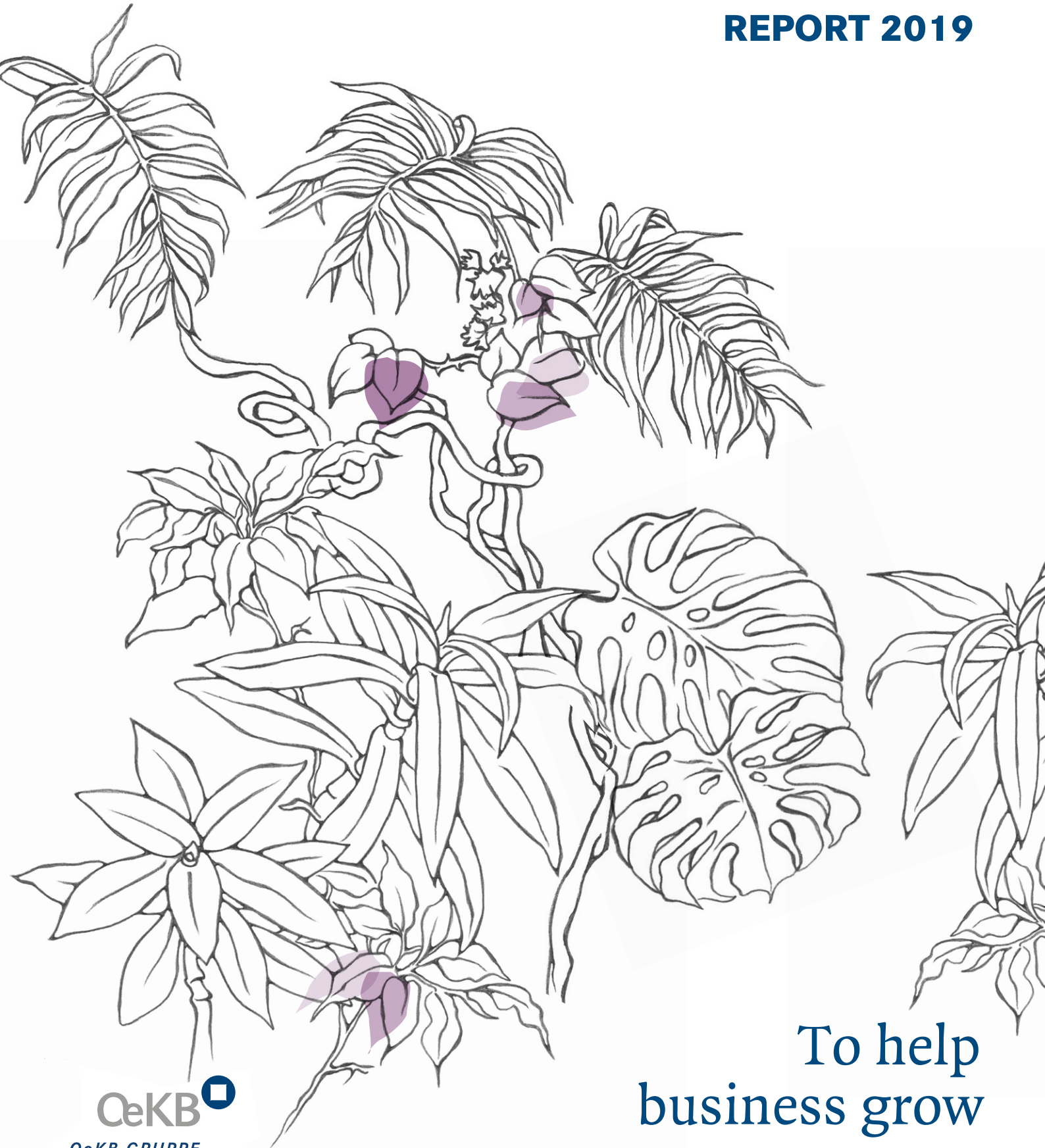


SUSTAINABILITY

REPORT 2019



**To help
business grow**

OeKB GROUP HIGHLIGHTS

Monetary values in € million	2017	2018	2019
Consolidated financial statements			
Total assets at 31 December	26.005	28.714	33.352
Equity including minority interest	801	791	808
Profit for the year	40	32	51
Net other comprehensive income after tax	19	- 5	- 13
Total comprehensive income for the year	59	27	39
Return on equity in% *	7,5%	3,4%	4,8%
Cost/income ratio in%	59,7%	61,5%	61,0%
Non-financial performance indicators			
OeKB Group's average number of employees	402	410	442
Proportion of management positions held by women in percent	35,0%	39,0%	34,8%
Guarantees of the Republic of Austria under the Export Guarantees Act			
Number of guarantees in place	3.773	5.897	6.092
New guarantee contracts issued	5.355	5.720	6.169
Aggregate guarantee exposure limit at 31 December	40.000	40.000	40.000
Utilisation of the guarantee exposure limit at 31 December	24.436	26.431	28.031
Premium and interest income	146	154	149
Gross claims paid by the Guarantor	47	39	50
Recoveries on claims paid	49	41	39
OeKB Export Financing Scheme			
New commitments issued	5.282	7.600	5.818
Total lending commitments outstanding at 31 December	20.585	23.174	25.212
Disbursements outstanding	17.539	19.901	21.519
Increase/decrease in net loans outstanding	+1.838	+2.362	+ 1.618
Guarantees of the Republic of Austria under the Export Financing Guarantees Act			
Limit on aggregate guarantee exposure under Export Financing Guarantees Act	40.000	40.000	40.000
Utilisation of the guarantee exposure limit at 31 December	24.513	26.283	28.931
Total new guarantees issued	13.274	12.732	13.683
Capital Market Services			
Austrian Government Bonds administered by OeKB	13.316	11.031	10.109
OeKB CSD Custody assets – Nominal value	328.493	326.422	319.307
Number of units in millions	9.328	8.199	7.825
OeKB CSD Settlement volume – Nominal value	701.474	658.219	461.926
Number of units in millions	11.594	8.191	6.869
OeKB CSD securities account holder	79	76	74
OeKB CSD – Categories of securities	15.924	15.668	15.085
Tourismus Services			
Financing contracts outstanding	962	978	1.007
ERP credits outstanding	424	463	468
Guarantee contracts outstanding	221	227	238

* RoE = (Total comprehensive income attributable to the owners of the parent company/equity attributable to the owners of the parent company)

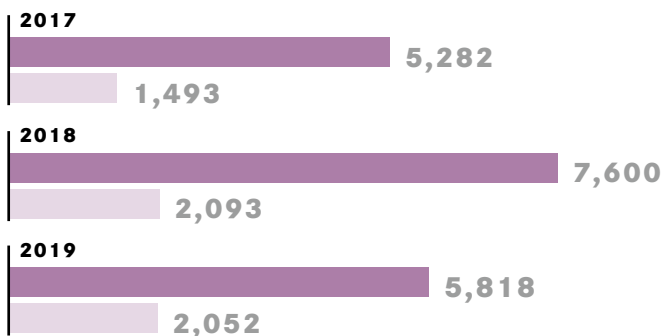
CO₂-EQUIVALENTS

Energy and business travel in kg/employee



OeKB EXPORT FINANCING SCHEME

(Monetary values in € million)

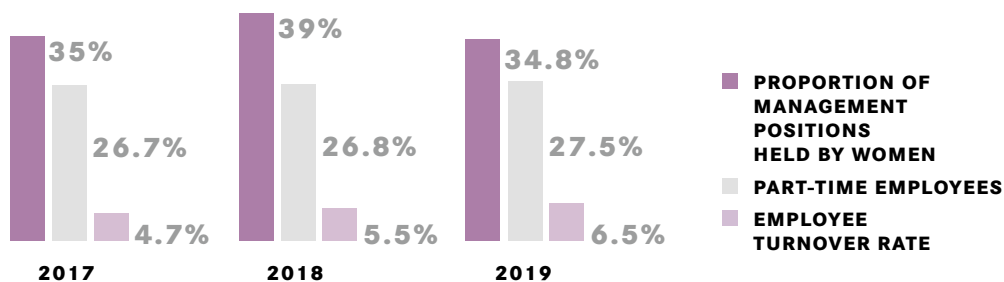


■ NEW COMMITMENTS ISSUED
■ NEW CONDITIONAL LENDING COMMITMENTS ISSUED

NEW FINANCIAL INSTRUMENTS IN OeKB'S SECURITIES DATABASE

	2017	2018	2019
Debts	2,298	1,687	1,550
Warrants	4,286	2,965	3,524
Certificates	2,923	2,635	2,493
Funds	884	266	336
Other	37	64	40
Total	10,428	7,617	7,943

EMPLOYEES OF OeKB GROUP



■ PROPORTION OF MANAGEMENT POSITIONS HELD BY WOMEN
■ PART-TIME EMPLOYEES
■ EMPLOYEE TURNOVER RATE

RATINGS

ISS-ESG
PRIME C+

MSCI
AAA

SUSTAINALYTICS
PLACE 1 GLOBAL UNIVERSE

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About the report

GRI 102-1, 12,
50, 51, 52,
53, 54

This sustainability report covers the OeKB bank group, which comprises Oesterreichische Kontrollbank AG (OeKB) and the fully consolidated subsidiaries Oesterreichische Entwicklungsbank AG (OeEB) and OeKB CSD GmbH (OeKB CSD). Österreichische Hotel- und Tourismusbank (ÖHT), of which the Group acquired a 68.75 per cent stake in 2019, is not included in the 2019 sustainability reporting.

We have published an annual sustainability report since 2001. We published an integrated report in the years from 2013 to 2016. As the reporting requirements had become more and more extensive, we published the reports separately again starting in 2017. We hope that this target-group-oriented reporting will better satisfy the information needs of our stakeholders. In 2019, the OeKB sustainability report for 2018 took first place in the category of major corporations in the 20th Austrian Sustainability Reporting Awards (ASRA).

This PDF sustainability report for the 2019 financial year was prepared in accordance with the GRI Standards: Comprehensive option. Ernst & Young conducted an external audit on the report with limited assurance regarding the sustainability coverage in accordance with the GRI (Global Reporting Initiative) Standards and the EMAS (Eco-Management and Audit Scheme) Regulation. The 2019 annual financial report was not part of the audit. The current and previous reports can be found on the OeKB website www.oekb.at.



The sustainability report also qualifies as an Advanced Level progress report for the UN Global Compact. The OeKB bank group maintains an environmental management system according to the EMAS Regulation. The EMAS environmental statement is included in this report. Central Counterparty Austria (CCPA), a tenant in the Strauchgasse building, is not EMAS certified, but is included in the environmental statistics provided.

We have been “workandfamily” audit certified since 2006. This is a process that actively involves employees and that helps to continuously improve the work environment and culture.



OeKB has been subject to assessment by numerous environmental, social, and governance (ESG) and corporate governance research agencies for years and is one of the leading companies in its sector. OeKB holds the rating “Prime C+” from ISS-ESG, first place in the entire Sustainalytics¹ universe in the Sustainalytics ESG risk rating, and an “AAA” rating from MSCI².



As a future-oriented company, we welcome your comments, questions, and feedback about our report. You can contact us at: nachhaltigkeit@oekb.at.

¹ As of September 2019

² DISCALIMER STATEMENT

The use by OeKB AG of any MSCI ESG research logo or its affiliates (“MSCI”) data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of OeKB AG by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided ‘as-is’ and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Preface

by the Supervisory Board of OeKB AG

Ladies and Gentlemen,
dear Reader,

GRI 102-14,
26, 28

Oesterreichische Kontrollbank AG (OeKB) and the other companies in the OeKB bank group continued on their successful path and took a range of innovative steps in 2019. With the acquisition of 68.75 per cent of Österreichische Tourismusbank (ÖHT) in 2019, the OeKB bank group has expanded its range of services to not only cover the most important and relevant needs of the Austrian export and capital markets, but also the needs of the tourism sector. It offers services for the energy market and is part of the Austrian development financing framework. All of its activities result in clear benefits for the economy, strengthen Austria as a place to do business, and make Austria more internationally competitive. In this, the OeKB bank group acts in a neutral manner for the benefit of all industries with a clear commitment to sustainability and responsibility.

