This includes an assessment of the risk of intentional or unintentional material misstatements in the financial statements. In assessing these risks, the auditor considers internal control the internal control system relevant for the preparation and proper overall presentation of the financial statements by the company in order to plan audit procedures that are appropriate under the circumstances, but not with the goal of expressing an opinion on the effectiveness of the Company's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management as well as the overall presentation of the financial statements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Audit Opinion

Our audit did not give rise to any objections. In our assessment, the financial statements comply with the legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2015 and of its financial performance for the financial year ending on this reporting date in accordance with Austrian Generally Accepted Accounting Principles and the provisions of the Austrian Banking Act as well as the provisions of the Austrian Corporate Staff and Self-Employment Provision Act.

Comments on the Management Report

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements.

In our opinion, the management report is consistent with the financial statements.

Vienna, 29 April 2016

PwC Wirtschaftsprüfung GmbH

signed:



Liane Hirner

Austrian Certified Public Accountant

signed:



Günter Wiltschek

Austrian Certified Public Accountant

Disclosure, publication or duplication as defined under section 281(2) of the Austrian Commercial Code other than legally required in a form other than the certified version accompanied by our auditors' report is not permitted. Mere reference to our audit requires our prior written permission.

Report of the Supervisory Board

In financial year 2015, the Supervisory Board regularly obtained information in the form of written and verbal reports on the part of the Executive Board regarding the course of business and the position of the Company. As in the past, open communication prevailed between the Executive Board and the Supervisory Board. The Supervisory Board was informed promptly and comprehensively of all relevant aspects of the business development. There were five Supervisory Board meetings in financial year 2015 in which the Supervisory Board discharged its duties under the law and in accordance with the articles of association. Furthermore, the Remuneration Committee met once, while the Audit Committee and the Risk Committee met twice, focusing on the responsibilities assigned to them under the law; the Audit Committee dealt in particular with the preparation of the resolution approving the annual financial statements. During the course of its overall activities, the Supervisory Board was satisfied with the compliance of the management.

The annual financial statements and the 2015 management report were audited by the appointed bank examiner, PwC Wirtschaftsprüfung GmbH, Wirtschaftsprüfungs- und Steuerberatungsgesellschaft (auditing and tax consulting firm). The report written by PwC on its audit was presented to the Supervisory Board. Based on the final results of the audit, there was no reason to raise any objections, which is why the 2015 annual financial statements were issued an unqualified audit report.

The Supervisory Board also reviewed the annual financial statements and the management report prepared by the Executive Board for financial year 2015 and was satisfied with their compliance and propriety.

The Supervisory Board subsequently approved the 2015 annual financial statements unanimously and consequently adopted them in accordance with section 96(4) of the Austrian Stock Corporation Act (*Aktengesetz, AktG*).

The Supervisory Board concurred with the recommendations of the Executive Board on the appropriation of net income for the year and submitted a motion for the adoption of a resolution by the Annual General Meeting to this effect.

Furthermore, the Supervisory Board received the annex to the bank examiner's long-form audit report pursuant to section 63(5) and (7) of the Austrian Banking Act (*Bankwesengesetz, BWG*) and upon review determined that it had no objections.

Finally, the Supervisory Board thanks the members of the Executive Board and the employees for their hard work and dedication.

