

The background of the slide is a photograph of a man in a red and white plaid shirt standing in a field of green leafy plants, possibly a vegetable garden or farm. He is looking down at a tablet computer he is holding in his hands. The scene is brightly lit, suggesting a sunny day.

# OeKB – Oesterreichische Kontrollbank AG

Good and Best Practices: Governance und Strategie

11. Dezember 2019

**Austria's Export Credit Agency**

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# Agenda

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**Our Sustainability Management 6**

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**The Sustainable Financing Framework 13**

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The background of the slide is a photograph of a city street. On the left, there is a building with a blue roof and a flagpole flying the Austrian flag. In the center, a tall, ornate building with a spire is visible. On the right, a large, white, multi-story building with many windows and a red-tiled roof with dormer windows is the main focus. A street lamp and a clock tower are also visible in the foreground.

# OeKB in Brief

**Austria's Export Credit Agency**

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**Austria's  
export credit agency**

**Privately owned  
with a public mandate**

**Explicit, unconditional and irrevocable guarantee  
of the Republic of Austria**

**Credit Rating:**  
Aa1/AA+

**ESG Rating:**  
Sustainalytics: Leader, 1 out of 12448; ISS-oekom: Prime C+, 7 out of 28

**Zero risk  
weighting**

**Explicit exemption  
from the Capital  
Requirements Directive  
(CRD IV)**

**Exempt  
from the EU Bank Recovery  
and Resolution Directive  
(BRRD)**

**Regulated by the Export  
Guarantees Act (EGA) and  
Export Financing  
Guarantees Act (EFGA)**

**Long history of successful  
capital markets transactions**

**Eligible as a recognized agency  
under the ECB's Public Sector Purchase Programme (PSPP)**



## Export Services

OeKB provides export guarantees on behalf of the Republic of Austria and offers financing via domestic and foreign banks.

## Capital Market Services

OeKB handles statutory tasks in the area of the capital market. For instance, OeKB acts as Notification Office where security prospectuses can be deposited and compulsory information is published.

## Energy Market Services

Independent settlement agencies rely on OeKB's expertise when it comes to financial clearing and risk management in Austria's electricity and gas markets.

## Development Financing

OeEB provides long-term finance for private sector projects that are economically sustainable and have a positive impact on development.

A wide-angle photograph of a wind farm at sunset or sunrise. The sky is a warm, golden-yellow color. In the foreground, several large wind turbines with three blades each are visible, their towers and nacelles silhouetted against the light. The ground is a flat, dry landscape with sparse, low-lying vegetation. In the background, a range of mountains is visible under the hazy sky.

