



# Corporate-Governance- Report

pursuant to Section 243b UGB (Austrian Commercial Code)

The foremost goal of Flughafen Wien AG is to create and maintain a sustainable increase in the value of the company. The actions to reach this goal include responsible corporate management as well as a commitment to the Austrian Corporate Governance Code. Flughafen Wien has been committed to compliance with the code since 2003.

### › **Commitment to responsible corporate management**

Flughafen Wien AG declared its intent to comply with the Austrian Corporate Governance Code (ÖCGK) in 2003, and last renewed this commitment to the 2015 version of the code in financial year 2015. The code is available for review under **[www.corporate-governance.at](http://www.corporate-governance.at)**.

Among other stipulations, it includes the so-called comply-or-explain rules that require the explanation of any non-compliance. Flughafen Wien AG meets all regulations of the Austrian Corporate Governance Code with the exception of rule 16, first sentence (a chairman was not appointed for the management board in order to promote the team spirit between its members) and rule 62 (no external evaluation is made because all regulations of the code are complied with apart from rule 16). >

## › The management

During the 2015 reporting year, Julian Jäger and Günther Ofner served as the members of the Management Board of Flughafen Wien AG.

### › Organisational structure by function in financial year 2015,

Management Board Dr. Günther Ofner	Management Board Julian Jäger
Real Estate Management <b>Werner Hackenberg</b> <sup>1</sup>	Operations <b>Nikolaus Gretzmacher, MBA</b>
Planning, Construction & Facility Management <b>Georg Kroyer</b>	Handling Services <b>Wolfgang Fasching</b>
Finance and Accounting <b>Rita Heiss</b>	Center Management <b>Adil Raihani</b> <sup>1</sup>
Strategy, Controlling and Group Shareholdings <b>Andreas Schadenhofer</b>	Information Systems <b>Susanne Ebm</b>
Secretary General <b>Wolfgang Köberl</b>	Internal Audit <b>Günter Grubmüller</b>
Personnel <b>Christoph Lehr</b>	
Corporate Communications <b>Stephan Klasmann</b>	
Purchasing <b>Andreas Eder</b>	

1) Until 31 December 2015

### › Joint signatories in financial year 2015

Andreas Eder

Wolfgang Fasching

Nikolaus Gretzmacher

Werner Hackenberg

Rita Heiss

Stephan Klasmann

Wolfgang Köberl

Georg Kroyer

Christoph Lehr

Adil Raihani

Andreas Schadenhofer

## Management Board

### › Member of the Management Board Julian Jäger

Born in 1971, he joined the legal department of Flughafen Wien AG back in 2002 after completing his studies in law at the University of Vienna. From 2004 to 2006, he served as the head of the business development department in the airline and terminal services unit. He joined Malta International Airport plc as Chief Commercial Officer in 2007 and was appointed Chief Executive Officer in 2008. He was appointed to the Management Board of Flughafen Wien AG on 5 September 2011. By resolution of the Supervisory Board of 23 June 2015, Mr Jäger was appointed as a member of the Management Board of Flughafen Wien AG for another five-year period until 4 September 2021.

Member of the Supervisory Board or comparable function in external corporations:

- › Österreichische Gesellschaft für Zivilluftfahrt mit beschränkter Haftung

### › Member of the Board Günther Ofner

Born in 1956, he received his doctor of laws degree from the University of Vienna in 1983, where he also worked as a lecturer from 1986 to 2000. He served as the Managing Director of Friedrich Funder Institut für Journalistenausbildung und Medienforschung from 1981 to 1992, and then joined Österreichische Elektrizitätswirtschafts AG as the deputy head of the foreign office from 1992 to 1994. From 1994 to 2004, he was a member of the Management Board of Burgenländische Elektrizitätswirtschafts AG. He served on the Management Board of Burgenland Holding AG from 1995 to 1997 and 2005 to 2011, and on this company's Supervisory Board from 2004 to 2005. His other functions include Chairman of the Management Board of UTA Telekom AG from 2004 to 2005, as well as Managing Director and Head of M&A at various Austrian and foreign subsidiaries of EVN AG from 2005 to 2011. He was appointed to the Management Board of Flughafen Wien AG on 5 September 2011. By resolution of the Supervisory Board of 23 June 2015, Dr Ofner was appointed as a member of the Management Board of Flughafen Wien AG for another five-year period until 4 September 2021.