Vienna, May 2016



Markus **Posch**

Chairman of the Supervisory Board



Sustainability programme

Management areas	Aspects	Relevance	Guidelines and instructions	Intermediate and long-term goals
Economy	Economic Performance	The creation of economic value is an existential basis for the business activities of VBV.	Legal environment (BMSVG, BWG, WAG InvFG, ImmoInvFG, AIFMG), collective bargaining agreement for employees of banks and bankers (as a guide).	Expansion of relevant volumes (in the areas: investment, contracts, beneficiaries) Excellent internal controls and quality management and receiving the national award for business excellence
	Indirect Economic Impacts	Substantial indirect economic impacts are associated with VBV's business activities. In addition to the beneficiaries, for whom a financial provision is created, companies and countries also benefit from VBV's investments.	Legal environment (BMSVG), incl. the gross capital guarantee, ethical/sustainable investment criteria	Strengthening the real economy Long-term above-average performance and holding on the leadership position in the 10-year comparison
Sustainable investment	Product portfolio	VBV's greatest lever for promoting positive impacts in terms of sustainability and to minimise negative impacts consists in the structure of its product portfolio.	Ethical/sustainable investment criteria of VBV, legal environment (BMSVG) incl. the gross capital guarantee	Continuous further development of the sustainable product portfolio and further differentiation of the investment categories
	Audit	The regular internal and external review of the product portfolio ensures compliance with the legal requirements as well as the VBV investment criteria. Furthermore, limit tests are conducted with respect to the investment classes.	Ethical/sustainable investment criteria of VBV	Meeting the highest standard (Gold Standard) in the sustainability review conducted by ÖGUT for severance funds Enhancing the expertise of all employees regarding the subject of sustainable investment Review of investments with respect to the compliance with ethical/sustainable investment criteria
	Active ownership	With an investment volume of EUR 2,732 million, VBV has the opportunity to also induce other market participants to invest sustainably based on the investment criteria.	VBV Commitment	Supporting the sustainable development of companies and the curbing of undesirable practices.

	Implemented measures 2015	Planned measures 2016	Responsibility/ Monitoring
	Intensification of contacts with branding partners through meetings, expansion of sales activity to strengthen customer relationships, increasing the size of the sales staff.	Expansion of sales activities, intensification of contacts with customers and branding partners	The CEO Karl Heinz Behacker is responsible for investment and sales. Risk management falls under the responsibility of Executive Board member Martin A. Vörös. Relevant external supervisory bodies include: Supervisory Board, Austrian Financial Market Authority (FMA), Oesterreichische Nationalbank (OeNB), Bank Examiner/Auditing, Ethics Committee, Oesterreichische Kontrollbank (OeKB).
	Improvement of internal controls and quality management in accordance with the EFQM Excellence Model, highest rating: Recognised for excellence 5 star	Renewed improvement and auditing of internal control and quality management in accordance with the EFQM Excellence Model	
	Promotion of domestic infrastructure projects	Promote domestic infrastructure projects	
	The price-stable block was maintained	Maintain or top up the price-stable block if possible	
	The gross capital guarantee was secured by means of an allocation in excess of the legal requirements.	Allocation exceeding the legal requirements for the gross capital guarantee	
	Considerable increase in volumes in funds with the Austrian Ecolabel	Considerable increase in volumes in funds with the Austrian Ecolabel	The Ethics Committee has handled the specification and review of the sustainability criteria since the Company was founded. New investments are selected in-house in a first step and based on sustainable criteria. The detailed selection takes place in a second step together with external partners, in particular under consideration of sustainability criteria.
	Signing of the Montréal Carbon Pledge and ascertaining the carbon footprint of the stock portfolio		
	VBV underwent a sustainability review and met the Gold Standard for the fifth time in a row	Renewed participation in the ÖGUT sustainability review for severance funds	
	The expertise is enhanced by means of regularly scheduled monthly investment meetings, updated information posted in the intranet and training during the in-house fair	Regularly scheduled monthly investment meetings, updated information posted in the intranet	
	The Ethics Committee has met three times to evaluate the portfolio with respect to the investment criteria	Regular Ethics Committee meetings to evaluate the portfolio with respect to the investment criteria	

Management areas	Aspects	Relevance	Guidelines and instructions	Intermediate and long-term goals
Employees	Employment	An attractive work environment with social benefits that exceed the legal requirements as well as a good work-life balance, attractive salaries, advanced training and further education for all employees, regardless of their age or gender, ensuring high employee satisfaction and low personnel turnover. That in turn promotes the consistency and high quality of our services and is consequently crucial for the success of the business.	Collective bargaining agreement for employees of banks and bankers (as a guide), management handbook, working instructions, job descriptions, individual development planning	Attractive employer with higher-than-average employee satisfaction (>90% 'very good' ratings)
	Employer-employee relationship			Increased well-being at the workplace, stable employee structure/low turnover
	Occupational Health and Safety			Employees receive early information concerning current developments and any operational changes
	Training and Education			Health of the employees, fewer sick days than usual in Austria
	Diversity and Equal Opportunity			Best-trained employees
	Equal remuneration for women and men			Guaranteeing equal opportunity and prevention of discrimination at the workplace
	Labour practices grievance mechanisms			
	Non-discrimination			
	Environment			Materials
Energy		Reduction of paper consumption (per beneficiary) by increasing the number of online users		
Emissions		Reduction of CO ₂ emissions, electricity consumption of the computer equipment		
Waste		Avoiding waste as much as possible and separation of waste		
Transport		Maintaining CO ₂ -free delivery of written communications, even for an increasing number of letters to be sent		