Since the signing of the Paris Agreement on climate change and the associated efforts to align capital flows with a transformation to a global system with low greenhouse gas emissions and a robust response to climate change, all organisations have been called upon to make their contribution. The OeKB bank group supported the Green Finance flagship project of the Austrian climate and energy strategy in 2019. Under this commitment, a new export financing instrument for investments in environmental improvement measures called Exportinvest Green was developed in collaboration with the Federal Ministry of Finance (BMF). Another clear sign of our commitment to responsible action and the integration of sustainable values in our core business was the development of the Sustainable Financing Framework with binding guidelines for sustainable bonds. The strong demand for the first sustainability bond affirms our efforts to create value and to contribute to environmental and social welfare.

The OeKB bank group's participation in various networks is a reflection of its belief that the major global challenges can only be mastered through joint action. It is a member of the UN Global Compact and part of the Steering Committee of the United Nations Global Compact Network Austria. As a service provider of the Republic of Austria, the OeKB bank group orients itself strongly towards the Sustainable Development Goals (SDG) in all it does in the interests of the general public. The OeKB bank group has been an EMAS (Eco-Management and Audit Scheme) registered and certified company since 2001 and reports on the continuous improvement of its environmental management system every year.

This report shows how the OeKB bank group tirelessly addresses the challenges surrounding sustainability. The exemplary rating results for OeKB from leading environmental, social, and governance (ESG) and corporate governance research agencies are clear proof that sustainability management has become a core business policy element and an important source of impetus. And it is precisely this that is a fundamental requirement for fulfilling a wide range of responsibilities in the interests of the Austrian economy and society.

With that in mind, the Supervisory Board of OeKB AG would like to thank the employees of the OeKB bank group, all of whom make a key contribution to these efforts and whose dedication increases the trust placed in their respective companies. Their achievements are documented in this report.

Vienna, March 2020

The Supervisory Board of Oesterreichische Kontrollbank AG
ROBERT ZADRAZIL, m.p. Chairman

Preface

by the Executive Board and Management

Ladies and Gentlemen,
dear Reader,

GRI 102-10,
14, 15

We are pleased to look back on a positive and eventful 2019 financial year in the OeKB bank group. Our customer base succeeded in realising a great deal of potential despite the slower pace of economic growth and was actively supported by our committed staff. Despite this encouraging development and the strong operating result, our total comprehensive income for 2019 was lower than in previous years due to the depressed interest rate level and the need to allocate long-term pension provisions.

As an agent of the Republic of Austria, Oesterreichische Kontrollbank AG (OeKB) manages the export guarantees and also assists exporters with working-capital facilities and attractive financing solutions. We saw a stronger development in annual comparison in this Export Services area, including substantial growth in export guarantees. Business with financing arrangements also grew in this segment in 2019.

The launch of our first sustainability bond generated an outstanding response on the capital markets. Climate and environmental protection and social inequality issues are the foremost global challenges of our time. Sustainable investments are also gaining in importance for Austrian companies. We at OeKB can help address these challenges by providing an incentive to invest more in environmental improvements through the new Exportinvest Green product that was developed in collaboration with the Federal Ministry of Finance on the one hand and by providing financing through our sustainability bond on the other. We plan to issue further sustainable bonds through our Sustainable Financing Framework.

Beyond this, the mandatory notification office function set forth in the new EU Prospectus Regulation, the high demand for Austrian government bonds, and the launch of our own central securities database were impressive successes for Capital Market Services. Our certification as a SWIFT service bureau in autumn further underscored our role as Austria's neutral financial services provider.

As a separate company, OeKB CSD GmbH (OeKB CSD) has acted as the central depository for Austria since 2015. We made important contributions in 2019 through our participation in working groups addressing the de-materialisation of securities and the EU Shareholder Rights Directive. Our customer base will profit from the coming legal framework.

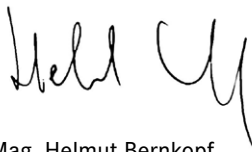
Oesterreichische Entwicklungsbank AG (OeEB) set its future course in 2019 with the implementation of its new strategy titled "Financing Our Shared Future". In line with our mandate, all projects of OeEB are aimed at promoting private sector development in the developing and emerging countries and in this way at contributing to the attainment of the Sustainable Development Goals (SDGs). Our international climate financing arrangements are a crucial instrument for fighting climate change. We are now one of the largest providers of climate financing for developing countries in all of Austria and expanded our product portfolio with the investment facility for Africa and the Gutmann OeEB Impact Fund.

Österreichische Hotel- und Tourismusbank (ÖHT) has been a member of the OeKB family since spring 2019. Our previously good collaboration has been enhanced by joint product and customer initiatives. We are exploiting synergies here in a targeted manner and will intensify these efforts in 2020. We are registering a great deal of interest in our joint offerings and are seen as a reliable and professional solution provider. One demonstration of this was the winning of the annual Borsianer award as Austria's "Best Special-Purpose Bank" in 2019.

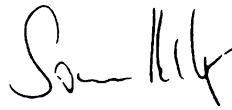
PREFACE

We continued to intensively pursue the Future Work internal strategy programme in 2019, with the goal of being at least as successful in 2030 as we are today. Our vision is the basis for this and formulates the target state that we are working towards. The mission statements are our guidelines and provide us with orientation as to how we can achieve the vision. Future Work is the framework under which we address how we should structure our work so that we achieve our goal. The ongoing process of transformation plays a key role in this. We must continually adapt to make use of the potential that these changes offer for our business, our customer base, and Austria as a place to do business while at the same time maintaining attractive working conditions. The core focus of Future Work is determining how we can best achieve this. One aspect is a new form of collaboration. Initial information and ideas were gathered in 2019 through the Future Office pilot project and through the mutual exchange and network building on future topics such as digitalisation, change processes, and sustainable financing made possible by our OeKB ThinkTank event.

We hope that this report provides you with a detailed look at our activities from a sustainability perspective and invite you to stay in dialogue with us. We sincerely thank the employees of the OeKB bank group for their hard work. Together with you – our clients, customers, and stakeholders – we can build partnerships that facilitate lasting growth.



Mag. Helmut Bernkopf



Mag. Angelika Sommer-Hemetsberger



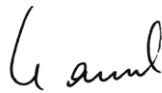
Mag. Peter Felsinger



Dr. Georg Zinner



Mag. Sabine Gaber

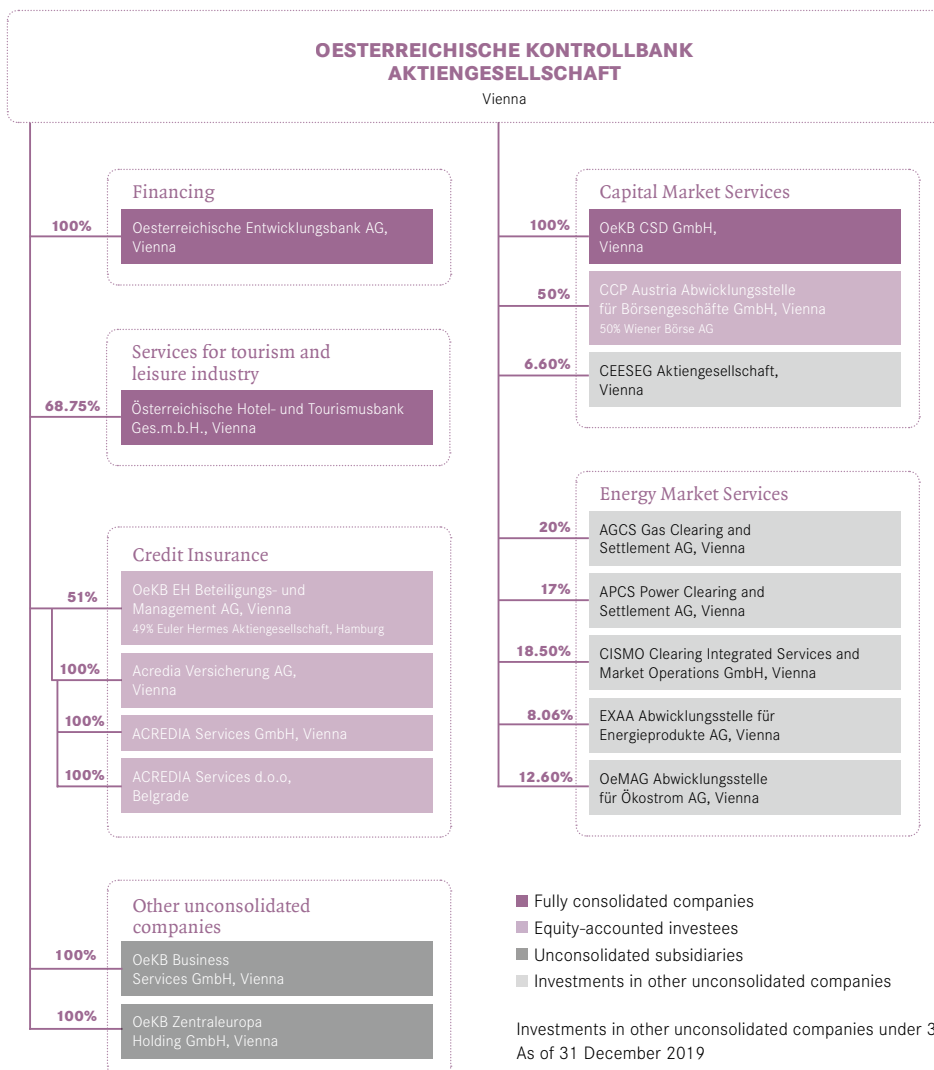


Mag. Michael Wancata

OeKB Group

GRI 102-1, 2, 3, 5, 45 OeKB has been strengthening Austria as a place to do business since 1946 with numerous services for small, medium-sized, and large enterprises and for the Republic of Austria. OeKB manages the export promotion programme of the Austrian federal government as an authorised agent. OeKB Group is based in Vienna and plays a special role as a central financial services provider. Within its broad range of competencies, OeKB Group focuses on five major segments: Export Services, Capital Market Services, Energy Market Services, Development Financing, and Tourism Services.

GRI 102-11 OeKB Group consists of the OeKB bank group and of various equity holdings. The OeKB bank group comprises the companies of OeKB Group that hold banking authorisation, in other words OeKB AG, Oesterreichische Entwicklungsbank AG (OeEB), and OeKB CSD GmbH. Österreichische Hotel- und Tourismusbank (ÖHT) has been part of the OeKB bank group since 2019, following the acquisition of a 68.75 per cent stake in the company. ÖHT is not included in the 2019 sustainability report. In the interests of completeness, the equity holdings are listed here to provide an overview of all of our activities.



Shareholders and share capital of OeKB

GRI 102-5 OeKB has a share capital of €130.0 million. In view of the special functions performed by OeKB, its shares are registered ordinary shares that may only be transferred with the consent of the Supervisory Board. They are not listed.

For the current shareholder structure visit the [OeKB website](#).