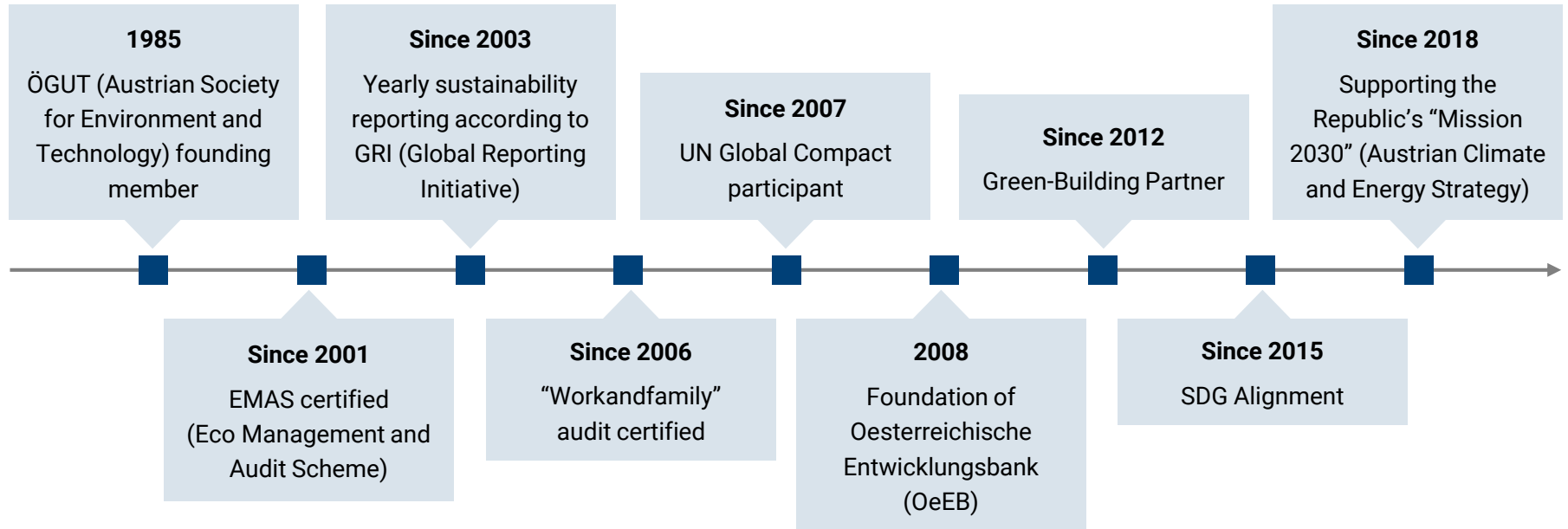
# OeKB's Sustainability Management

**Austria's Export Credit Agency**

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# Milestones in OeKB's Sustainability Management

## OeKB's long-standing sustainability focus

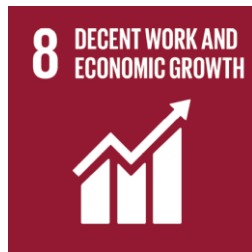


# Our Contribution to the Sustainable Development Goals (SDGs)

## OeKB SDG focus



## OeEB SDG focus





# OeKB's Sustainability Strategy

## OeKB's Sustainability Strategy

### Business

Introduction of a new product "Exportinvest Green" as part of the Republic's "Green Finance Agenda"

Provide expertise for the EC Technical Expert Group on Sustainable Finance/EU Taxonomy

OeEB manages the African Austrian SME Fund to support SMEs from Austria or the EU in setting up companies or developing projects in Africa

### Innovation

Participate in the FinTech Advisory Committee to create a book-entry security law as the basis for the de-materialisation of transferable securities

Develop a digital customer platform to improve the transparency, processes, and accessibility of our customer services

### Employee

Take measures to improve employees' health and well-being

Conduct internal sustainability training

### Environment

Find additional ways to compensate for OKB's air travel and increase rail travel

Reduce the power consumption at the Am Hof location

### Society

Create and implement a concept for financial literacy relating to the capital market

Note: More details on our measures in our Sustainability Report

# OeKB's Sustainability Management Organisation



# OeKB's Communication on Sustainability Matters



To find out more about our contribution to achieving the SDGs, see our current [Sustainability Report](#).