	Implemented measures 2015	Planned measures 2016	Responsibility/ Monitoring
	Renewed 3rd place in the Great Place to Work competition and high employee satisfaction (>90%)	Renewed participation in the Great Place to Work competition	Management assistants are responsible for personnel matters.
	Holding the in-house fair on 15 December 2015 with the topics of Preventing Money Laundering, Career and Family, CSR, Attracting and Keeping Customers, Data Protection and Data Security	Organising the in-house fair again	
	Informational meetings held immediately following Supervisory Board meetings, current topics and events were announced over the intranet	The Executive Board provides information to all employees following each Supervisory Board meeting	
	Health exam in March 2015 with special services such as skin screening, thyroid sonogram, blood testing. Fruit basket and sports programme provided by shareholder	Renewed health exam free-of-charge, sports programme, fruit basket	
	External and internal training courses, employee orientation meetings for the individual development planning of all employees incl. advanced training and further education measures		
	Career and Family Audit conducted for the first time and the parenting sabbatical implemented	Further development of the measures to reconcile career and family, renewed certification	
			The CSR Officer is responsible for the topic of environmental management. Internal and external auditing by experts.
	Advertising the online account on the website, account statements and marketing brochures of VBV	Advertising the online account and – closely related – paperless communication to the greatest extent possible	
	Ascertaining the environmental footprint and subsequent offsetting of all CO ₂ emissions with Gold certificates	Offset all CO ₂ emissions in financial year 2016.	
	Raising awareness through the intranet, topic of the week	Raising awareness through the intranet, topic of the week	
		Raising awareness of conservative use of resources through the in-house fair and the intranet	
	Job ticket for all employees (VBV assumes the full cost of public transportation for commuting between work and home)		

Management areas	Aspects	Relevance	Guidelines and instructions	Intermediate and long-term goals
Other areas	Compliance	Abiding by all legal requirements, including guidelines for ensuring fair competition and preventing money laundering and corruption contributes to minimising financial risks that arise either as a result of administrative fines or indirectly as a result of effects on VBV's reputation.	VBV Compliance Guidelines, VBV guideline "Dealing with conflicts of interest", "Money Laundering and the Financing of Terrorism" handbook	Securities trading should be characterised by fairness vis-à-vis other market participants. Market manipulation and insider information are to be eliminated by means of internal guidelines
	Anti-competitive behaviour			
	Anti-corruption			
	Public policy			
	Marketing	Upholding ethical-moral values at VBV also extends to the area of marketing and advertising. Integrity in the advertising contributes to VBV's good standing and its reputation.	Code of ethics of the Austrian advertising industry	No violations of the rules of conduct established in the code of ethics
	Protection of customer privacy	Compliance with all legal requirements regarding data protection contributes to minimising financial risks that arise either as a result of administrative fines or indirectly as a result of effects on VBV's reputation.	Austrian Federal Act concerning the Protection of Personal Data, Austrian banking secrecy, VBV data protection handbook	Careful handling of customer data and no violations of banking secrecy or the Austrian Federal Act concerning the Protection of Personal Data
	Product and service labelling	VBV is legally obligated to send an account statement to all beneficiaries once a year. Because VBV places a great deal of value in information and transparency, we also provide our beneficiaries with extensive additional information.	BMSVG, BWG and <i>Börsegesetz</i>	Accurate and transparent information regarding the Severance Pay NEW system and the possibilities for transferring from the old system
Local communities	Unlimited access to our services is ensured thank to the widely branched sales structure in cooperation with our sales partners, even for people in low-populated areas and for people with special needs.	Austrian Corporate Staff and Self-Employment Provision Act (BMSVG)	Unlimited access (obligatory due to legal mandate)	