SHAREHOLDER STRUCTURE AS AT 31 DECEMBER 2019

Shareholders	Number of shares	Shareholding in %
CABET-Holding-GmbH, Vienna (UniCredit Bank Austria Group)	217,800	24.750%
UniCredit Bank Austria AG, Vienna	142,032	16.140%
Erste Bank der oesterreichischen Sparkassen AG, Vienna	113,432	12.890%
Schoellerbank Aktiengesellschaft, Vienna	72,688	8.260%
AVZ GmbH, Vienna	72,600	8.250%
Raiffeisen Bank International AG, Vienna	71,456	8.120%
BAWAG P.S.K., Bank für Arbeit und Wirtschaft und Österreichische Postsparkasse Aktiengesellschaft, Vienna	44,792	5.090%
Raiffeisen OeKB Beteiligungsgesellschaft mbH, Vienna	44,000	5.000%
Oberbank AG, Linz	34,224	3.890%
Beteiligungsholding 5000 GmbH, Innsbruck	26,888	3.055%
BKS Bank AG, Klagenfurt	26,888	3.055%
VOLKSBANK WIEN AG, Vienna	13,200	1.500%
Total Shares	880,000	100.000%

Business model of the OeKB bank group and material shareholdings

GRI 102-2, 6
GRI 103-1
GRI 203-2
FS5
GRI 201-1 see 2019
annual financial report

The OeKB bank group sees its role as promoting economic growth and strengthening Austria's competitiveness in a global environment. It thus plays a special role as a central financial services provider. We fulfil this role by using economically relevant services to support the Austrian export industry, the domestic capital market, the commercial banks, and the Republic of Austria. We provide our services neutrally for all companies and in all sectors.

The following also presents the shareholdings of OeKB AG that round out the services of the OeKB bank group and that are recognised according to the equity method. These especially include ACREDIA Versicherung AG (ACREDIA) and CCP Austria (CCP.A).

For more information
about our services visit
the [OeKB website](#).

Exporting and investing abroad are both ways in which Austrian companies can grow and secure jobs in the country. OeKB AG manages the export guarantees from the federal government for small, medium-sized, and large companies and facilitates attractive financing for foreign business. We protect claims in Austria and abroad with the private credit insurance company ACREDIA.

More details on funding
operations can be found
in the 2019 annual
financial report

After the federal government, we are the second-largest Austrian issuer on the international capital markets. Our bonds are used to fund the Export Financing Scheme. Our Sustainable Financing Framework has also given us the ability to issue green bonds, social bonds, and sustainability bonds since 2019. This framework is a mandatory guideline for the issue of sustainable bonds and contains clear rules for the use of the raised capital.

www.oekb-csd.at

Our capital market services cover key functions relating to securities: Every Austrian security comes into contact with the capital market services of the OeKB bank group multiple times in its "lifetime", including a number of legally mandated tasks. Among other things, OeKB is the legal notification office under the Capital Market Act (KMG) and holds auctions for Austrian government bonds. OeKB CSD GmbH (OeKB CSD) is Austria's central securities depository. As a local infrastructure provider, it offers an extensive range of services for capital market participants including the safekeeping and administration of securities and the efficient settlement of securities transactions.

www.ccpa.at

CCP Austria (CCP.A) guarantees the proper and transparent settlement of the transactions conducted on the Vienna Stock Exchange. As a central counterparty, CCP.A assumes and manages the settlement and default risk for the transactions on the Vienna Stock Exchange (clearing and risk management).

The OeKB bank group also applies its decades of experience in financial clearing and risk management for the liberalised Austrian energy market through its energy market services. We assess the creditworthiness of market participants and handle the relevant financial clearing, payment processing, and risk management.

www.oe-eb.at

As the official development bank of the Republic of Austria, Oesterreichische Entwicklungsbank AG (OeEB) offers private companies tailored financing solutions for economically viable projects that further Austria's development policy objectives in developing and emerging countries. The inclusive and sustainable growth that is generated in this manner improves the living conditions of the people in these countries. Project-related programmes of OeEB enhance the development-policy impact of the projects.

OeKB can also offer financing for projects that meet certain requirements in selected developing and emerging countries through soft loans from the Federal Ministry of Finance (BMF). This type of development cooperation loan, which can be offered at very low cost thanks to government assistance, is also intended to promote the sustainable development of the target country.

<https://www.oeht.at>

Österreichische Hotel- und Tourismusbank Ges.m.b.H. has been the national contact point for funding and financing in the tourism and leisure industry since 1947 and handles the tourism promotion measures of the federal government on behalf of the Federal Ministry for Sustainability and Tourism. This avenue offers small and medium-sized businesses in particular simple access to funding and financing for their projects. ÖHT qualifies as a PPP (public-private partnership) model. It has been a part of the OeKB bank group through a 68.75 per cent stake since April 2019. Alongside Raiffeisen ÖHT Beteiligungs GmbH, OeKB is now co-owner of this tourism financing specialist that works solely at the behest of the government.

The effects of our business model on environmental and social issues

For a detailed view on our P&L statement (profit & loss, income statement) see 2019 annual financial report

The following table describes the business model of the OeKB bank group and its effects on environmental and social issues in the form of an income statement. It shows what output we generate from our input – the capital provided by our shareholders – and what impact we have. We added the risk evaluation to the table in 2019.

Broken down by the business segments of the Bank, we show any material direct, indirect, and positive effects and where there are connections to the Sustainable Development Goals (SDGs) on which the OeKB bank group focuses. We also depict the possible negative effects in the form of the gross risks. The implemented management approaches show how we handle and mitigate these risks. In addition to environmental and social criteria, the business segments that are subject to ESG criteria also take into account governance aspects such as transparency, security, and compliance.

Results from equity-method holdings (primarily ACREDIA AG and CCP.A) and the fully consolidated ÖHT are beyond the scope of this report and are not included in the sustainability management framework. Nevertheless, we also identified the effects from these companies in at least a general fashion during our screening.

Overall, the business model of OeKB Group is based largely on legal requirements and ensures a functioning Austrian capital market while at the same time supporting the export and tourism industries, both of which are key for the Austrian economy. This means that SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation, and infrastructure) are at the forefront. For the development bank, development-policy goals are also relevant. These goals are largely defined by law and current government policy, meaning that OeKB Group only fulfils a supporting and advisory role in the corresponding material issues.

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
Services for the export market									
Authorised agent of the Federal Ministry of Finance for the bank-related handling of guarantees under the Austrian Export Guarantees Act (Ausffg).	Net fee and commission income	x	x	x	1, 7, 8, 9, 13, 17	The risks of negative environmental and social impacts are identified in advance through appropriate audits. The provided collateral is subject to the Common Approaches of the OECD and the “watchful eye” principle in terms of compatibility with the environmental and social standards.	The potential negative impacts identified in the environmental and social audit are minimised by appropriate contractual requirements and stated in the audit report. The final decision on the issue of a guarantee is made by the Advisory Committee, which consists of various stakeholders and on which OeKB has no voting rights.	Positive impacts: securing jobs and promoting economic growth in difficult markets; reducing poverty; numerous renewable energy and infrastructure projects such as hospitals and schools.	100%

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
Financing export transactions, equity and capital investments, and working-capital facilities through main banks.	Interest and similar income	x	x	x	1, 7, 8, 9, 13, 17	As over 90 per cent of the financing is provided on the basis of guarantees pursuant to the AusfFG (see Guarantees), the impacts are assessed in connection with the guarantees. The financing arrangements not extended on the basis of AusfFG guarantees are largely based on external government guarantees, meaning that we can rely on the impact assessment under the Common Approaches of the OECD.		OeKB extends subsidised loans, so-called soft loans, on behalf of the Federal Ministry of Finance. These are earmarked for sustainable projects that are implemented by Austrian companies and that benefit the general public in less-developed countries. We created the new Exportinvest Green product in conjunction with the BMF in 2019 by building on the existing Exportinvest guarantee instrument. This enables companies to cover an additional 20 per cent of the total investment at the attractive OeKB terms. Exportinvest Green is intended to be an incentive for more environmentally relevant investments.	100%
OeEB - long-term loans and venture capital as well as assistance for supporting projects.	Interest and similar income	xx	x	x	1, 7, 8, 9, 13, 17	Possible negative environmental and social impacts are identified in advance through appropriate audits. The projects are assessed on the basis of the EDFI Harmonised Principles and IFC Performance Standards. Increased direct effects: Long-distance travel to the projects in the focus countries causes correspondingly higher fuel consumption. OeEB compensates for its CO ₂ emissions through the Uganda Helioz project with the support of the University of Natural Resources and Life Sciences in Vienna.	Identified risks are minimised through contractual requirements (ESAP – Environmental and Social Action Plan) contained in the credit agreement. Their implementation is verified regularly. OeEB only supports projects with a positive assessment. These must also be approved by the Economy and Development committee and the Advisory Committee.	Positive impacts are generated as follows: providing impetus for sustainable economic growth to improve living conditions for persons in disadvantaged regions over the long term; financing projects that meet development-policy criteria; creating jobs and national income; improving access to modern infrastructure and financing; supporting the energy supply, especially through renewable energy and energy efficiency projects. The Business Advisory Services can amplify the development-policy effects, conduct environmental compatibility assessments, and co-finance any resulting environmental and social measures.	100%

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
Refinancing on the international and domestic financial markets by issuing bonds, tailored private placements, medium-term notes, and short-term money market instruments and by taking out loans.	Interest and similar expenses	x			8, 9, 13	Credit rating of OeKB as a risk for the investor pool. This risk is hedged through the AFFG government guarantee.	The net risk corresponds to the risk of the Republic of Austria.	Provides investors with secure investment opportunities. The issue of sustainability bonds that comply with the principles of the OeKB Sustainable Financing Framework raises targeted financing for climate and environmental protection projects, creating jobs, ensuring access to basic social services such as health care and education, basic infrastructure in developing countries, and affordable housing.	100%
Services for the capital market									
Provision of financial data and performance indicators, process and IT solutions for the investment fund industry, office for the issue of government bonds. Payment office of the Republic, notification office for capital market prospectuses, capital gains tax calculation for funds	Net fee and commission income	x			8, 9	The availability of the services is important for a functioning capital market. The risk of disruptions in the capital market is mitigated through corresponding security measures.	Secure data with state-of-the-art technology and the strict auditing of all services according to regulatory requirements.	The services are basic infrastructure and make a key contribution to the transparency of the capital market. Blockchain technology has been used together with the Austrian Treasury (OeBFA) for data notarisation for government bond auctions since 2018.	100%
The functions of OeKB CSD are: Notary services and safekeeping, securities account management, cash account management, settlement, and asset servicing.		x			8, 9	Transparency and stable services are necessary for the functioning of the capital market. Multiple data centres are operated to meet the requirements of the CSDR (Regulation [EU] No. 090/2014).	Highly available services as required by the EU CSD Regulation are present.		100%

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects *	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
As the central counterparty for clearing and risk management, CCP.A assumes and manages the settlement and default risk for all securities on the Vienna Stock Exchange that are eligible for CCP handling.	Results of equity-accounted investments	x			8, 9	Availability risk as for the CSD functions	Highly available services as required by the EMIR Regulation are present.	Risk mitigation for capital market participants (settlement and default risk).	100%
Services for the energy market									
Services for the Austrian electricity and gas balancing energy market, the Austrian electricity exchange, the settlement agent for green electricity and the European energy spot market.	Net fee and commission income	x	x	x	8, 9, 13			Independent settlement agent in the electricity and gas market, handles financial clearing and risk management and offers transparent infrastructure. These services are rendered for parties including OeMAG Clearing and Settlement Agency for Green Electricity. Access to the market for non-clearing members (NCM) through OeKB as a general clearing member (GCM) for clearing through ECC, European Commodity Clearing.	100%
Services for the hotel and tourism industry									
Funding and financing for the tourism and leisure industry through ÖHT. Handling of commercial tourism promotion by ÖHT for the federal government.	Fee and commission income Interest and similar income and expenses	x	x	x	8, 9	Comparing the projects with the federal government's development strategy mitigates potential negative project impacts on ecosystems that may apply in general in the tourism industry.	By executing the federal funding guidelines, ÖHT ensures funding and financing in alignment with the nationwide development strategy for the tourism and leisure industry.	ÖHT acts as an intermediary funding agent for the handling of ERDF (European Regional Development Fund) promotion measures. Considering the overarching issues of sustainability, equality of opportunity, and non-discrimination in the implementation of projects are binding criteria for ERDF project selection.	100%