Member of the Supervisory Board or comparable function in external corporations:

- › Plaut Aktiengesellschaft<sup>1</sup>
- › Wiener Städtische Wechselseitiger Versicherungsverein – Vermögensverwaltung – Vienna Insurance Group
- › Hypo NOE Gruppe Bank AG (Chairman)<sup>2</sup>

<sup>1</sup>) Until 22 July 2015

<sup>2</sup>) Since 17 April 2015

### › Work processes of the Management Board

The activities of the Management Board are defined by law, the articles of association and the rules of procedure. The rules of procedure regulate the distribution of operational responsibilities and the cooperation between the members of the Management Board. This document also lists the information and reporting obligations of the Management Board and includes a catalogue of measures that require the approval of the Supervisory Board. The Management Board holds weekly meetings to discuss the development of business and, in these meetings, takes decisions that require the approval of the full Management Board. The members of the Management Board also exchange information on important activities and events on a regular basis.

### › Management Board Remuneration

The remuneration of the Management Board includes a fixed and a performance-based component as well as non-cash remuneration. The variable component is tied to specific targets that are defined each year between the Management Board and the Supervisory Board based on corporate goals.

In accordance with rule 27 of the Austrian Corporate Governance Code, 50% of the variable remuneration for Julian Jäger and Günther Ofner is dependent on the attainment of goals for the respective financial year and 50% on sustainable, long-term goals. Goal attainment is measured by the improvement in customer satisfaction based on a comparison with the international ASQ study and on EBITDA and ROCE targets. The targets and, above all, the criteria for payment of the variable remuneration are defined, explained and weighted by the Presidium and Personnel Committee of the Supervisory Board at the beginning of each financial year. If the basis for variable remuneration proves to be incorrect after this payment is made, the respective Management Board member is obliged to return the resulting bonus in full. The variable remuneration is limited to 100% of the fixed component.

Details on the remuneration paid to the individual board members are provided in the following table and in note 41 to the consolidated financial statements. On behalf of Julian Jäger and Günther Ofner, the company makes payments equalling 15% of the respective salary to a pension fund.

There are no special agreements that would take effect in the event of a public takeover offer. If the Management Board contracts with Julian Jäger and Günther Ofner are terminated prematurely without compelling reason, compensation will be continued for a maximum of 24 months in accordance with rule 27a of the Austrian Corporate Governance Code. The members of the Management Board have no claims to severance compensation or other settlement payments at the end of their contracts, regardless of the grounds for termination. No stock options have been granted. The company has arranged for D&O insurance, and bears the related costs.

### › Management Board remuneration for 2014 and 2015 in T€

	2015	2015	2015	2015	2015	2015	2014
in T€	Fixed compensation	Performance-based components for 2014	Non-cash remuneration	Total remuneration 2015 without long-term bonus	Performance-based long-term bonus 2012-2014	Total remuneration 2015 including long-term bonus	Total remuneration
Julian Jäger	264.5	192.5	8.6	465.7	185.5	651.2	457.3
Günther Ofner	264.5	192.5	8.6	465.7	185.5	651.2	457.3

### › Supervisory Board

The Supervisory Board comprises ten shareholder representatives and five delegates from the Works Committee. All shareholder representatives were elected by the 25<sup>th</sup> Annual General Meeting (AGM) on 30 April 2013 and have terms of office extending up to the AGM that will vote on the release from liability for the 2017 financial year. At the 165<sup>th</sup> meeting of the Supervisory Board on 30 April 2013, Ewald Kirschner was elected chairman of this body. All members of the Supervisory Board of Flughafen Wien AG have declared their independence according to the guidelines defined by the Supervisory Board pursuant to the requirements of the Austrian Corporate Governance Code. The company therefore complies with rules 39 and 53 of the Austrian Corporate Governance Code.