Implemented measures 2015	Planned measures 2016	Responsibility/ Monitoring
Fit & Proper training has taken place for managing directors and key positions		The compliance with laws, in particular the prevention of corruption and money laundering, is also reviewed by internal supervisory bodies and reported to the Executive Board. The review of conformity to the law is also carried out by the Compliance Officer, their deputy, the Money Laundering Officer, their deputy and VBV's Group Auditing department.
VBV's guidelines on Dealing with Conflicts of Interest were drafted and introduced		
	Lobbying for old-age provision based on the severance fund model	
The rules of conduct defined in the code of ethics were observed in all newspaper ads and campaigns and there were no violations	Training the responsible employees in the code of ethics	
Training of employees during the in-house fair in the topics of data protection and data security	Training of all employees in data protection provisions	
Redesign of the VBV website postponed to 2016	Redesign of the VBV website	
Unrestricted access to information through publication on VBV's website, service offered by the sales partners improved as a result of meetings and training courses	Unrestricted access to information, service offered by the sales partners in more than 2400 branch offices throughout Austria	

GRI-Content Index

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
Part I: General Standard Disclosures					
Strategy and Analysis					
G4-1	Statement from the most senior decision-maker of the organisation	p. 8-9			QA
Organisational profile					
G4-3	Name of the organisation	p. 118			QA
G4-4	Primary brands, products, and services	p. 14			QA
G4-5	Location of the organisation's headquarters	p. 12			QA
G4-6	Countries where the organisation operates	CI		VBV – Vorsorgekasse AG only operates in Austria.	QA
G4-7	Nature of ownership and legal form	p. 18			QA
G4-8	Markets served	p. 14; CI		The Austrian system of severance funds is unique in Europe.	QA
G4-9	Scale of the organisation	pp. 49-50, 61			QA
G4-10	Total number of employees by employment type, employment contract and region	p. 61			QA
G4-11	Percentage of total employees covered by collective bargaining agreements	CI		Since there are still no collective bargaining agreements for severance funds, we are guided by the collective bargaining agreement for banks and bankers. This orientation applies uniformly to all employees (100%).	QA
G4-12	The organisation's supply chain	p. 23			QA
G4-13	Significant changes regarding the organisation's size, structure, ownership, or its supply chain	CI		There were no significant changes in our size, structure, ownership, or supply chain.	QA
G4-14	Statement on whether and how the precautionary approach or principle is addressed	pp. 52-55, 67-73			QA
G4-15	External agreements, principles, or other initiatives	CI		VBV is a signatory of the UN PRI (Principles of Responsible Investment): www.unpri.org as well as the Montréal Carbon Pledge: www.montrealpledge.org	QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
G4-16	Memberships in associations and international advocacy organisations	CI		VBV is a founding member of the association “Platform of the Severance Funds”, a member of the trade group “Banks and Bankers” in the Austrian Economic Chambers (Wirtschaftskammer Österreich) and of respACT.	QA
Identified Material Aspects and Boundaries					
G4-17	Corporate structure and reporting level	p. 12			QA
G4-18	Process for defining the report content and the Aspect boundaries	pp. 13, 38-39; EI p. 4			QA
G4-19	List of all material Aspects	p. 40; EI pp. 4-17			QA
G4-20	Aspect boundary within the organisation	EI pp. 4-17			QA
G4-21	Aspect boundary outside the organisation	EI pp. 4-17			QA
G4-22	Restatements of information	CI		No information from old reports was restated.	QA
G4-23	Changes in the scope and Aspect boundaries	CI		There were no changes in the scope or Aspect boundaries.	QA
Stakeholder Engagement					
G4-24	List of stakeholder groups engaged by the organisation	p. 23			QA
G4-25	Basis for identification and selection of stakeholders with whom to engage	p. 23			QA
G4-26	Approach to stakeholder engagement	pp. 24-26			QA
G4-27	Key topics and concerns that have been raised through stakeholder engagement	pp. 38-41			QA
Report Profile					
G4-28	Reporting period for information provided	p. 12			QA
G4-29	Date of most recent previous report	p. 12			QA
G4-30	Reporting cycle	CI		VBV has published an integrated annual and sustainability report every year since 2006.	QA
G4-31	Contact point for questions regarding the report or its contents	p. 13			QA
G4-32	GRI Content Index	pp. 105-112			QA
G4-33	External assurance and certification	pp. 94-95, 113			QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
Governance					
G4-34	Governance structure of the organisation	p. 19			QA
Ethics and Integrity					
G4-56	Values, principles, standards and norms of behaviour	p. 22			QA

