

## SUPERVISORY BOARD REPORT



### DEAR SHAREHOLDERS,

During the business year 2015, the Supervisory Board of CA Immo undertook its tasks in accordance with legislation and the articles of association at a total of 11 plenary sessions.

The Supervisory Board was closely involved in the company's strategy, which included the voluntary partial public offer of CA Immo and O1 Group Limited ('O1') to the shareholders of IMMOFINANZ, the issue of a corporate bond and the takeover of minority shares from joint ventures (EBRD) as well as numerous real estate sales, future acquisitions and project undertakings.

Central themes in regular reporting included financing and liquidity issues, developments on real estate markets, resultant opportunities and threats and property valuations. Reports on risk management, current legal proceedings and threats and the observations of Internal Auditing were discussed at regular intervals by the Audit Committee, which reported its findings to the Supervisory Board. The Management Board explained any deviations from

planned values and targets in full. Decisions and measures taken by the Management Board were transparent and raised no objections.

Evaluating the organisation and working methods of the Supervisory Board and its committees was central to an annual self-assessment exercise. The results of this evaluation and the annual activity report on compliance management were discussed in detail and corporate governance was reviewed. Generally speaking, cooperation between the Supervisory Board and the Management Board was characterised by open discussion. Contact between the Supervisory Board chairman and the Management Board underlined the openness of exchanges on matters of relevance to decision-making. All developments in the company were reported to the Supervisory Board promptly and in full.

### Personnel changes in the Supervisory and Management Boards

By resolution of the 28th Ordinary General Meeting, the Supervisory Board was expanded from six to a total of eight members. At the request of the Supervisory Board and the main shareholder O1, Richard Gregson and John Nacos were newly elected to the Supervisory Board.

At the end of 2015, Dr. Bruno Ettenauer announced he would resign his mandate as Chief Executive Officer of CA Immobilien Anlagen AG as at 31 December 2015. Dr. Ettenauer joined the Management Board of CA Immo in 2006 and has served as CEO since 2009. His contract is terminated early by mutual agreement. The Supervisory Board would like to thank Dr. Ettenauer for his considerable contribution to the development of CA Immo as a leading real estate company. Frank Nickel, former CEO of Cushman & Wakefield LLP Germany, succeeded Dr. Ettenauer as the new Chief Executive Officer on 1 January 2016.

Special thanks are also due to Supervisory Board member Franz Zwickl, who resigned his Supervisory Board mandate with effect from 17 February 2016.

### Committee activity in 2015

The **Audit Committee** held three meetings in the business year 2015. The annual and consolidated financial statements for 2014 (including the management reports), the corporate governance report, the internal monitoring system and the effectiveness of risk management at CA Immo were discussed and examined with the auditor and the Management Board in March 2015. In accordance

with Section 270 para. 1a of the Austrian Commercial Code (UGB), a statement was obtained from the proposed auditor, whose legal relationship with CA Immo and its senior executives was scrutinised; the fee for carrying out the audit was negotiated and a recommendation on the election of an auditor was submitted. The financial result and progress on current business activity were discussed quarterly; no objections were raised.

The **Remuneration and Nomination Committee** convened twice in 2015. The meetings focused on the extent to which targets were met for bonus payments in 2015 (for 2014) and the long-term incentive (LTI) programme for 2012-2014, the definition of targets for 2015 (performance-related pay) and the specification of criteria for the LTI programme for 2015-2017. (For details on the remuneration system at CA Immo, please refer to the 'Corporate Governance' section). The Committee was also heavily involved in the extending of Management Board mandates and the redrafting of contracts for Management Board members. The change in the composition of the Management Board was discussed at a plenary session in December.

The **Investment Committee** also held two meetings during the past business year, at which the implementation of projects in Germany, the approval of sales of non-strategic properties and various real estate acquisitions were on the agenda.

The web site [www.caimmo.com](http://www.caimmo.com) and the corporate governance report contain more information on the responsibilities of the Supervisory Board and its committees.

**Consolidated and annual financial statements for 2015**

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft has audited the annual and consolidated financial statements for 2015 (including the management reports) and expressed its unqualified audi-

tor's opinion. The auditor also determined that the Management Board has established a risk management system with a concept that allows it to operate in such a way as to identify developments hazardous to the company's survival at an early stage. Moreover, an evaluation of compliance with rules 1 to 76 of the Austrian Corporate Governance Code for business year 2015 found that declarations of conformity submitted by CA Immo with regard to compliance with the C and R Rules of the Code were correct.

All documents making up the financial statements, the proposal on the distribution of profit, the auditor's reports and the corporate governance report were discussed in detail by the Audit Committee in the presence of the auditor and the Management Board members and examined. After concluding the examination, no significant objections were raised. The Supervisory Board endorsed the annual financial statements, which were thus adopted in accordance with article 96 subsection 4 of the Austrian Stock Corporation Act. Taking into consideration the company's earnings performance and financial situation, the Supervisory Board indicated its consent to the Management Board's proposal on the distribution of profit.

The Supervisory Board would like to extend particular thanks to all employees for their hard work and unwavering commitment in a business environment characterised by constantly shifting challenges.



On behalf of the Supervisory Board  
Dr. Wolfgang Ruttenstorfer, Chairman  
Vienna, 22 March 2016