



APK PENSIONSKASSE

## Investing for the future

APK Pensionskasse AG chief investment officer, *Manfred Brenner*, sits down with Paige Perrin to discuss the fund's investment priorities, its outperformance of the market and the upcoming changes to the Austrian pension system

### Can you provide a brief overview of APK Pensionskasse and its membership base?

■ APK Pensionskasse is one of Austria's leading occupational pension providers and the country's longest-established pension fund. The fund manages assets under management of approximately €6.7 billion and serves more than 170,000 members, including around 134,000 active members and 36,000 retirees. Annual contributions amount to approximately €266 million, while yearly pension benefit payments total around €257 million. APK primarily serves large Austrian and international corporate clients and is recognised for its independent

ownership structure and long-term investment expertise.

### As one of the longest-standing pension funds in Austria, how has the fund evolved over the years, and what factors have influenced these changes?

■ APK has evolved from being a pension provider primarily serving a limited number of large Austrian industrial companies into a leading pension solution provider for multinational corporates operating across Europe. Today, APK is the only Austrian pension fund offering cross-border pension solutions.

A key factor behind this evolution

has been APK's independence from banking and insurance groups, enabling a genuinely global and diversified investment approach focused solely on beneficiaries' interests. In addition, the fund's ability to deliver flexible, client-oriented pension solutions and adapt to changing regulatory and market environments has been instrumental in its long-term success.

**APK Pensionskasse has outperformed the wider Austrian pensions market over recent years, even during periods of significant market volatility. What have been the key drivers behind this sustained outperformance?**

■ APK's outperformance has been driven by a combination of strategic agility, disciplined investment management, and a consistent long-term approach. While maintaining a prudent overall risk profile, APK has been among the first Austrian pension funds to invest meaningfully in emerging markets and private market strategies as regulatory frameworks evolved.

Another important factor has been APK's strong manager selection capabilities and its disciplined cooperation with leading international investment managers. In addition, the organisation has demonstrated a willingness to accept measured tracking error and react quickly to changing market conditions when necessary. This combination of long-term strategic consistency and tactical flexibility has contributed significantly to sustained outperformance over time.

### Other than investment performance, what have been the fund's greatest successes over the years? And what have been the biggest challenges?

■ Beyond investment performance, APK's strong business growth and client development have been major achievements. In recent years, the fund has successfully attracted several large corporate clients, leading to substantial growth in assets, members, and organisational capacity. At the same time, APK has maintained a strong corporate culture characterised by high employee loyalty, continuity, and deep internal expertise.

Preserving this culture while expanding the organisation has been an important success factor and supports APK's ability to deliver high-quality service to clients and beneficiaries.

One of the main challenges has been managing the continuously increasing regulatory requirements facing financial institutions across

## "TODAY, APK IS THE ONLY AUSTRIAN PENSION FUND OFFERING CROSS-BORDER PENSION SOLUTIONS"

Europe. Pension funds are often subject to regulatory standards similar to those applied to significantly larger and more systemically important financial institutions. For a relatively specialised organisation such as APK, ensuring sufficient internal resources and expertise meet growing compliance and governance requirements remains a key operational challenge.

### Thinking about the wider pensions landscape, the Austrian government is planning reforms to the occupational pension system. What impact could these have on APK Pensionskasse?

■ APK welcomes the planned reforms to the Austrian occupational pension system, particularly the possibility of offering a broader range of investment solutions tailored to individual members' risk profiles and retirement objectives. Greater flexibility in investment design could enhance long-term expected returns and ultimately improve pension outcomes for beneficiaries.

In addition, planned tax improvements for pensions funded through members' own contributions could make occupational pensions more attractive overall and support broader participation in the system.

### With the Digital Operational Resilience Act (DORA) becoming a major supervisory priority, pension providers are facing growing technology and governance requirements. What has been the most demanding aspect of this regulatory shift for APK?

■ The most demanding aspect of the new regulatory environment has been ensuring that sufficient internal resources, expertise, and technological

capabilities are available to meet increasingly complex requirements. Over recent years, APK has invested significantly in both personnel and technology to strengthen operational resilience, cybersecurity, and governance frameworks. While these investments position APK well for compliance with DORA and related regulations, they also increase operational costs without necessarily creating immediately visible benefits for clients. Balancing regulatory expectations with efficiency and client value, therefore, remains an ongoing challenge.

### Looking ahead, what do you see as the main strategic priorities and challenges for APK Pensionskasse over the next five years?

■ Over the next five years, APK's strategic priorities will focus on technological innovation, investment excellence, and continued client-centric development. The fund is investing heavily in digital solutions aimed at improving internal efficiency while enhancing the customer experience through more innovative and user-friendly services.

Another major priority is the continued development of APK's investment platform, including the further integration of environmental, social and governance (ESG) principles within private market portfolios without compromising return potential or increasing unnecessary risk.

In parallel, the anticipated pension reforms in Austria are expected to create opportunities for more differentiated and customised investment solutions. Ensuring that APK can provide best-in-class solutions across different customer segments and risk profiles will therefore remain a key strategic objective.