Part II: Specific Standard Disclosures

Category "Economic"

Economic Performance

DMA	Disclosures on the management approach	pp. 15-17, 42-43, 77, 98-103			PwC
G4-EC1	Direct economic value generated and distributed	pp. 48-50, 82-83			PwC

Indirect Economic Impacts

DMA	Disclosures on the management approach	pp. 15-17, 42-43, 98-103			QA
G4-EC8	Significant indirect economic impacts, including the extent of impacts	CI		In addition to our investments in the real economy, providing financially for the beneficiaries represents the most important indirect economic of our business activities.	QA

Category "Environmental"

Materials

DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-EN1	Materials used by weight or volume	EI p. 19			QA
G4-EN2	Percentage of materials used that are recycled input materials	EI p. 19			QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
Energy					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-EN3		EI p. 20		Energy consumption within the organisation is determined by the fuel consumption of the company cars as well as by the need for electricity and heat energy. Fuel consumption is stated. Electricity and heat energy consumption are billed at a flat rate by the landlord as part of the operating costs and not measured specifically by the landlord's Facility Management for VBV's office space and therefore cannot be stated exactly. The electricity consumption for the IT infrastructure is measured and reported.	QA
G4-EN4	Energy consumption outside of the organisation	EI p. 21		Energy consumption outside of the organisation is determined by employee commuting and business travel as well as printing and mailing account statements. The scope of business travel is presented based on the method of transportation. The energy consumption of upstream and downstream activities cannot be calculated with a reasonable effort and is therefore not shown.	QA
Emissions					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	EI p. 22			QA
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	EI S. 22			QA
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	EI p. 23			QA
Effluents and Waste					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-EN23	Total weight of waste by type and disposal method	EI p. 23			QA
Transport					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
G4-EN30	Significant environmental impacts as a result of transporting	EI p. 23		The energy consumption and the resulting CO2e emissions of company cars was stated under G4-EN3. Information regarding the environmental impacts of business travel and the mailing of account statements can be found in the disclosures regarding Indicator G4-EN4.	QA
Category “Social” – Subcategory “Labour Practices and Decent Work”					
Employment					
DMA	Disclosures on the management approach	pp. 42-43, 60-61, 98-103			QA
G4-LA1	Employee turnover	pp. 61-62			QA
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	EI p. 25			QA
G4-LA3	Return to work and retention rates after parental leave	EI p. 25			QA
Employer-employee relationship					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-LA4	Minimum notice periods regarding operational changes	EI p. 25			QA
Occupational Health and Safety					
DMA	Disclosures on the management approach	pp. 42-43, 63, 98-103			QA
G4-LA6	Injuries, occupational diseases, lost days, absenteeism, and work-related fatalities	p. 63		Sick days are reported. The other stipulated Indicators are “not material” for VBVB because there is no elevated risk of accidents, injuries, or occupational diseases for the employees.	QA
Training and Education					
DMA	Disclosures on the management approach	pp. 42-43, 64, 98-103			QA
G4-LA9	Average hours of training and education per year per employee	p. 64		The number hours spent in training for the entire workforce is reported. The information is not compiled or reported based on gender or employee category, in particular because the training and education is offered in equal measure to all of our employees, who also take advantage of this opportunity.	QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	EI p. 26			QA
G4-LA11	Performance and career development reviews for employees	p. 64			QA
Diversity and Equal Opportunity					
DMA	Disclosures on the management approach	pp. 42-43, 60, 64, 98-103			QA
G4-LA12	Diversity of employees and governing bodies	pp. 64-65			QA
Equal Remuneration for Women and Men					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-LA13	Differences in remuneration by gender	p. 64			QA
Labour Practices Grievance Mechanisms					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-LA16	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	EI p. 26			QA
Category "Social" – Subcategory "Human Rights"					
Non-discrimination					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-HR3	Total number of incidents of discrimination and corrective actions taken	EI p. 26			QA
Category "Social" – Subcategory "Society"					
Local Communities					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
FS13	Access to financial services in low-populated or economically disadvantaged areas	EI p. 31			QA
FS14	Initiatives to improve access to financial services for disadvantaged people	EI p. 31			QA
Anti-corruption					
DMA	Disclosures on the management approach	pp. 42-43, 74-75, 98-103			QA
G4-SO3	Assessments of risks related to corruption	pp. 74-75			QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
G4-SO4	Employee training on anti-corruption policies and procedures	pp. 74-75			QA
G4-SO5	Confirmed incidents of corruption and actions taken	pp. 74-75			QA
Public Policy					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-SO6	Total value of political contributions by country and recipient/beneficiary	EI p. 26			QA
Anti-competitive Behaviour					
DMA	Disclosures on the management approach	pp. 42-43, 74-75, 98-103			QA
G4-SO7	Legal actions for anti-competitive behavior	EI p. 26			QA
Compliance					
DMA	Disclosures on the management approach	pp. 42-43, 74-75, 98-103			QA
G4-SO8	Sanctions and fines due to non-compliance with laws	CI		VBV did not violate any laws during the reporting period.	QA
Category "Social" – Subcategory "Product Responsibility"					
Product and Service Labelling					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-PR3	Product and service information required by the organisation's procedures for product and service information and labelling	EI p. 27			QA
G4-PR4	Incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling	EI p. 27			QA
G4-PR5	Results of surveys measuring customer satisfaction	EI pp. 28-30			QA
Marketing Communications					
DMA	Disclosures on the management approach	pp. 42-43, 98-103			QA
G4-PR7	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	EI p. 31			QA
Customer Privacy					
DMA	Disclosures on the management approach	pp. 42-43, 74-75, 98-103			QA