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
Other services									
- Rental of business space - Climate-neutral Reitersaal hall - Media monitoring relating to economic and financial issues - SWIFT connection service	Other operating income	xx	x	x	8, 9, 13	The waste generated by the businesses that rent space in the Strauchgasse building cannot be influenced as easily as in general office operations.	Monitoring environmental data under our environmental management system enables the regular and transparent evaluation of waste volumes.	Renting the Reitersaal hall with zero climate impact raises awareness of the environmental impact from events. Infrastructure is available for holding green events. Easily accessible by public transportation.	0% Because of the low share of revenue
Services from other subsidiaries									
IT services of OeKB Business Services GmbH.	Other operating income	xx	x		8, 9				0%
ACREDIA assesses the credit-worthiness of business partners for its customers and insures receivables against the risk of insolvency. It not only protects against bad claims on goods deliveries and services in key industrialised countries and in Austria, but especially in emerging markets.	Results of equity-accounted investments	x		x	8		Soft factors are taken into account in the credit assessment. The credit assessment is based not only on the balance sheet, but also on where the company stands relative to its peers, including in terms of ecological and social aspects.	Economic importance due to its position as the leading credit insurer in Austria.	0%

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
	Operating income								
	Staff costs	x		x	4, 8	All employers in Austria including OeKB are facing major challenges: demographic change; a lack of skilled professionals; digital disruption and the associated need to rapidly acquire new competencies and skills; and the fundamental cultural transformation that has changed the way people view work.		We offer good and secure jobs for nearly 500 employees. OeKB Group considers a good work-life balance to be a fundamental prerequisite for motivated and healthy employees. We have had the “workandfamily” audit certificate since 2006. Our customer base thus profits from highly specialised experts.	100%
GRI 102-9	Other administrative expenses and write-downs	x	x	x	9	Procurement for IT systems and infrastructure to offer customers the best possible service. Sustainable procurement criteria are applied.	There is a limited level of risk from the disposal of IT systems that can no longer be used. We handle such disposals through AfB social & green IT. AfB offers employment to persons with disabilities and specialises in the collection of retired IT hardware, the certified deletion of data, and the refurbishment of the hardware for reuse.	This process saves natural resources and cuts emissions while also creating jobs for persons with disabilities.	0% Because of the low share of expenses.
Proprietary portfolio	Interest income and net gain or loss on financial instruments measured at fair value		x	x	8	Our responsible investment team is oriented towards the Responsible Investment Policy, which forbids investments in the arms industry.	The portfolio complies with the Responsible Investment Policy.	The Strategic Asset Management Team decided that a portion of the proprietary investments will be put into green bonds, social bonds, and sustainability bonds to facilitate investments that will have a positive impact.	100%

OeKB GROUP

Core business	Item on the OeKB bank group income statement	Direct environmental and social effects*	Indirect environmental and social effects	Positive environmental and social effects	OeKB Group SDG focuses	Negative impacts Gross risk including mitigation measures	Net risk	Positive impacts	Share of business segments subject to ESG criteria
	Administrative expenses								
	Income taxes	x			8			The tax expenses consist of actual and deferred taxes.	0%
Dividend payments to the owners of OeKB	Dividend				8			The dividend fulfils the shareholders interests of the OeKB bank group.	0%
	Retained earnings				8, 9			The retained earnings strengthen the capital base for future business growth.	0%

* All of our services generate commercial waste similar to household waste and energy and fuel consumption as direct environmental impacts from general office operations and business travel. They are only listed separately in the impacts if they exceed the level of a general effect.

Materiality analysis

GRI 102-15, 27, 29,
40, 42, 43, 44, 46,
47, 48, 49,
GRI 413-1

The materiality analysis assists the OeKB bank group in identifying the topics that are most important for its operations and for its stakeholders. To this end, the economic, ecological, and social impacts of our activities within and outside of the OeKB bank group are carefully assessed. Because of the constantly changing conditions and the new EMAS Regulation requirement to complete a context analysis, the materiality matrix was completely revised in 2017.

The materiality analysis process is described in detail in the 2017 sustainability report.

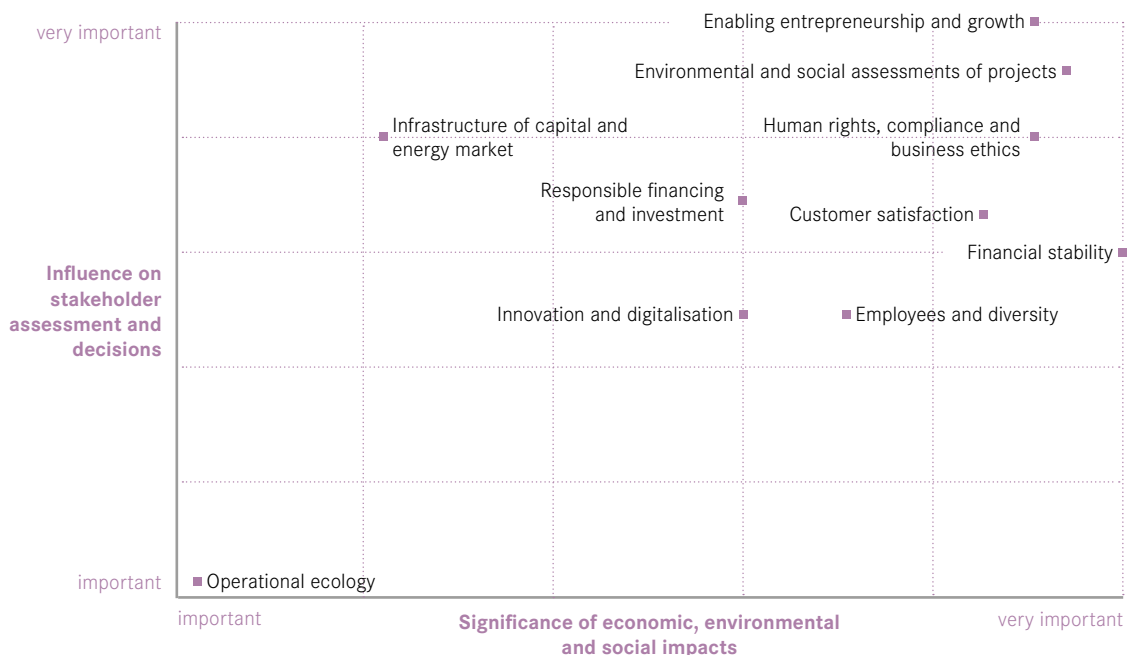
We involved our stakeholders in this and identified and applied various methods to analyse trends and developments. The results of the context analysis of the material future trends, their effects on and through the OeKB bank group, the resulting opportunities and risks, and the material concerns of the stakeholders were evaluated by an expert committee together with the Executive Board, taking the business strategy into account. We evaluated these again in 2019 and made minor changes compared with the previous year. Our society has begun placing an increased focus on sustainable finance and digitalisation. This is reflected in the materiality matrix, with “responsible financing and investment” and “innovation and digitalisation” having gained in importance.

The most important stakeholders of the OeKB bank group (in alphabetical order) remained unchanged and were taken into account when evaluating the material topics:

- Customers,
- Employees,
- Federal Ministry of Europe, Integration and Foreign Affairs as the coordinator for development financing,
- Federal Ministry of Finance as the guarantor,
- Investors,
- NGOs/the public/the media,
- Shareholders, and
- Supervisory bodies/lawmakers.

This matrix is not a complete representation of all aspects, but simply depicts the material topics.

MATERIALITY MATRIX – IMPORTANT TO VERY IMPORTANT



LIST OF MATERIAL TOPICS

Aspects and topics	GRI KPIs	OeKB bank group SDG focuses	Description in the sustainability report
Enabling entrepreneurship and growth	Management approach – described in the report 203-1, 203-2, FS1, FS5, FS6, FS7, FS8, FS13, FS14, FS15	1, 7, 8, 9,17	Business model of the OeKB bank group To help business grow Export Services Protecting against credit default risks Development Financing Capital Market Services Sustainable finance Sustainability programme 2020
Environmental and social auditing of projects	Management approach – described in the report 412-1, 412-2, 412-3, 413-1, 413-2, FS2, FS3, FS9, FS11	8, 13	To help business grow Protecting against credit default risks Development Financing Sustainable finance Policies Sustainability programme 2020
Human rights, compliance, and business ethics	Management approach – described in the report 205-1, 205-2, 205-3, 418-1, 419-1	8, 17	Protecting against credit default risks To help society succeed Compliance Sustainability programme 2020
Infrastructure for the capital market and energy market	Management approach – described in the report	7, 9	Business model of the OeKB bank group To help business grow Capital Market Services OeKB CSD GmbH Energy Market Services Sustainability programme 2020
Responsible financing and investment	Management approach – described in the report FS10, FS12, FS16	8	To help business grow Sustainable finance Sustainability programme 2020
Customer satisfaction	Management approach – described in the report	8	Customer satisfaction and customer care Sustainability programme 2020
Financial stability	Management approach – described in the report 201-1, 201-2	8	Business model of the OeKB bank group To help business grow Development Financing Policies Annual financial report 2018 Sustainability programme 2020
Employees and diversity	Management approach – described in the report 401-1, 401-2 401-3, 404-1, 404-2, 404-3, 405-1, 405-2, 406-1, FS4	4, 8	To help employees advance Competencies Diversity and health management Sustainability programme 2020

Aspects and topics	GRI KPIs	OeKB bank group SDG focuses	Description in the sustainability report
Innovation and digitalisation	Management approach – described in the report	8, 9, 17	To help drive innovation Sustainability programme 2020
Operational ecology	Management approach – described in the report	7, 13	To help the environment flourish Sustainability programme 2020
Energy	302-1, 302-2, 302-3, 302-4		Energy management Ecological key indicators
Emissions	305-1, 305-2, 305-3, 305-4, 305-5		Energy management Ecological key indicators

Sustainable Development Goals

Austria has undertaken to implement the Sustainable Development Goals (SDGs) under the global Agenda 2030. As the official export credit agency and development bank of the Republic of Austria, we see ourselves as one of the central institutions that will enable this commitment to be fulfilled. We also critically monitor trends and assess the resulting opportunities and risks as described in the SDGs. We see the SDGs as a compass for future activities. But they also affirm that we should maintain existing and proven processes such as the environmental and social audits. The SDGs are firmly anchored in our business strategy and business model.

The OeKB bank group made an initial assignment of the SDGs to its core business activities in 2016. The SDG focuses were expanded during the update of the materiality analysis in 2017. The update in 2018 brought a change in the SDG focuses of OeEB. Due to the large number of renewable energy expansion projects that were made possible through the OeKB Export Services, we decided to add SDG 7 – affordable and clean energy – as a focus SDG for OeKB in 2019. In a discussion process with different internal interest groups, we agreed that we can make an important contribution for OeKB in meeting SDGs 1, 4, 7, 8, 9, and 13. SDGs 1, 7, 8, 9, 13, and 17 were identified for OeEB. This focus is a “primary contribution” because projects that are evaluated and financed by our institutions generate additional key contributions towards the attainment of the SDGs.

SDG FOCUS IN THE OEKB BANK GROUP:



OeKB extends subsidised loans, so-called soft loans, on behalf of the Federal Ministry of Finance. These are earmarked for sustainable projects that are implemented by Austrian companies and that benefit the general public in less-developed countries. This type of financing benefits the recipient countries and domestic companies alike.

The OeEB mandate already contains the objective of combating poverty through private sector development. All of its activities are thus aimed at contributing to the reduction of poverty and to sustainable development in developing and emerging countries by strengthening the private sector. OeEB improves access to economic resources for persons at risk of poverty and exclusion above all through its projects in the financial services sector, including microfinance.

