

PRESS RELEASE

Vatican City, May 22nd, 2018 – The Institute for Works of Religion (IOR) publishes its 2017 Financial Statements and its Annual Report.

The Financial Statements have been audited by the independent auditing firm Deloitte & Touche S.p.A.

On April 24th, 2018 the Board of Superintendence of the Institute for Works of Religion (IOR) unanimously approved the Financial Statements for 2017 and submitted to the Cardinals' Commission a proposal to allocate all profits to the Holy See.

In 2017, the IOR continued with prudence to offer financial services to the Catholic Church across the world and the Vatican City State.

Key points:

- The Institute served approximately 15,000 clients representing €5.3 billion in assets (€ 5.7 billion in 2016), of which €3.5 billion are asset under management and custody accounts.
- The net result was €31.9 million (2016 net result was € 36 million including €13 million in extraordinary items related to release of provisions).
- The main contribution to IOR's net result came from the management of IOR assets for €44.3 million. IOR investment policy has remained prudent and was a continuation of previous year strategies.
- The Institute has continued the process of optimising costs initiated in previous years, reducing its cost base to €18.7 million (€19.1 million in 2016).
- At 31 December 2017, the Institute's equity after profit allocation was €627.2 million. The CET1 ratio was 68.26%, (64.53% in 2016). This highlights the Institute's high solvency and low risk profile.

Notes on management for 2017:

In addition to delivering those financial objectives, the Institute also achieved important qualitative objectives amongst which:

- **Investment consistent with Catholic Ethics:** Respect of human life, creation and human dignity are some of the inalienable values that guide the Institute in the selection of its investments. Indeed, the Institute expressed its commitment to contribute to the "care of the common home", invoked by Pope Francis in the Encyclical Letter *Laudato si'*, and select its investments notably on the basis of two fundamental themes:
 - a) corporate social responsibility,
 - b) the role of companies in creating a sustainable future.

In 2017, the Institute continued to rule out investments in companies that violate or do not fully respect the globally recognized principles of human rights, labour standards, the fight against corruption and the fight against environmental crime. The Institute also expressed its willingness to disinvest from existing holdings if compliance with these principles were no longer met.

The Institute has also invested in projects that promote the development of poorer countries and are in line with the realization of a sustainable future for future generations.

- **Charitable activities.** During 2017 the Institute contributed to many charitable and social activities, both through financial donations and by letting real estate properties it owns at a reduced rent or offering them free of charge to entities with social aims.

Contacts

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