**„**

*"With OeKB's core business, we have a valuable lever to make a contribution to sustainable development. Our export services aim at sustainable industrialization, our capital market services promote a resilient infrastructure, and we drive innovation externally as well as internally. Thus, orientation towards the Sustainable Development Goals is a lived reality at OeKB."*

Angelika Sommer-Hemetsberger  
Member of the executive management board of OeKB

Corporate Governance  
Innovation Management

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[SUSTAINABILITY REPORT](#)

## NACHHALTIGKEIT BERICHT 2018



Wirtschaft  
mit Weitblick

Oesterreichische Kontrollbank AG (OeKB)  
1.002 Follower  
1 Monat · Bearbeitet ·

Tauchen Sie mit unserem Video in unseren ersten OeKB ThinkTank Event ein – rund um das Motto „Räume für Zukunftsdenken!“

Mit diesem Event-Format bringen wir unsere Mitarbeitenden zum Austausch zu Themen wie Nachhaltigkeit, Wandel und Change-Management zusammen. Danke an Klaus Gabriel, Nina Tamerl und Petra Hauser für die spannenden Keynotes und Thomas Jagereder, Nastassja Cernko und Natalie Köhn für die Organisation!

#zukunftsustainability #change

0:36 / 2:08

63 · 1 Kommentar · 3.494 Ansichten



Oesterreichische Kontrollbank AG (OeKB)  
1.002 Follower  
6 Tage ·

Im Rahmen von OeKB im Gespräch sprach Prof. **Mathias Binswanger** darüber, wie man in der Wirtschaft nachhaltigeres Handeln verankern könnte. Erfahren Sie mehr im Video-Statement. [... mehr anzeigen](#)

OeKB im Gespräch >  
Zur Zukunft der Wirtschaft

0:06 / 1:13

SharePoint

OeKB

### Sustainable Development Goals (SDGs)

Sustainable Development Goals - SDGs

Was sind die SDGs?  
Beim hochrangigen Gipfeltreffen der Vereinten Nationen (United Nations, UN) vom 25. bis 27. September 2015 wurde die "Agenda 2030"...