Further information about our corporate volunteering activities can be found within the chapter [Social responsibility with long term benefits](#).



High-quality education is a fundamental prerequisite for sustainable development. This is why we support projects with this focus, such as the START scholarship programme and Teach for Austria. Both initiatives offer children from socio-economically disadvantaged families access to education and opportunities for their future. We work together with these institutions as part of our corporate volunteering programme.

Read more about the strategy "Financing our Shared Future" in the chapter [Development Financing](#) and on [OeEB's website](#).



Numerous projects of OeKB Export Services contribute to expanding renewable energy and thus to protecting the climate. Export guarantees worth over €1 billion have been issued for renewable energy projects.

The updated strategy of OeEB for 2019 to 2023 titled "Financing Our Shared Future" also places a focus on renewable energy. The reason for this is that an estimated one billion people around the world still have no access to electricity, most of them in Sub-Saharan Africa and South Asia. Some 87 per cent of the world's population without electricity live in rural regions, where an increasing number of off-grid power generation systems are being used alongside traditional on-grid solutions. What's more, some three billion people around the world still use fuels for cooking that are damaging to the environment and their health. And a lack of access to energy is one of the key barriers to economic development. Many developing countries lack access to affordable, reliable, and environmentally friendly energy services, which in turn impedes the growth of the private sector.



The OeKB bank group plays a key role as a central financial services provider and sees its primary task as promoting economic growth and strengthening Austria's competitiveness at a global level. We meet this challenge by supporting the Austrian export economy, the domestic capital market, the commercial banks, and the Republic of Austria with economically relevant services.

In line with its mandate, all of OeEB's projects are aimed at promoting private sector growth in developing countries. Some 70 per cent of the small and medium-sized businesses in developing countries have no access to loans. OeEB strengthens the local financial sectors with long-term financing. To this end, OeEB will also place a focus on the provision of financing for MSMEs (micro, small, and medium-sized enterprises) in the coming strategy period.

The environmental and social audits of project applications at OeKB and OeEB also evaluate social and human rights aspects.



We are an important partner for Austrian exporters and indispensable for the infrastructure of the domestic capital and energy market. Many projects, especially those in developing countries, are aimed at building the relevant and necessary local infrastructure. For this reason, the topic of infrastructure was added as a focus in the new strategy cycle of OeEB. And as a specialised financial services provider, we have always had to find innovative solutions to meet new challenges and customer expectations and to address all security aspects in handling data. The OeKB bank group also has dedicated innovation managers who coordinate the various innovation processes within the group. We have been actively supporting the weXelerate start-up hub as a corporate leader and mentor since 2017. One member of the OeKB Executive Board chairs the weXelerate advisory committee.

Further information about Exportinvest Green can be found within the chapter [Sustainable Finance](#) and on [OeKB's website](#).



Numerous OeKB Export Services and OeEB projects contribute to protecting the climate. Together with the BMF, OeKB launched a new support facility in 2019 to help Austrian exporters that make targeted investments to reduce negative environmental impacts and to make long-term contributions to environmental improvements. This new Exportinvest Green product enables companies to cover an additional 20 per cent of the total investment at the attractive OeKB terms. Exportinvest Green is intended to be an incentive for more environmentally relevant and forward-looking investments that make a tangible contribution to climate protection.

OeEB is the largest provider of international climate financing in Austria. Climate change is one of the two interdisciplinary issues or horizontal objectives in its “Financing Our Shared Future” strategy, the other being gender equality. OeEB is seeking to invest an average of at least 40 per cent of its new business in climate-relevant projects from 2019 to 2023.

We also consider climate protection and CO₂ reductions in our day-to-day business.

Read more about this in the chapter [To help the environment flourish](#).



As a development bank with the mission of financing sustainable private sector investments in developing countries, OeEB is one of the many key players that work together in implementing Austrian development policy. We also take account of Austria’s foreign policy and foreign trade interests in this. In addition to financing and equity investments, a key task of OeEB is the effective and targeted expansion of local capacities in developing countries. This lends additional support to a global partnership for sustainable development.

Impact measurement

OeKB has completed a qualitative high-level mapping of the 17 SDGs since 2019. The concept for this was drawn up in conjunction with the BMF in 2018. In the first step, all export guarantees and bill guarantees worth €10 million or more and with a loan term of at least two years along with all soft loans, Exportinvest Green financing arrangements, and other selected applications with positive environmental effects that are reported as part of the climate financing are assigned to a primary goal. Additional goals that are positively or negatively impacted by the project application are also assigned. After reviewing an application, OeKB prepares a proposal that is submitted to the Advisory Committee of the Federal Ministry of Finance (BMF) for a final decision by the BMF, and that now also includes the assigned SDGs.

The expert knowledge of the SDGs among OeKB's staff is important in this and is built up in part by advance training and workshops about the SDGs. Information and documents about the SDGs are also available to all employees.

Financially successful private-sector companies that act in a responsible manner are a key driver of economic growth. OeEB as an Austrian development bank contributes to a vital economy and sustainable development through tailored financing and targeted consulting for the private sector, and in this way creates better living conditions for people in developing and emerging countries. To evaluate the development effects of its projects, OeEB has used the Development Effectiveness Rating Tool (DERa) developed by Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG) since the beginning of 2019.

Oriented towards the Agenda 2030 for sustainable development and the Sustainable Development Goals (SDGs) and based on international best practices, DERa assesses what development contribution each project of the entire OeEB customer base makes and shows the changes that have occurred since the investment was made by OeEB. In this way, DERa allows OeEB to report on the development-policy effects of its financing, manage the overall development-policy quality of its portfolio, and generate positive impetus for improvement.

DERa is based on a "theory of change", a method built on depicting the process that will lead to the desired change. It shows the causal relationship between the activities of an OeEB customer (input), its results (output), and one or more of the desired development effects (outcomes) and impacts. In a further step, the role played by OeEB is added to the model.

DERa is applied over the entire term of every project financed by OeEB. An initial DERa is created before a project is signed and consists of a baseline with the current metrics before the OeEB investment along with a forecast of the expected effects of the investment over a time horizon of five years. After approval, the DERa is updated with the current metrics every year, which allows the changes in the development contributions of customers since the OeEB investment to be documented and analysed.

The development contributions of every project are assessed on the basis of five impact categories. The first three categories – "decent jobs", "local income", and "market and sector development" – are central development effects ("What has been achieved?"). The categories "environmental stewardship" and "community benefits" relate to the manner in which companies operate ("How were the effects achieved?").

DERa assesses customers on the basis of these five categories. Each category contains different indicators that measure the customer's contribution to the respective category. These indicators especially contain quantitative information, but also qualitative expert assessments. There are static and dynamic indicators to measure the absolute realised effects but also to evaluate the growth processes. The indicators measure either risk-mitigating or direct positive development-policy effects.

In addition to scored indicators, DERa also contains overarching indicators that are used for reporting purposes. These indicators evaluate whether a project makes a contribution to the 17 SDGs and whether the financed project is additional from a financial and/or value perspective. Alongside the scored indicators in the categories, there are a number of reporting indicators that are needed for the detailed development-policy reporting that is published by OeEB every year.

Sustainability strategy



We drafted a sustainability strategy for 2017 to 2020 for the OeKB bank group based on the results of the context analysis and in collaboration with our stakeholders. It covers five areas:

To help business grow

We develop sustainable products and services to contribute to the sustainable operation of the OeKB bank group.

To help drive innovation

We collect, prepare, assess, and market new possibilities. To this end, we build an environment and internal and external networks to cover this broad topic.

To help employees advance

We pay attention to the health of our employees, to a good work-life balance, and to imparting necessary know-how. This will enable all of us to make a contribution to the sustainable success of the OeKB bank group.

To help the environment flourish

We document and optimise the direct and indirect ecological impacts of our activities.

To help society succeed

We take an active role for the sustainable development of our society as a shaper and educator.

The sustainability report is also structured by topic in line with this. The measures that are intended to achieve these goals are shown in the sustainability programme and progress report.

Stakeholder relations and dialogue

GRI 102-21, 40, 42,
43, 44
GRI 413-1,
FS1, FS5

More information on
the most important
stakeholder
groups can be found
in the chapter
[Materiality analysis](#)

Our stakeholders, stakeholder relationships, and stakeholder-specific forms of dialogue are just as diverse as the broad range of services of the OeKB bank group. Engaging stakeholders, in other words people and groups who have a justifiable interest in or influence on our direct or indirect business activities, is an integral part of our business processes. We view transparent communication and an open dialogue as key to finding common solutions to controversial, challenging, and critical topics and interests. For this reason, we openly address differing viewpoints. We have been active in various networks for many years in order to initiate and realise joint projects for the benefit of the economy, environment, and society.

Publications

Read [RELEVANT online](#).

The OeKB bank group publishes the magazine RELEVANT every quarter to present well founded, clear information from the world of OeKB Group. Each issue has a specific focus. The following topics were covered in 2019: “Intangible Economy – Invisible Capital”, “Difficult Markets – Off to the Land of Opportunity”, “Environment – How Business Can Become Greener”, and “Corporate Culture – The Personality Has To Be Right”. RELEVANT is not only a platform for executive and line managers. Experts from all departments contribute greatly to the contents of each issue. They share their highly specialised knowledge with interested members of the public.

You can find our
reports on
[OeKB's website](#).

The special issue RELEVANT ANNUAL is also published once per year and provides a concise overview of the financial year of OeKB Group, including selected highlights and relevant facts and figures. The current reports – annual financial report, Export Services annual report, and the Disclosure Report – can be found on the OeKB website along with brochures and fact sheets.

Oesterreichische Entwicklungsbank (OeEB) contributed the chapter “The Austrian Development Bank as a Climate Bank” to the book “*CSR und Klimawandel*” (CSR and Climate Change). Andrea Sihn-Weber, managing director of the Raiffeisen Sustainability Initiative (RNI), and Franz Fischler, former EU agriculture commissioner and chairman of RNI, are the publishers of the book that was released as an e-book by Springer Gabler Verlag in December 2019 and that came out in print in January 2020. The book contains 42 articles on corporate social responsibility by 62 managers from Austria, Germany, and Switzerland.

Digital presence

The importance of a digital presence and the use of social media as a platform for information exchange and communication with various stakeholders are increasing steadily. It is all the better when the digital presence is targeted and effective. The 2019 Lundquist Report attributes a high degree of awareness for digital stakeholder communication to OeKB and includes it among the top five unlisted companies in Austria. The analysis behind the annual Lundquist Report focuses on how well a company succeeds in fostering stakeholder trust and communicating its business model, company values, and self-image via websites, social media, and other digital channels. The Lundquist Report attests that OeKB maintains comprehensively satisfactory digital communication in which it succeeds in compellingly conveying and not just explaining its company identity in the digital space.

Here you can get to our
video series on [YouTube](#).

New explanatory videos about different Export Services products are one good example of this approach. The businessman “Mr. Steiner” is assisted in finding solutions for various problems that exporters could encounter. He discovers the solutions available from OeKB. The videos are intended to provide a simple and entertaining introduction to the OeKB Export Services product range.

Exchange with employees

The Executive Boards of OeKB and OeEB and the management of OeKB CSD value regular, direct dialogue with their employees. The means of this communication range from regular events to video series such as “>Blick voraus!” (Look ahead!), in which the Executive Board members of OeKB AG review the course of business to date, explain the priorities for the future, and answer employee questions. These video updates after the Supervisory Board meetings allow the Executive Board members to inform employees transparently and clearly about current topics and changes in the business segments and about new developments in the company and the sector at large.