### › Members of the Supervisory Board

Name, year of birth	Profession	First appointed on	Positions on other supervisory boards and comparable functions
<b>Shareholder representatives</b>			
Ewald Kirschner, Chairman since 30 April 2013, 1957	General Director of GESIBA Gemeinnützige Siedlungs- und Bauaktiengesellschaft	29.04.2011	-
Erwin Hameseder, deputy since 30 April 2013, 1956	General Director of Raiffeisen-Holding NÖ-Wien reg. Gen. mbH	31.08.2011 <sup>1</sup>	Member of Supervisory Board of: Strabag SE, AGRANA Beteiligungs-Aktiengesellschaft, Raiffeisen Bank International AG, UNIQA Insurance Group AG, Südzucker AG
Wolfgang Ruttenstorfer, deputy since 29 April 2011, 1950	Chairman of the Supervisory Board of CA Immobilien Anlagen AG	29.04.2011	CA Immobilien Anlagen Aktiengesellschaft (Chairman), RHI AG, NIS a. d. Naftna industrija Srbije, Telekom Austria Aktiengesellschaft
Gabriele Domschitz, 1959	Member of the Management Board of Wiener Stadtwerke Holding AG	29.04.2011	-
Bettina Glatz-Kremsner, 1962	Member of the Management Boards of Casinos Austria AG and Österreichische Lotterien GesmbH	29.04.2011	-
Burkhard Hofer, 1944	(Former) General Director of EVN AG	20.08.2009	Member of Supervisory Board of: EVN AG (Chairman)
Robert Lasshofer, 1957	Chairman of the Management Board of Wiener Städtische Versicherung AG Vienna Insurance Group	30.04.2013	-
Herbert Paierl, 1952	pcb Paierl Consulting Beteiligungs GmbH	30.04.2013	Board of Directors: Landi Renzo S.P.A.
Karin Rest, 1972	RSB Rechtsanwälte GmbH	30.04.2013	-
Gerhard Starsich, 1960	General Director of Münze Österreich Aktiengesellschaft	30.04.2013	-

1) Mr Hameseder served as a member of the Supervisory Board from 22 April 2004 to 19 May 2009

### › Delegated by the Works Committee

Name, year of birth	Profession	First appointed on	Positions on other supervisory boards and comparable functions
<b>Delegated by the Works Committee</b>			
Thomas Schäffer, 1983	Chairman of the Salaried Employees' Works Committee		-
Michael Straßegger, 1966	Deputy Chairman of the Salaried Employees' Works Committee		-
Herbert Frank, 1972	Deputy Chairman of the Salaried Employees' Works Committee		-
Thomas Faulhuber, 1971	Waged Employees' Works Committee		-
Heinz Strauby, 1974	Waged Employees' Works Committee		-

### › Representatives of the Supervisory Authority

In a letter dated 29 April 2012, the Supervisory Authority indicated that they would no longer exercise their right to delegate a representative.

### › Representatives of free float shareholders

The 25<sup>th</sup> AGM on 30 April 2013 elected Robert Lasshofer and Burkhard Hofer as the representatives of free float shareholders.

### › Work processes of the Supervisory Board

The Supervisory Board monitors corporate management and can request a report from the Management Board on business-related issues and may review the company's accounting records and documentation at any time. The transactions itemised in Section 95 (5) of the Austrian Stock Corporation Act and the activities listed in the rules of procedure of the Management Board require the approval of the Supervisory Board.

### › Committees of the Supervisory Board

The committees, which exercise consultative functions, are intended to improve the efficiency of Supervisory Board work processes and also deal with complex issues. The chairmen of these committees report regularly to the Supervisory Board on their work. The Supervisory Board is required to designate one committee to make decisions in urgent cases. Irrespective of their assigned duties, the committees can also be charged with other tasks involving analysis, advising and the preparation of recommendations to the full Supervisory Board for voting.