Erfolgsgeschichte „In Grün“

D



## Prime C+ 7 out of 28

April 16, 2018

To control risks from lending, OKB applies the OECD Common Approaches for export credit agencies.

To mitigate risks in the area of resource efficiency and pollution prevention, OKB applies the World Bank's EHS Guidelines.



## ESG Rating Leader 2 out of 338

July 7, 2019

OKB's overall ESG-related disclosure follows best practice, signalling strong accountability to investors and the public.

The company's overall management of ESG issues is strong.



## ESG Risk Rating Leader 1 out of 12448

September 13, 2019

The company is at negligible risk of experiencing material financial impacts from ESG factors, due to its low exposure and strong management of material ESG issues.

Notably, its overall risk is lower since it is materially exposed to less ESG issues than most companies in our universe.

The background of the slide is a photograph of two women in traditional Indian attire. The woman in the foreground is wearing a green sari and a red and yellow shawl, smiling broadly. The woman behind her is wearing a yellow sari and a red shawl, also smiling. They are standing in front of a wall made of vertical wooden slats. The ground is dirt, and a pair of sandals is visible in the bottom right corner.

# OeKB's Sustainable Financing Framework

**Austria's Export Credit Agency**

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## Eligible Green Project categories



Renewable energy



Energy efficiency



Pollution prevention and control



Climate change adaptation



Sustainable water management



Clean transportation



Environmentally sustainable management of living natural resources and land use

## Eligible Social Project categories



Promoting employment creation



Access to essential services

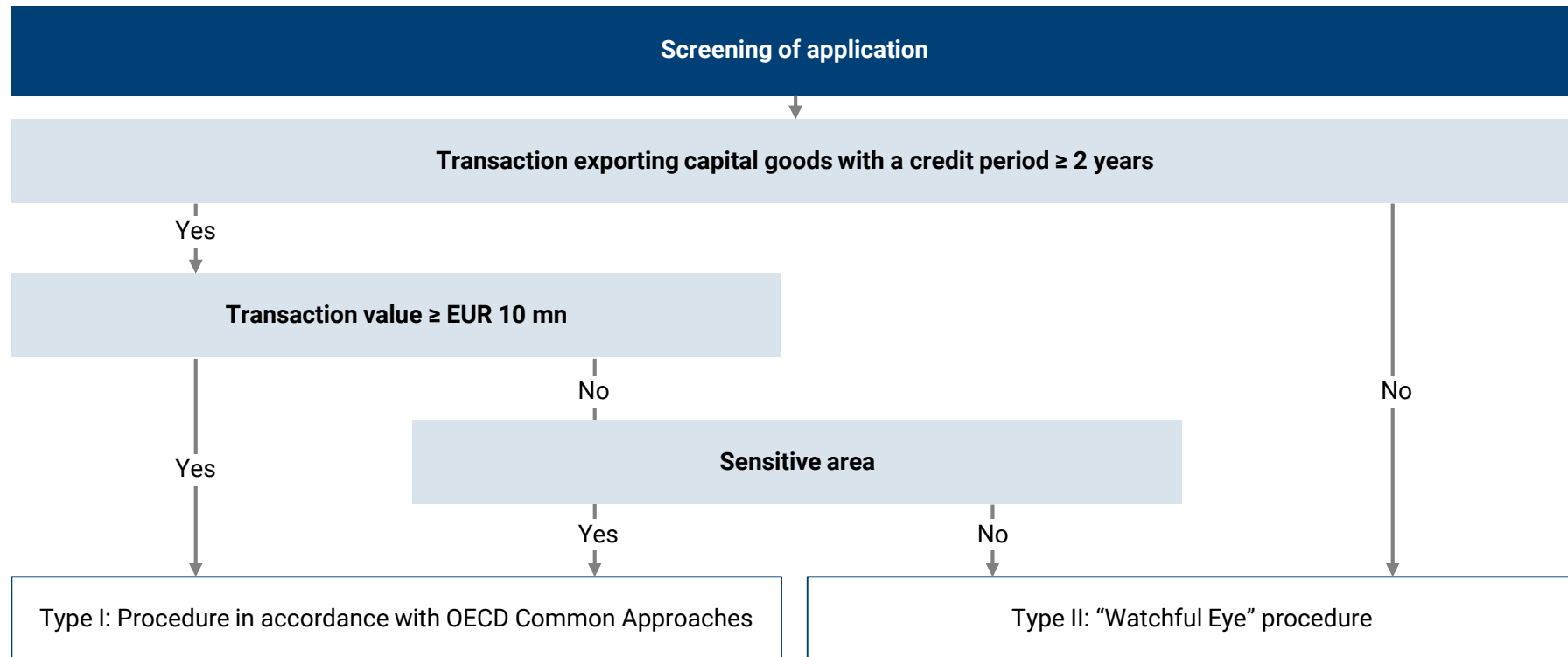


Basic infrastructure in developing countries as defined by the OECD



Affordable housing

# OeKB Selection Process and Evaluation



# Integrated Sustainability Management



## Berne Union Guiding Principles



**National Law (Export Guarantees Act,  
Export Financing Guarantees Act,  
Sustainability Policy of the Ministry of Finance)**



## IFC Performance Standards



**World Bank EHS-Guidelines (Environment, Health, Safety)  
World Bank Safeguard Policies  
World Bank Environmental and Social Framework (ESF)**



## ILO Core Labour Standards



**UN Global Compact  
UNHCR Guiding Principles on Business and Human Rights  
Agreement of participants in the United Nations Framework  
Convention on Climate Change**



**OECD Recommendation on Common Approaches for Officially  
Supported Export Credits and Environmental and Social Due Diligence  
OECD Recommendation on Bribery and Officially Supported Export Credits  
OECD Recommendation on Sustainable Lending Practices and Officially  
Supported Export Credits  
OECD Convention on Combating Bribery  
OECD Guidelines for Multinational Enterprises**



# Sustainable Financing Project Selection Process

## Sustainability Team



Sustainability Manager



International  
Relations & Analyses



Client Advisory  
Export Services



Product  
Export Services



OeEB (Oesterreichische  
Entwicklungsbank)