The “Frühstück mit Weitblick” (Breakfast with a View) series was launched in 2018 and was continued successfully in 2019. Every quarter, employees of the OeKB bank group are given the opportunity to learn about a current topic over breakfast. After the stage is set with a brief speech by an invited presenter or keynote speaker, the participants can discuss the topic of the day with colleagues and external experts. We organised a total of four of these breakfasts in 2019, which were attended by more than 150 employees.

They covered the following topics:

- “Vision and Mission” with a presentation by the Executive Board on this topic and a keynote speech by Franz Kühmayer,
- “Collaboration and Leadership” with a presentation by Gregor Fauma,
- “A Reality Check for New Ways of Working” with a podium discussion about the experiences gained with new methods of working, and
- “Sustainability Bond Roadshow” in which Elisabeth Schneider, Nastassja Cernko, and Heidrun Schmid, who went on the road to present the first sustainability bond, explained to interested colleagues how such a roadshow for investors runs.

New methods of internal communication were also introduced and existing methods expanded in OeEB in 2019 to improve the exchange of information and experiences with employees. This includes:

- **Brown bag lunch**

The employees of OeEB work on different projects, are involved in due diligence and monitoring trips, address cross-departmental issues, and bring a broad range of experience with them from their previous careers. The regular brown bag lunches that were launched in 2019 give employees the opportunity to present and discuss topics in an informal setting. Twelve of these lunches were held in 2019 and were very well received by the employees.

- **Fit to Develop and leadership feedback**

The Fit to Develop initiative was launched in 2019 to improve collaboration within the company. Brief interviews and focus groups give employees the opportunity to actively help shape change and operational improvements in OeEB and to contribute their own ideas. The initiative was launched in collaboration with external consultants in September 2019 and is being continued in 2020. A bank-wide leadership feedback process was also introduced with the support of external consultants and is intended to support the internal leadership competence development programme and foster a positive feedback culture in the company.

- **Intranet**

A separate OeEB page has been set up in the OeKB group intranet to provide OeEB employees with internal OeEB information and is being continuously improved and updated with new content.

- **Executive Board update**

In addition to regular meetings and events, the OeEB Executive Board also provides updates on current topics and changes by e-mail after the Supervisory Board meetings and international events such as the annual World Bank Conference. During the New Year and summer receptions, OeEB employees are given an update on the development of the company and on current topics. During the regular Executive Board breakfasts, employees have an opportunity to pose questions to the Executive Board members and to discuss content and strategy topics in an informal setting.

OeKB ThinkTank event

Insights into OeKB's ThinkTank event can be found in this [video](#).

The inaugural OeKB ThinkTank event was held on 8 October 2019 under the motto of “Rooms for Forward Thinking”. The goal of this event was to enable all employees of OeKB Group to attend a conference in the OeKB offices where they can choose from a range of current and important topics. In addition to the networking objective, a focus was also placed on inputs from experts and on practical application in workshops.

Dejan Jovicevic acted as the moderator for the morning, which featured engaging keynote speeches by Klaus Gabriel, Nina Tamerl, and Petra Hauser on the topics of sustainable finance, change as an opportunity, and change management. The workshops covered the topics of sustainable finance, innovation and prototyping, exponential change, and new ways of working. Around 150 employees from across OeKB Group participated in the event.

Customer satisfaction and customer care

GRI 103-1, 2, 3

The OeKB bank group's customers are diverse and often have different needs and desires. It is essential to be familiar with these wishes in order to continuously refine our product range and adapt our processes to our customers' requirements. The OeKB bank group's employees obtain this knowledge in personal conversations, structured interviews, electronic surveys, and at special customer forums and workshops.

Read more on the export study on [OeKB's website](#).

In 2019, OeKB commissioned the market research institute GfK to conduct a study on the topic of “Export prospects, future destinations, and sustainable finance”. Austrian exporters were surveyed on the following topics: foreign activities of Austrian companies, export prospects, satisfaction with the framework for foreign activities, and sustainable finance. The core results of this survey showed that exports are the primary revenue driver for around half of the major Austrian companies. More than two thirds of Austrian companies are planning to expand their exports. Particular challenges in the coming years will be climate/environmental protection and sustainability, as well as the availability of attractive financing options for making climate-friendly investments. Some 64 per cent of respondents are certain that the issue of sustainability will have an impact on future business investments and will play a significant role. OeKB has provided Austrian exporters with an innovative financing facility for climate-friendly investments since 1 June 2019 under the name of Exportinvest Green.

Further information about Exportinvest Green can be found within the chapter [Sustainable Finance](#) in the OeKB bank group and on [OeKB's website](#).

Representatives of all business segments of the OeKB bank group come into direct contact with customers by attending external events and appearing on discussion panels. The findings flow into the conception, structuring, and forming of strategies and innovations. The topic of sustainable finance was a focus of attention in 2019. Thanks to our new products Exportinvest Green and sustainability bonds and the increasing importance of impact measurement, representatives of OeKB and OeEB were frequently invited to a broad range of conferences, events, and workshops on these topics. For example, we participated in the 2019 events of the Focal Group Green Finance that was organised by the Federal Ministry of Finance (BMF) and Federal Ministry for Sustainability and Tourism (BMNT) under the Green Finance Agenda. We also provided inputs and discussion contributions to the capital market union (CMU) round table discussion on the topic of “Sustainable Finance – Green Finance” and to the climate risk workshop titled “Identifying and Managing Challenges of Climate Change” of Oesterreichische Nationalbank (OeNB) and the Austrian Federal Economic Chamber (WKÖ).

The OeKB Executive Board and the Export Services team also attend corporate client events held by commercial banks and events hosted by the Federal Economic Chamber all over Austria. Here, they report on further developments in our services, explain the benefits of using our instruments, provide information on trends in important target markets for the Austrian export industry, and present concrete ways of mitigating business risk and financing business activities.

Experts from OeKB and OeEB also participated in the annual export day, the Latin America day, the Africa day, and the Federal Economic Chamber's Economy and Development forum, where Austrian companies learned about its services. In addition, OeEB again organised workshops on the topic of “Bankable projects – designing projects attractively for the Austrian development bank” together with AUSSENWIRTSCHAFT AUSTRIA in January and June 2019.

The companies in the OeKB bank group also place high value on collecting regular feedback from their customers. Banks were repeatedly invited to participate in the development of a new online tool for determining current interest rates (OeKB Loan Pricer). They were able to communicate their requirements and expectations from the outset and were permitted to test the developed prototypes and give feedback on the functions and usability.

Future workshop

OeKB sees itself as a think tank in which forward thinking is made possible and where a dialogue with stakeholders can take place in the form of an open and constructive exchange in small groups. As sustainability is considered to be one of the core tasks of OeKB, the future workshop is intended to examine the challenges of global issues in respect of ecological, economic, and social sustainability and the effects that this has on the expectations placed in OeKB.

The first future workshop was held in October 2019 and addressed the topic of “Sustainable Development Goals and Sustainable Finance”. Around 20 representatives of government ministries, shareholders, civil society, science, customers, and the OeKB bank group held an engaging discussion after a keynote speech on the topic.

The findings gathered at this event will be incorporated into the business and sustainability strategy and will ultimately lead to concrete measures. A key intent was to find out what these stakeholders expect of OeKB in furthering the implementation of the SDGs and sustainable finance agenda.

Under the aegis of the Federal Ministry of Finance

Austrian exporters have enjoyed the support of OeKB since 1950. It offers export guarantees in the name of the federal government, thus mitigating economic and political risk for business abroad. It also facilitates attractive financing for foreign projects. In this capacity, OeKB acts as the export credit agency (ECA) of the Republic of Austria.

OeKB continuously coordinates with the Federal Ministry of Finance (BMF) with regard to guarantees and financing. The basic parameters for covering export transactions in the individual countries are set based on our proposals and then published on our website in the form of country policies. For soft loans, we submit proposals to the BMF regarding recipient countries and specific terms. The necessary funds are raised and the terms set in coordination with the BMF based on the valid legal framework.

OeKB evaluates applications for transactions from a bank perspective and submits a summary opinion to the BMF and from there to the members of the Advisory Committee, and also to the Export Financing Committee in the case of soft loans. OeKB and the BMF exchange information on a regular basis, more intensively with regard to specific, major cases and in the case of critical current developments (such as substantially increased political risk in the target country).

We prepare quarterly reports that the BMF uses to inform the parliament. Moreover, we provide basic data to the BMF for the annual report to the Main Committee of the National Council, i.e. the Activity Report of the Advisory Committee pursuant to § 6 Austrian Export Guarantees Act. We also supply the BMF with the information needed to answer enquiries.

OeEB was established as the development bank of the Republic of Austria in 2008 and works on behalf of the Austrian government to improve living conditions for people in developing and emerging countries. The legal basis for the activities of OeEB is largely defined in the Export Guarantees Act. It is also bound by the principles of development cooperation as defined in the Development Cooperation Act. It works on behalf of the BMF as well as for the BMEIA (Federal Ministry for Europe, Integration and Foreign Affairs).

Investor Relations

Regular roadshows are a prerequisite for the diversification and expansion of OeKB's investor base. An investor roadshow was held in Vienna, Paris, London, Amsterdam, Frankfurt, Helsinki, Copenhagen, and Oslo in advance of OeKB's first issue of a sustainability bond. Investors in the USA, Great Britain, and Israel were visited and a variety of issuer and investor conferences were attended in 2019, as well. At these events, OeKB meets with central banks, official organisations, insurance companies, asset managers, bank treasuries, and investment funds. These investors are interested in the issues of OeKB due to their very high credit quality, the guarantee of the Republic of Austria, their scarcity value, and their excellent performance on the primary and secondary markets. To measure its success as an issuer in the capital markets, OeKB continuously compares its performance with that of its peer group, which includes sovereign issuers, multilateral organisations, and other export credit agencies.

Further information about our Framework and the first Sustainability Bond can be found within the chapter Sustainable Finance in the OeKB bank group.

A Sustainable Financing Framework was drawn up in 2019 to enable OeKB to issue green bonds, social bonds, and sustainability bonds. The first OeKB sustainability bond was issued in October 2019 with a volume of €500 million, and 46 per cent of the bond was placed with investors focusing on SRI instruments (socially responsible investments), thus expanding the OeKB investor base.

Rating agencies

Find out more about our ratings on OeKB's website.

The OeKB issues that are guaranteed by the Republic of Austria are rated Aa1/AA+ (long term) and P-1/A-1+ (short term) by Moody's and Standard & Poor's. Annual due diligence processes are conducted with these rating agencies. Rating reports are published regularly and can be found on the OeKB website.

OeKB has been subject to assessment by numerous environmental, social, and governance (ESG) and corporate governance research agencies for years and is one of the leading companies in its sector. ISS-ESG has assigned OeKB a rating of "Prime C+", and OeKB is ranked seventh of 28 companies in its sector. OeKB holds first place in the entire Sustainalytics¹ ESG risk rating universe and received an "AAA" rating (on a scale of AAA-CCC) from MSCI² in 2019.

Dialogue with civil society

GRI 102-13, 17, 21
GRI 413-1
FS5

Members of civil society (committed citizens and the groups representing their interests) primarily approach the OeKB bank group in its role as a national export credit agency acting on behalf of and for the account of the Federal Ministry of Finance (BMF). More concretely, this pertains to large projects with potentially high impact on the environment, social issues, and human rights that OeKB assesses or for which the federal government has either provided a guarantee or indicated the prospect of one being provided.

The relevant non-governmental organisations (NGOs) are organised in the platform Finance and Trade Watch (FT Watch) Austria. We have maintained a dialogue with this platform for many years. We actively provide information as soon as project details according to the OECD Common Approaches are published on our website. At the same time, FT Watch Austria asks questions about potential projects. We use this information to ensure a holistic view of a given project and its context in the event that we audit it. As part of the evaluation of the North Stream 2 pipeline, we engaged in an active dialogue with a group of international NGOs. We also actively participated in enquiries for the preparation of academic studies. NGOs came to us with their concerns through this exchange.