GRI Code	Description	Reference	Status	Additional information or reason for omissions	External Review
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	p. 75			QA
Compliance					
DMA	Disclosures on the management approach	pp. 42-43, 74-75, 98-103			QA
G4-PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	CI		VBV did not violate any legal requirements or voluntary rules of conduct concerning the services offered.	QA
Product Portfolio (sector-specific Aspect)					
DMA	Disclosures on the management approach	pp. 42-43, 52-55, 98-103			PwC
FS6	Percentage of the portfolio for business lines by specific region, size and by sector	p. 58			PwC
Audit (sector-specific Aspect)					
DMA	Disclosures on the management approach	pp. 42-43, 56, 98-103			QA
Active Ownership (sector-specific Aspect)					
DMA	Disclosures on the management approach	pp. 42-43, 57, 98-103			QA
FS10	Companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues	p. 57			QA
FS11	Percentage of assets subject to positive and negative environmental or social screening	p. 58, CI		100% of the investment volume	QA

Legend

	Fully reported
	Partially reported
CI	Information directly in the Content Index
EI	Information in the document entitled "Supplementary information regarding the 2015 integrated annual and sustainability report": www.vorsorgekasse.at/zusatzinformationen2015
QA	This point was audited by Quality Austria Trainings-, Zertifizierungs- und Begutachtungs GmbH. See page 112 for the audit certificate.
PwC	This point was audited by PwC Wirtschaftsprüfung GmbH. See pages 94-95 for the auditor's report.

VBV – Vorsorgekasse AG

Obere Donaustraße 49-53
1020 Wien

Quality Austria
Trainings-, Zertifizierungs- und
Begutachtungs GmbH

Direktion
Zelinkagasse 10/3
1010 Wien, Austria
Tel.: (+43 1) 274 87 47
Fax: (+43 1) 274 87 47-100

Customer Service Center
Am Winterhafen 1
4020 Linz, Austria
Tel.: (+43 732) 34 23 22
Fax: (+43 732) 34 23 23
office@qualityaustria.com
www.qualityaustria.com

Prüfbescheinigung

Wir haben als Quality Austria Trainings-, Zertifizierungs- und Begutachtungs GmbH mit Sitz in der Zelinkagasse 10/3, 1010 Wien den Auftrag erhalten den vorliegenden Nachhaltigkeitsbericht der VBV - Vorsorgekasse AG auf seine Übereinstimmung mit den internationalen Richtlinien für Nachhaltigkeitsberichte der Global Reporting Initiative (GRI) zu beurteilen.