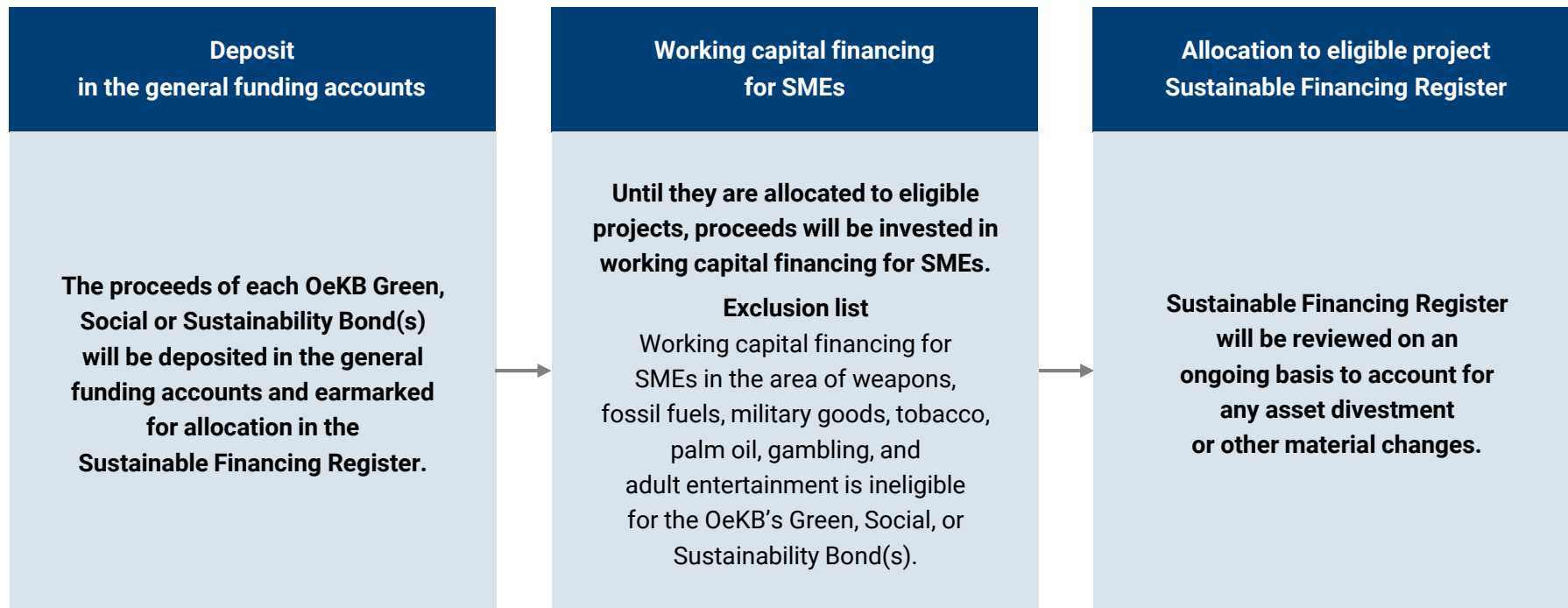
Treasury

will review all proposed Eligible Use of Proceeds to determine its compliance with the OeKB Sustainable Financing Framework in order to approve the allocation of proceeds

will review the allocation of the proceeds and determine if any changes are necessary (for instance, in the event that loans have been prepaid, sold or otherwise become ineligible)

will review the management of proceeds and facilitate reporting

# Management of Proceeds



- Annual reporting until full allocation of the net proceeds
- The information will contain at least the following details:
  - i. Eligible Projects Categories financed through OeKB's Green, Social or Sustainability Bond(s), including amounts allocated and region;
  - ii. The remaining balance of unallocated proceeds and
  - iii. The allocated proceeds by type of lending (lending via commercial banks and OeEB).
- Publicly available on OeKB's website

# Impact Reporting

- Impact reporting will be provided based on available data (ex-ante).
- For loans via commercial banks as well as for all corporate loans and project financing, OeKB and OeEB will strive to provide impact reporting under the metrics recommended by ICMA's Working Group on Impact Reporting.
- For most of the intermediary lending (i.e. lending through financial institutions to specific end-beneficiaries as well as lending through funds) OeEB will be able to provide impact reporting as defined in the Framework.

## Exemplary reporting metrics



### Core indicators for Renewable energy

- GHG emissions reduced/avoided
- renewable energy generation
- capacity of renewable energy added



### Core indicators for Promoting employment creation

- Number of micro enterprises and/or SMEs funded
- Amount of financing provided to micro enterprises and/or SMEs
- Number of SMEs funded that are located in a region with an unemployment rate that is higher than the annual national average (annual unemployment rate)

”

*[...] Sustainalytics considers OKB to be well-positioned to issue green, social and sustainability bonds and believes that the OKB Sustainable Financing Framework is impactful, transparent and in alignment with the four components of the Green Bond Principles 2018, the Social Bond Principles 2018, and the Sustainability Bond Guidelines 2018.*

”

## **Use of Proceeds**

*Sustainalytics considers that the eligible projects will lead to positive environmental and social impacts while advancing the UN Sustainable Development Goals.*

”

## **Project Evaluation/ Selection**

*Sustainalytics views OKB's internal process for project evaluation and selection to be aligned with market best practice.*

”

## **Management of Proceeds**

*The Sustainable Financing Register will be reviewed on an ongoing basis to track any material change based on eligibility criteria. Projects that are not aligned with the eligibility criteria will be excluded. This process is in line with market practice.*

”

## **Reporting**

*Regarding the impact report, where available, OKB commits itself to disclosing data on relevant metrics based on each eligibility criterion on an annual basis. OKB also committed to an independent annual review of its reporting which is in line with best practice.*

The background of the slide is a photograph of a large-scale solar farm. The solar panels are arranged in long, parallel rows that recede into the distance. The panels are tilted and reflect the bright sunlight, creating a shimmering effect. The sky is a clear, pale blue. The ground is a light-colored, sandy or dusty surface.