¹ As of September 2019

² DISCALIMER STATEMENT

The use by OeKB AG of any MSCI ESG research llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of OeKB AG by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

At the invitation of the Austrian National Contact Point in cooperation with the WKO's AUSSENWIRTSCHAFT international projects network, we participated in the workshop on "OECD Due Diligence Obligations for Responsible Corporate Governance" and presented the practical application of the guidelines. The workshop participants discussed the relevance of due diligence audits in relation to financing with Heidrun Schmid, OeKB expert for environmental and social audits. OECD expert Barbara Bijelic presented the new OECD due diligence guidelines for responsible corporate governance. The participants also worked through the first steps for practical implementation on the basis of concrete examples.

OeEB highly values direct dialogue with its stakeholder groups. OeEB extended an invitation in 2019 to discuss the draft of its new strategy for 2019 to 2023 in a dialogue organised through the umbrella organisation *AG Globale Verantwortung*. The participating NGOs submitted a comprehensive opinion on the draft, which was incorporated into the further development of the strategy. At a separate event, NGOs were also informed about the DERA tool introduced in OeEB in 2019 to measure the development-policy impact of projects, and were given the opportunity to discuss the new tool with experts from OeEB.

GRI 102-33
GRI 413-1

Read more in
the chapter
[Business Ethics](#).

In addition to an internal whistleblower system, an external complaint mechanism has been set up for every credit institution in the OeKB bank group. This enables our customers to approach us with their concerns in the form of feedback, suggestions, or constructive criticism. This in turn allows us to recognise, analyse, and correct recurring potential legal and operational risks. This is also required by the legal regulations on complaint processing (§ 39e BWG). The complaints are reported to the Financial Market Authority (FMA) once per year. These can include expressions of dissatisfaction with certain IT services or the manner in which applications are processed, for example.

The OeKB, OeEB, and OeKB CSD websites also contain contact options for directly submitting questions and comments.

Stakeholder trip to Bosnia and Herzegovina

OeEB organised a three-day project trip to Bosnia and Herzegovina in September 2019. The members of the Supervisory Board and of the committee and advisory board that review and approve the projects of OeEB in terms of economic efficiency and development-policy effects were invited. A total of 15 representatives of OeEB, the Federal Ministry of Finance, the Federal Chancellery, the Federal Ministry for European and International Affairs, the OeEB Supervisory Board, the Federal Economic Chamber, and the Austrian Development Agency visited undertakings financed by OeEB and got a first-hand look at the projects and cooperation activities of OeEB.

European Forum Alpbach: OeKB discussion on the topic of free trade from a sustainability perspective

At the Alpbach economic symposium in August 2019, OeKB provided insights into how free trade can be conducted in a sustainable manner.

Central topics of discussion were:

- What benefits does free trade offer, and what risks?
- How can free trade be structured in a world with growing trade conflicts and climate change?
- What role does trade policy play in this, and what companies play a role?

A wide variety of speakers took to the podium. Under the moderation of Sandra Baierl, economic journalist at the daily newspaper *Kurier*, these questions were discussed by Franz Fischler, president of European Forum Alpbach, Heinz Leitner, CEO of the Komptech Group, Julia Wörz, director of Central, Eastern, and Southeastern European analysis at Oesterreichische Nationalbank, and Helmut Bernkopf, Executive Board member of OeKB Group.

R20

The third R20 Austrian World Summit was held at Hofburg Palace in Vienna on 28 May 2019 and featured a host of prominent participants. Over 1,000 attendees accepted the invitation of Arnold Schwarzenegger's climate protection initiative. As Austria's largest provider of international climate financing, OeEB was an event partner for the first time and provided information about its financing solutions for renewable energy projects in developing countries in the breakout session titled Climate Finance: New Opportunities for Developing Countries, because the world's poorest countries are also being impacted most by climate change.

CSR day

The OeKB bank group was represented by its sustainability manager Nastassja Cernko at this year's CSR day, which was organised by respACT in Innsbruck on 17 October. Together with Max Deml, editor-in-chief of Öko-Invest, and Goran Maric, CEO of Three Coins, she discussed the topic of "Sustainable Development as an Investment Case" under the moderation of Fred Luks, sustainability expert and publicist.

Networks and memberships

GRI 102-13 The memberships of the OeKB bank group companies focus on organisations and initiatives that are essential for achieving their business and sustainability objectives.

The most important memberships are as follows (in alphabetical order):

- Aktienforum
- Austrian Bankers' Association,
- Berner Union
- C.I.R.A. – Cercle Investor Relations Austria
- Club of Rome – Austrian Chapter
- European Development Finance Institutions (EDFI)
- ICMA – International Capital Market Association
- International climate financing working group (AGIK) chaired by the BMNT,
- Federation of Austrian Industry (IV),
- respACT
- Transparency International – Austrian Chapter
- UN Global Compact – Austrian Network,
- UN Women – Austrian National Committee,
- VÖIG – Association of Austrian Investment Fund Management Companies,
- WIIW – Vienna Institute for International Economic Studies
- WIFO – Austrian Institute of Economic Research,
- WKO – Austrian Federal Economic Chamber.

The OeKB bank group attends meetings of the European Union (EU), the Organisation for Economic Co-operation and Development (OECD), and the Paris Club as an adviser to the BMF.

Events

FS5 The OeKB bank group has organised events for several years to promote an exchange of information between businesses, government, the scientific community, and civil society. We strive to play an active role as a shaper and educator for the sustainable development of our society. This aim is also clearly highlighted in the OeKB mission statements that were presented in 2018: “We serve as a think tank for our stakeholders that creates space for forward thinking and simulations of the future.” In this spirit, we again held a series of events in collaboration with partner organisations and independently in 2019. These included:

Short statement videos about “OeKB in Dialogue > On the Future of the Economy” can be found on [YouTube](#).

OeKB in Dialogue > On the Future of the Economy

A discussion was held at OeKB on 12 November 2019 with the title of “OeKB in Dialogue – Can the globalised world be saved?” to address how economic growth, free trade, and climate policy can be brought into harmony on our finite planet. After an introduction by Mathias Binswanger, Swiss professor of economics, the issue was discussed by Beate Littig, head of the faculty of sociology at the Institute for Advanced Studies (IHS) in Vienna, and Karl Steininger from the Institute of Economics at the University of Graz. The keynote speech by Binswanger on “Why the economy still has to grow even though we have enough” also raised a number of interesting points. This event was moderated by Agnes Streissler-Führer, deputy federal director of GPA-djp Union of Private Sector Employees, Printing, Journalism, and Paper.

OeKB >Export academy

The OeKB >Export academy is an event for banks, exporters, consultants, and export promotion agencies, intended to raise their awareness of the services offered by the OeKB bank group and to enable them to exchange experiences and make contacts.

Participants learn a great deal about OeKB Group’s hedging and financing solutions over a period of two consecutive days. The experts from OeKB Export Services and the subsidiaries ACREDIA and OeEB present their offerings and provide the participants with an overview of the uses and advantages of the financing arrangements, guarantees, insurance, and environmental and social audit tasks for export transactions.

Export news in the afternoon

Once every year, OeKB organises an information and dialogue event for bank employees in its Reitersaal hall. Here, they see short presentations on current topics in the areas of hedging and financing with OeKB Group. Afterwards, there is an opportunity to pose questions and engage in discussions in smaller groups.

Insights into our Business Breakfast can be found in this [video](#).

OeKB Capital Market Services business breakfast

The business breakfast in 2019 gave customers and other stakeholders an opportunity to gain insights into the topic of “financing sustainable projects”. The political scientist Ulrich Brand from the University of Vienna laid the theoretical groundwork with his keynote speech, which was followed by information about current developments in OeKB Group such as the OeEB financing projects and the issue of the first sustainability bond.

Climate change – opportunity or risk for the financial sector?

OeKB again supported the workshops of the RiskFinPorto research project, the first Austrian research project on climate risks in the financial sector, this year. The event was attended by experts from the consulting field, public administration, and financial sector and addressed concrete ways in which the Paris climate goals and the corresponding emission pathways can be achieved. Another topic was how climate risks can be measured and managed.

Vienna round table discussion

The focus of the 29th Vienna round table discussion in the OeKB Reitersaal hall on 11 and 12 November 2019 was on the future of Europe. This annual meeting of high-ranking international economists chaired by OeKB Executive Board members Helmut Bernkopf and Angelika Sommer-Hemetsberger examines current economic and social issues. On the first day of the conference, questions surrounding the future of Europe after Brexit, possibilities for cooperation in a

de-globalising world, and the economic effects of the current trade restrictions were discussed. The keynote speech by Charles Grant, head of the Centre for European Reform (CER) in London, provided a framework for the discussions. Former chairman of the Austrian central bank Professor Ewald Nowotny prefaced the especially intensive discussions on the second day with his keynote speech titled “Power or Economics?”. The panel discussion after Professor Nowotny’s introduction focused on ways to support economic growth while not losing sight of the risks of climate change.

Industry conference

“What is the best approach for promoting rail industry exports in the DACH region?” – this question was discussed at a rail industry conference in Munich in November 2019. Close to 100 representatives from the government, industry associations, companies, and banks took part in the conference that was organised by OeKB, Euler Hermes, and SERV. The aim of the event was for the ECAs in Germany (Euler Hermes), Austria (OeKB), and Switzerland (SERV) to present hedging and financing options for the rail industry and to spur joint projects in outside markets. Export credit agencies (ECAs) protect exporters and banks against payment default for economic or political reasons, especially in difficult and higher-risk markets.

The following issues, among others, were discussed in presentations and workshops together with attending experts:

- How are the sales markets for the rail industry developing?
- What will global competition be like in future?
- What financing challenges need to be overcome?
- What is expected of ECAs and what contribution can they make to supporting exporters in the DACH region?

This conference was one of the measures derived from the cooperation agreement concluded between the ECAs in the DACH region in the spring of 2019.

ECA conference in Uzbekistan

The three export credit agencies Euler Hermes, OeKB, and SERV also held a joint export credit insurance conference in Tashkent on 4 December 2019. The objective of the event was to generate business potential in Uzbekistan for companies in the DACH region. Uzbekistan is a developing market with 32 million inhabitants, substantial raw material reserves, and economic growth of over 5 per cent according to the most recent statistics. The earlier companies forge contacts and find potential cooperation partners, the easier it will be to enter the market. Local investors were informed about the advantages of combining high quality products from the companies in the DACH region with attractive financing facilities from the export credit agencies. The hope is to increase the business potential of the many local hidden champions and SMEs in this rapidly growing region.

Transparency International – Austrian Chapter review for 2019

OeKB was the host of the Christmas get-together for private and corporate members of Transparency International (TI) – Austrian Chapter and interested persons, where the chairwoman of the executive board and president of the advisory committee of TI – Austrian Chapter presented a review and outlook of relevant topics and activities. The keynote speech this year was given by Federal Chancellor Brigitte Bierlein.

Events of Oesterreichische Entwicklungsbank

As a central figure in Austrian development cooperation, OeEB is a respected expert in the field of sustainable private sector development. OeEB’s experts again contributed their know-how to a large number of events in 2019, including the “Beyond Europe” internationalisation round table discussion in India, the OECD presentation titled “Development Report & Global Outlook on Financing for Sustainable Development”, the “ODA and Its Alternatives – How can we provide sufficient development financing?” round table discussion of *AG Globale Verantwortung*, and the “Obtaining global commitment from companies” conference of *Institut zur Cooperation bei Entwicklungs-Projekten* (ICEP).

With OeEB being the largest provider of international climate financing in Austria, its green finance expertise was in especially high demand, for example at the R20 Austrian World Summit, the Our Journey conference of the OeEB project partner eco.business Fund, the Lighthouse 8 stakeholder event titled Green Finance, the Post-Paris Navigator – a networking workshop of WKO’s AUSSENWIRTSCHAFT Austria on the topic of financing options for climate-relevant projects – and Baker McKenzie’s Sustainable Finance Forum.