### › Presidium and Personnel Committee

The Presidium and Personnel Committee is responsible for personnel issues related to the members of the Management Board, including succession planning, and deals with the content of employment contracts and the remuneration of the Management Board members. This committee also evaluates the acceptability of additional activities by the Management Board members and assists the chairman, above all in preparing the Supervisory Board meetings. Moreover, the Presidium and Personnel Committee serves as a committee for urgent issues in accordance with rule 39 of the Austrian Corporate Governance Code and performs the functions of a Nominating Committee as defined in rule 41 of the Austrian Corporate Governance Code as well as the duties of the Remuneration Committee in accordance with rule 43.

#### › Members of the Presidium and Personnel Committee

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Ewald Kirschner (Chairman)	Thomas Schäffer
Erwin Hameseder	Thomas Faulhuber
Wolfgang Ruttendorfer	

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### › Strategy Committee

The Strategy Committee works on strategic issues together with the Management Board and, if necessary, also with other experts. The related decisions are taken by the full Supervisory Board.

#### › Members of the Strategy Committee

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Ewald Kirschner (Chairman)	Thomas Schäffer
Erwin Hameseder	Heinz Strauby
Wolfgang Ruttendorfer	Thomas Faulhuber
Gabrielle Domschitz	
Bettina Glatz-Kremsner	

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### › Audit Committee

The Audit Committee deals with accounting issues as well as the audit of the company and the group. It evaluates the report by the auditor on the examination of the annual financial statements, and informs the Supervisory Board of the results of this analysis. This committee is responsible for examining and preparing decisions for the Supervisory Board on the following subjects: the annual financial statements, the recommendation for the distribution of profit and the management report; the audit of the consolidated financial statements; the audit of accounting systems; the corporate-governance-report; the monitoring and effectiveness of the internal control system, the internal audit system and risk management. The Audit Committee also makes a recommendation to the Supervisory Board for the nomination of an auditor, monitors the independence of this firm and deals with the content of the management letter and the report on

the effectiveness of risk management. Erwin Hameseder, the chairman of this committee, has served as the financial expert since 30 April 2013; Erwin Hameseder, whose many years of professional experience qualify him for this position.

### › Members of the Audit Committee

Erwin Hameseder (Chairman)	Gabriele Domschitz
Wolfgang Rutenstorfer	Thomas Schäffer
Ewald Kirschner	Heinz Strauby
Burkhard Hofer	Thomas Faulhuber

### › Construction Committee

The Construction Committee works on current planning and construction issues, especially with regard to terminal development, together with the Management Board and, if necessary, also with other experts. The related decisions are taken by the full Supervisory Board.

### › Members of the Construction Committee

Ewald Kirschner (Chairman)	Michael Straßegger
Gabriele Domschitz	Gerhard Starsich
Burkhard Hofer	Herbert Frank

For information on the frequency of meetings and key issues in the meetings of the Supervisory Board and its committees, please refer to the Supervisory Board's report on page 81.

### › Remuneration of the Supervisory Board members 2015<sup>1</sup>

The remuneration scheme for the Supervisory Board calls for an annual payment of € 16,200 to the chairman, € 13,500 for each deputy and € 10,800 for each ordinary member as well as a standard attendance fee of € 500 per meeting. The following table provides detailed information on the remuneration paid to the individual members of the Supervisory Board.

Ewald Kirschner	€ 24,900	Karin Rest	€ 14,300
Erwin Hameseder	€ 22,200	Thomas Schäffer	€ 5,500
Wolfgang Rutenstorfer	€ 22,200	Heinz Strauby	€ 6,600
Burkhard Hofer	€ 14,300	Michael Straßegger	€ 4,000
Gabriele Domschitz	€ 17,700	Thomas Faulhuber	€ 5,400
Bettina Glatz-Kremsner	€ 13,300	Herbert Frank	€ 3,000
Robert Lasshofer	€ 13,800	Manfred Biegler	€ 1,600
Gerhard Starsich	€ 13,600	Heinz Wessely	€ 600
Herbert Paierl	€ 13,400		

1) In the year 2015 remuneration and attendance fees for the year 2014 and 2015 were paid.