# OeKB's Inaugural Sustainability Bond

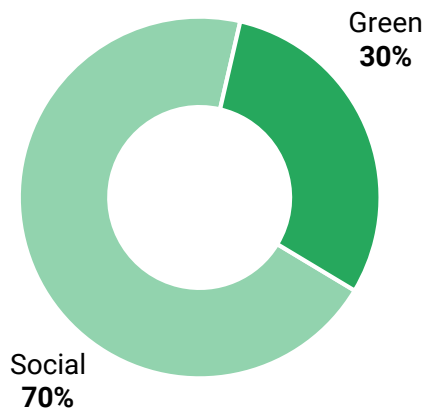
**Austria's Export Credit Agency**

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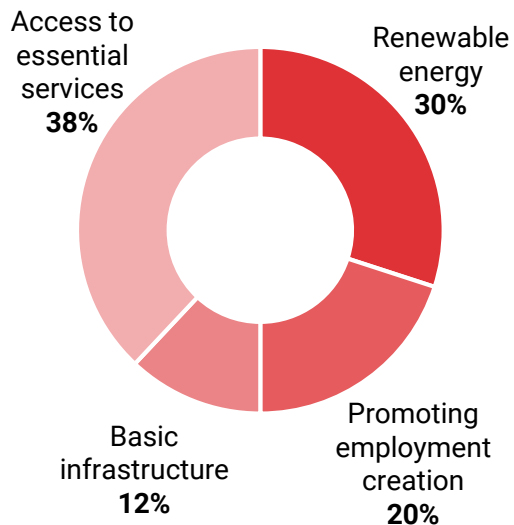
# Inaugural Sustainability Bond

## Allocation of proceeds (in EUR mn)

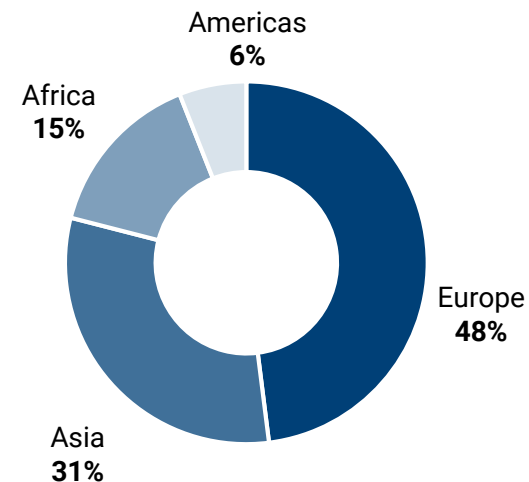
Composition



Category



Region



# Inaugural Sustainability Bond

## Key Impact Measures



Renewable  
energy

**161 MW**

Renewable energy installed



Access  
to essential services

**1.7 mn**

Beneficiaries (health care)

**622**

New hospital beds

**4,984**

Hospital beds modernized

**100**

Ambulance cars

**1,565**

Beneficiaries (education)



Promoting  
employment creation

**100 mn**

SME financing in Austrian  
regions with an above average  
unemployment rate

**300**

SMEs financed in Austrian  
regions with an above average  
unemployment rate



Basic  
infrastructure

**54,000**

Beneficiaries from  
water system modernization

**75 km**

Water pipes

**1,200**

Photovoltaic street lamps



# General Hospital in Point Fortin (Trinidad and Tobago)



Access to essential services



- Construction of a hospital in Trinidad and Tobago
- This project ensures the medical care of the population. The hospital is designed as a post-disaster building (hurricane and earthquake) and includes a waste water treatment plant.
- Project owner: VAMED, Austria
- Location: Point Fortin, Trinidad and Tobago
- Capacity: 116 beds
- Financing: EUR 81 mn
- Completion date: May 2019

# Wind farm Kosava (Serbia)



Renewable  
energy



- OeEB co-finances construction of 69 MW wind farm in Serbia
- As Serbia's biggest wind power facility Kosava is expected to help promote the development of further renewable energy projects in the country
- It is planned to reach about 47,000 people with renewable energy
- Financing:
  - In total: EUR 122 mn
  - OeEB investment: EUR 24 mn

# Water supply system Altai (Mongolia)



Basic  
infrastructure



- The project supports the Millennium Development Program of Mongolia and helps to improve the water supply conditions in Altai
- 18,000 residents of Altai City will have access to high quality water
- Scope of the project includes a water intake for the water withdrawal from the reservoir, water treatment, approx. 55 km of transport pipelines incl. pumping stations, two water reservoirs with a capacity of 1,000 m<sup>3</sup> each; mechanical, electrical and control equipment, construction services, engineering services and training
- Exporter: Tiroler Rohre GmbH, Austria
- Location: Gobi-Altai, Mongolia
- Financing: EUR 14 mn

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