Die Verfahren der Quality Austria Trainings-, Zertifizierungs- und Begutachtungs GmbH hinsichtlich der Validierung von Nachhaltigkeitsberichten orientieren sich an den Anforderungen der ÖVE/ÖNORM EN ISO/IEC 17021.

Dementsprechend wurde in einem Audit Einsicht in Unterlagen, Belege, Aufzeichnungen und ähnliche Nachweise genommen, um hinreichende Evidenz hinsichtlich Nachhaltigkeitskontext, Wesentlichkeit, Vollständigkeit, Ausgewogenheit, Vergleichbarkeit, Genauigkeit, Aktualität, Klarheit und Verlässlichkeit der Aussagen im Nachhaltigkeitsbericht der VBV - Vorsorgekasse zu erhalten. Darüber hinaus wurde die Verankerung des Nachhaltigkeitsprozesses im Unternehmen durch Interviews mit einzelnen Verantwortungsträgern geprüft. Die Beurteilung dieses Nachhaltigkeitsberichtes erfolgt daher auf Basis einzelner Stichproben, wobei die letztendliche Verantwortlichkeit für die veröffentlichten Inhalte bei der VBV - Vorsorgekasse liegt.

Der Auditor bestätigt hiermit auf Basis des oben dargelegten Verfahrens, dass der Nachhaltigkeitsbericht der VBV - Vorsorgekasse mit Sitz in Wien den Anforderungen der GRI 4 - Richtlinien (Option „Kern“) entspricht.

Wien, im April 2016

Dr. Andreas Markom
Leitender Auditor
Quality Austria



Nr.: FO 27_01_070
Erstellt: Steinberger

Ausgabe: 12/2010
Geprüft: Kreiter

Seite 1 von 1
Freigegeben: Scheiber

A-4020 Linz, Am Winterhafen 1, Telefon: (+43 732) 34 23 22,
Fax: (+43 732) 34 23 23, Homepage: www.qualityaustria.com,
Email: office@qualityaustria.com



VBV
Severance pay
AND pension
from one company.

Publication details and credits

“This is a translation of the German Annual Report of VBV – Vorsorgekasse. In case of any divergences, the German original is legally binding.”

Contents

Owner, issuer and publisher



VBV – Vorsorgekasse AG
1020 Vienna, Obere Donaustrasse 49-53
Tel.: +43 1/ 217 01, Fax: 01/ 217 01-78260
E-mail: vorstand@vorsorgekasse.at
Homepage: www.vorsorgekasse.at

Contents

Heinz Behacker,
Martin A. Vörös

Editorial staff/Reporting team

Heinz Behacker (Management)
Georg Cadek
Martin Cech
Peter Eitzenberger
Renate Hahn
Günther Herndlhofer
Alexandra Kovacs
Barbara Mihola
Andreas Rieder
Robert Schwarz
Dietmar Sedelmaier
Markus Sumpich
Wolfgang Weiss

Your contact person for the sustainability report:
Peter Eitzenberger
(CSR Officer)
Tel.: 01/ 217 01/ 8120
E-mail: p.eitzenberger@vorsorgekasse.at