### › Guidelines for the independence of the Supervisory Board members

The criteria for the independence of the Supervisory Board members are based on rule 53 of the Austrian Corporate Governance Code. All members of the Supervisory Board of Flughafen Wien AG meet the independence criteria defined in the following guidelines:

- › A member of the Supervisory Board is considered to be independent when he/she has no business or personal relations with the company or its management board that may lead to a material conflict of interest and are therefore capable of influencing the actions of the board member.
- › The Supervisory Board member may not have served on the management board or as a key employee of the company or a subsidiary of the company during the previous five years.
- › The Supervisory Board member may not have - or had in the last year - any business relations with the company or a subsidiary of the company that are considered to be material for this Supervisory Board member. The same applies to business relations with companies in which the member of the Supervisory Board holds a significant economic interest. The approval of individual transactions by the Supervisory Board as defined in L-Rule 48 does not automatically lead to qualification as not independent.
- › The Supervisory Board member may not have worked on the audit of the company during the past three years and may not have owned an interest in or been employed by the public accounting firm during this period.
- › The Supervisory Board member may not serve on the management board of another firm in which a member of the company's management board holds a position on the supervisory board.
- › The Supervisory Board member may not serve on the Supervisory Board for more than 15 years. This does not apply to Supervisory Board members who are shareholders with a business investment or who represent the interests of such a shareholder.
- › The Supervisory Board member may not be closely related (son or daughter, husband or wife, companion, parent, uncle, aunt, sister or brother, niece or nephew) to a member of the Management Board or a person serving in one of the positions described above.

### › Self-evaluation of the Supervisory Board

The Supervisory Board analysed the efficiency of its activities within the framework of a self-evaluation process that focused, above all, on its organisation and working procedures. The required information was collected through questionnaires that were completed by all Supervisory Board members, and the results were presented at the 178<sup>th</sup> Supervisory Board meeting on 9 December 2015.

### › Internal audit and risk management

The internal audit department reports directly to the Management Board and each year, this department prepares an audit schedule, as well as a report on its activities during the past financial year. Both documents are submitted to the Management Board and discussed with the Audit Committee of the Supervisory Board. The effectiveness of risk management is evaluated by the auditor based on documents and other available information. This audit report is submitted to the Management Board and the chairman of the Supervisory Board, and subsequently presented to the full Supervisory Board.

### › Auditor

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 1090 Vienna, Porzellangasse 51, was elected as auditor of the financial statements by the 27<sup>th</sup> Annual General Meeting of Flughafen Wien AG, and was commissioned to perform this audit. Prior to its election as the auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft submitted a written report to the Audit Committee:

Expenses for the auditor for financial year 2015 amounted to € 230.5 thousand for the audit of the financial statements, € 12.0 thousand for other confirmation services and € 92.5 thousand for other services.

### › Compliance rules

Flughafen Wien AG implemented the Issuer Compliance Regulations in the version dated 1 November 2007 revised by Federal Gazette BGBl. II No. 30/2012 through a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. These areas of non-disclosure cover all employees and corporate bodies of Flughafen Wien AG in Austria and other countries as well as any external service providers who have access to insider information. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis. The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority.

### › Ad-hoc publications and directors' dealings

Ad-hoc publication requirements are met through disclosure on the company's website. In financial year 2015, there were no purchases or sales of Flughafen Wien AG shares by members of corporate bodies or managers (directors' dealings) that would be subject to the reporting requirements of the Austrian Stock Exchange Act.

### › Promotion of women

The proportion of women within the Flughafen Wien Group was 23.3% in 2015. This can be attributed to the relatively small proportion in the specialist activities at Vienna Airport – two thirds of the employees working at the airport perform heavy physical work. In order to position Vienna Airport as an attractive employer for women as well, specific measures have been implemented to support the work-life balance, and suitable career opportunities have been created.

It is a clear goal of the company to increase the proportion of women in the long term – especially in management positions. The proportion of women in management positions at Flughafen Wien AG is currently 16.5% across all four management levels. Equal opportunities and equal treatment at the workplace are a fundamental requirement in the Flughafen Wien Group. 30% of the shareholder representatives on the Supervisory Board of Flughafen Wien AG are female.

Schwechat, March 2016

#### **The Management Board**



**Julian Jäger**  
Management Board  
Member, COO



**Günther Ofner**  
Management Board  
Member, CFO