Consultation and Editing

Harald Reisinger
Sustainability Management & Reporting
www.harald-reisinger.at

Frank Butschbacher
Investor Relations & Communications
www.butschbacher.net

Translation

Austria Sprachendienst International – ASI GmbH

Imprint

Production

Design, Typesetting, PPM



CREATIVWERK

1030 Vienna, Arsenal Objekt 1

Tel.: +43 1/ 486 68 68

E-mail: agentur@creativwerk.com

Homepage: www.creativwerk.com

Artwork, Photo Compositions, Graphics

tom thörmer

Photos

Cover Photo: Photo composition thörmer

U2, S 97, 117 Corinna Gissemann - Fotolia

S 4, 5, 14, 15 Glovatskiy - Shutterstock

S 6-11, 19, 44, 45 timquo - Shutterstock

S 17, 78 Zadiraka Evgenii - Shutterstock

S 22 karepa - Fotolia

S 27, 28, 29 Daniel Hinterramskogler

S 30, 31 Smileus - Fotolia

S 32, 33 Friedberg - Fotolia

S 34, 35 K.-U. Häßler - Fotolia

S 36, 38, 39 Ewais - Shutterstock

S 40 givaga - Shutterstock

S 43 MyImages - Micha - Shutterstock

S 47 givaga, tmcphotos - Shutterstock

S 48, 51, 60, 67 file404 - Shutterstock

S 63 Anatoly Repin - Fotolia

S 66 Valeriy Lebedev - Shutterstock

S 72 T. Wejkszo - Fotolia

S 76, 77 Antonio Guillem - Shutterstock

U4 Corinna Gissemann, Friedberg - Fotolia

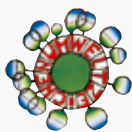
Printing

GRASL FairPrint
Druckhausstraße 1
2540 Bad Vöslau
www.grasl.eu



This annual report was printed with electricity generated from hydropower.

All emissions occurring during the manufacturing process were neutralised by means of emissions-reducing projects in the interest of climate-neutral printing.



This product complies with the Austrian Ecolabel for low-emission printed products (UZ 24), UW No. 715. Grasl FairPrint, Bad Vöslau, www.grasl.eu

Paper

IMPACT,
100% Recycling

This annual report is printed on IMPACT. This is a carbon-neutral paper that is produced entirely from recycled fibres. The production is carried out without using optical brighteners or chlorine bleach.

The emissions that are caused by the production are offset by the promotion of controlled emissions-reducing projects.



VBV – Vorsorgekasse has already received the ASRA (Austrian Sustainability Reporting Award) several times. The ASRA is awarded by the Chamber of Public Accountants and Tax Advisors (Kammer der Wirtschaftstreuhänder) together with the Federal Environment Agency (Umweltministerium), Environment Agency Austria (Umweltbundesamt) and other partners for the best Austrian sustainability reports.



VBV is one of **Austria's Leading Companies**. Sustainable business success and innovation as well as responsibility for society and the environment count among the most important Aspects of the Company.



VBV – Vorsorgekasse AG was awarded the EFQM “**Recognised for Excellence 5-Star**” rating for its high-quality business approach and is nominated once again in 2016 as a finalist for the National Prize for Business Quality. Thus, VBV is the first and only severance fund in Austria to receive this award from Quality Austria.



Personal consultation by telephone: With VBV, you always speak directly with experienced employees. With us your call is not directed to an outsourced call centre. VBV – Vorsorgekasse is a recipient of the **Service Award 2014/2015** for telephonic consultation.



EMAS is the environmental management system in the European Union and stands for Eco-Management and Audit Scheme. EMAS is a field-tested instrument that underscores VBV's credibility as a sustainable enterprise and its subject leadership in the industry.



VBV has for the sixth time in a row received the Sustainability Certificate “**Gold Standard**” by **Österreichische Gesellschaft für Umwelt und Technik (ÖGUT)** and the Federal Environment Agency. VBV was the first severance fund to receive both the Premium certificate as well as the Gold certificate. Three areas were audited: The “Principles & Methodology”, “Portfolio” and “Environment” of the funds. Since the first audit in 2004, VBV has received the best rating within the industry year after year.



As a leading company, VBV – Vorsorgekasse AG was added by Quality Austria to the list of **EXZELLENT AUSTRIAN COMPANIES 2015**.



Quality Austria's certificates confirm the application and further development of an effective environmental management system as required under **ISO 14001:2004**.



VBV – Vorsorgekasse AG was selected by an independent jury to receive the “**GREEN BRAND Austria 2014/2015**” seal. This seal of quality distinguishes brands that have demonstrated that they practise environmental sustainability and apply it transparently within the company as well vis-à-vis the outside world.



More than a dozen of the employed funds in which VBV invests have been certified with the **Austrian Ecolabel**. Funds that realise profits through sustainable investments receive this certificate from the Federal Environment Agency.