OeEB also demonstrated its Africa expertise at presentations at the Diplomatic Academy, the CFO Forum, various multilogues, CEO round table discussions, and expert panel discussions organised by corporAID, and at the event organised by Felder Group and the provincial government and economic chamber of Tyrol for the exchange of practical experiences with economic partnerships.

FURTHER FORMS OF DIALOGUE IN ALPHABETICAL ORDER

INFORMATION Objective: create transparency	CONSULTATION Objective: gather perspectives, expectations, and possible solutions	COOPERATIVE DIALOGUE Objective: promote open exchange and realise joint projects
Employee information events held by the Executive Board members and senior managers	Advisory Committee meetings	Employee visits to exporters and banks
Export Services newsletter	Gathering expertise, for example as part of the Vienna round table discussion	Exchange and collaboration with start-ups as part of the weXelerate start-up hub
Intranet	Organisation of expert presentations for employees, for example on learning from failure	Exchange with the Federal Ministry of Finance
OeKB press review	Personal discussions, for example during performance reviews and small group activities such as “On the right path together” (<i>Gemeinsam gut auf Kurs</i>)	Expert presentations and exchange with academic universities and universities of applied science
Participation in studies and surveys on the topic of sustainability and in the financial services industry, sustainability reporting, environmental management systems, etc.	Sustainability meetings of the focal points	Information and dialogue events with employees from OeKB and other banks
RELEVANT magazine RELEVANT OeEB Spezial RELEVANT ANNUAL		Organisation of and participation in events to discuss with different stakeholders (such as European Forum Alpbach, OeKB in Dialogue > On the Future of the Economy)
Reports: annual financial report, sustainability report, Export Services annual report, disclosure report, OeEB annual report, OeEB development report, OeKB CSD GmbH annual financial statements		OeKB >Export academy
Social media		OeKB ThinkTank event
Videos		weXelerate
Websites		UN Global Compact Steering Committee member

Sustainability management

GRI 102-19, 20,
26, 27, 28, 31
GRI 103-3
FS9

The Organisation, Construction, Environmental Issues, and Security department (OBUS) and the sustainability management unit that is located there report directly to the Executive Board. Sustainability affects all segments and units of the OeKB bank group and is an integral part of the strategic orientation of the Group. For this reason, the Executive Board of OeKB, the Executive Board of OeEB, and the senior managers of OeKB CSD decide on the sustainability strategy and measures. They are updated on the progress of the implementation of the sustainability management activities on a regular basis. This governance group also conducts a management assessment according to the EMAS requirements once per year.

The business segments in OeKB and the subsidiaries are another focal point of sustainability management. The heads and managers serve as fixed points of contact and communication interfaces between the sustainability management structure and the business segments and subsidiaries. They also help to identify the employees in their units who will implement the measures from the sustainability programme in task-specific working groups.

The implementation of the sustainability management objectives and measures and of the management approach is assessed internally at least once per year by Internal Audit/Group Internal Audit. The audit reports are made available to the external auditor that assesses the management system every year.





To help business grow

GRI 102-6, 15
GRI 103-1, 2, 3
GRI 201-2

Climate change is no longer a far-off scenario, but reality as shown by the temperature trend since measurements were first collected and by the natural disasters around the world reported in the media. This means that we have to direct substantially more capital into environmentally friendly investments and establish climate protection standards in all sectors. A study commissioned by OeKB on the topic of “Exporters in Austria – Current challenges for Austrian companies” came to the conclusion that climate and environmental protection is the number one future issue for Austrian exporters. The respondents were certain that the issue of sustainability will have an impact on future business investments and will play a significant role.

But climate change is not the only global challenge that we must master. Protectionist tendencies, international political instability and uncertainty, internal and international conflicts on the distribution of resources, human rights violations, resource scarcity, and a loss of biodiversity are just some of the hurdles that we must now overcome in a globalised world. And by “we”, we mean both the stakeholders of the OeKB bank group and all of us as individuals. How closely we are intertwined is also shown by the fact that all of these topics also have further economic, ecological, and social implications at the local, national, and international levels.

In its role as the official export credit agency, the development bank of the federal government, and a central service provider for the capital and energy markets, the OeKB bank group bears particular responsibility for the Austrian economy and in respect of its numerous stakeholders. For this reason, the OeKB bank group regularly assesses global and local trends and contexts. In one of our mission statements, we commit to aligning our products and services with global developments. This is the only way for us to ensure that our economic activities have a positive impact on the economy, environment, and society. This also requires that we are constantly ready to refine and adapt our business models, services, and processes. Our sustainable finance commitment is proof of this. In 2019, we were actively involved in drafting the Green Finance Agenda of the BMF and BMNT, created a Sustainable Financing Framework, issued a sustainability bond, introduced the new Exportinvest Green product and the African-Austrian SME Investment Facility in collaboration with the BMF, and issued an impact fund through OeEB in collaboration with Bank Gutmann.

Read more about our Sustainable Finance activities in the chapter [Sustainable Finance](#) in the OeKB bank group.

The management of the OeKB bank group addresses these topics in regular strategy development processes. This is reflected in our business and risk policy, which includes the objective of continuing to act as a responsible partner for the Austrian economy going forward.

Financing with a holistic view

GRI 203-1, 2 There are different motives for companies to invest abroad. The goal is often to tap new sales and procurement markets. Another frequent objective is improving competitiveness by accessing lower-cost production opportunities in other countries. A globally operating company is also in a better position to weather regional crises. These benefits are offset by the costs and risks of going abroad. No matter how well a company prepares for the local situation and conditions, there is often still a considerable risk that an investment could lose its value, for example because of political changes.

Companies can hedge their foreign investments against political risks by way of a federal guarantee through the OeKB bank group. This type of promotion also entails great responsibility. We take our role seriously in investment guarantees and evaluate the impact of every transaction on the environment, employees, and local population through a screening process and an environmental and social audit. Experience has shown that many Austrian investors set a good example in the target country – for example with codes of conduct for suppliers, extensive training programmes, and excellent environmental protection and safety standards that often go far beyond the local regulations.

In many of the lowest-income countries in the world, small and medium-sized enterprises (SMEs) and microbusinesses are often the entire economy. They account for as much as 90 per cent of the companies and for half or even two-thirds of all jobs. At the same time, they are often the “missing middle” in development financing. Microfinance has enjoyed great prominence since the 2006 Nobel Peace Prize was awarded to Muhammad Yunus, one of the pioneers of this movement. Large companies have the capacity and know-how to develop projects whose economic benefits are easy to communicate, and therefore have an easier time accessing financing.

This is why Oesterreichische Entwicklungsbank AG (OeEB) strives to maintain a focus on those in the middle. We provide venture capital to enable smaller companies to start or expand through investments managed by OeEB as a fiduciary for the Republic of Austria. OeEB reacts to the lack of capital in developing countries by providing financing for SMEs, and can also combine this financing with local training measures and with measures to improve the capabilities of local partners. This transfers crucial know-how to small companies and especially creates jobs and better living conditions for people in these countries.

FS10 Responsible financing and investment also pertains to our proprietary portfolio. This means pursuing the three economic objectives of security, liquidity, and return. We also evaluate the effects that our investments have on others by accounting for the non-economic objectives of ethical action and sustainability. The OeKB bank group uses exclusion criteria to avoid conflicts between the consequences of an investment and the purpose of our institutions, and also to avoid risks.

For this reason, companies in the arms industry are currently precluded from proprietary investment by the OeKB bank group. The exclusion list is updated very year. The decision was taken in 2019 to allocate part of the proprietary investments to green bonds, social bonds, and sustainability bonds.

Export Services

GRI 102-2, 6
GRI 203-1, 2

Good risk management and attractive financing are crucial for the lasting success of export business and investments abroad. We have specialised in this since 1950. We offer instruments that make companies stronger in global competition and that help them overcome challenges stemming from global developments on behalf of the Federal Ministry of Finance (BMF). In this context, we launched the Exportinvest Green product in collaboration with the BMF in 2019. It is aimed at Austrian exporters that make targeted investments to reduce harmful impacts on the environment and to make a sustainable contribution to improving the environment. The key feature is always the assumption of default risks to create a basis for attractive financing. In this, we stay true to the values of the OeKB bank group by serving all sectors, acting impartially, and adhering to our sustainability policy.

Further information about Exportinvest Green can be found within the chapter [Sustainable Finance](#) in the OeKB bank group and on [OeKB's website](#).

GRI 203-2,
GRI 413-1, 2
FS6, FS9

Protecting against credit default risks

Administration of guarantees by OeKB on behalf of the Republic of Austria

OeKB is a reliable partner of the Republic of Austria and the Austrian export industry. As an agent of the Republic of Austria, it provides guarantees for export sales and domestic and foreign investments by Austrian exporters. The export guarantees are limited to non-marketable risks. Cover for marketable risks is available from private export credit insurers. The guarantee system is based on the provisions of the Export Guarantees Act (AusfFG) and the respective regulations.

A statistical overview of the guarantees pursuant to the AusfFG can be found in the OeKB 2019 Export Services annual report

<https://www.oekb.at/export-services.html>

The guarantees for covering political and commercial risks and the bill guarantees give customers access to the Export Financing Scheme (EFS). The EFS facilitates the easier low-interest refinancing of exports and foreign direct investments.

GUARANTEES BY REGION AND COUNTRY GROUP

	Valuated guarantee exposure 31 Dec 2018						Commitments 2019			Valuated guarantee exposure 31 Dec 2019		
	Commitments 2018			31 Dec 2018			Commitments 2019			31 Dec 2019		
	Number	Million euros	%	Number	Million euros	%	Number	Million euros	%	Number	Million euros	%
Europa (including Turkey/CIS)	265	470	8.2%	721	3,675	13.9%	241	504	8.2%	713	3,412	12.1%
EU	56	124	2.2%	211	627	2.4%	53	182	2.9%	217	620	2.2%
North America	7	4	0.1%	18	19	0.1%	7	5	0.1%	23	19	0.1%
Latin America	90	169	3.0%	297	784	3.0%	85	325	5.3%	292	858	3.0%
Asia	136	576	10.1%	663	3,454	13.1%	145	676	11.0%	659	3,488	12.4%
Australia, Oceania	1	10	0.2%	2	28	0.1%	-	-	-	2	28	0.1%
Africa	63	311	5.4%	164	1,095	4.1%	51	298	4.8%	172	1,243	4.4%
Blanket guarantees (BG)	-	-	-	6	1,040	3.9%	-	-	-	6	1,040	3.7%
Total of guarantees	562	1,539	26.9%	1,871	10,096	38.1%	529	1,808	29.3%	1,867	10,087	35.8%
Guarantee commitments (GC)	453	3,927	68.7%	3,926	15,282	57.7%	606	4,045	65.6%	4,114	16,794	59.7%
Guarantees for OeEB	18	254	4.4%	100	1,089	4.1%	24	316	5.1%	111	1,267	4.5%
Total	1,033	5,720	100.0%	5,897	26,467	100.0%	1,159	6,169	100.0%	6,092	28,149	100.0%
Thereof (without BG, GC, OeEB):												
OECD	102	323	5.5%	346	1,107	4.2%	92	404	6.5%	342	1,139	4.0%
Developing countries	527	1,472	25.7%	1,770	8,782	33.2%	449	1,444	23.4%	1,601	7,960	28.3%
OPEC	47	77	1.3%	114	492	1.9%	31	304	4.9%	104	676	2.4%

Environmental and social aspects

GRI 102-11, 29, 31
GRI 203-2
GRI 304-2, 4
GRI 412-1, 2, 3
GRI 413-1, 2
FS2, FS3, FS9

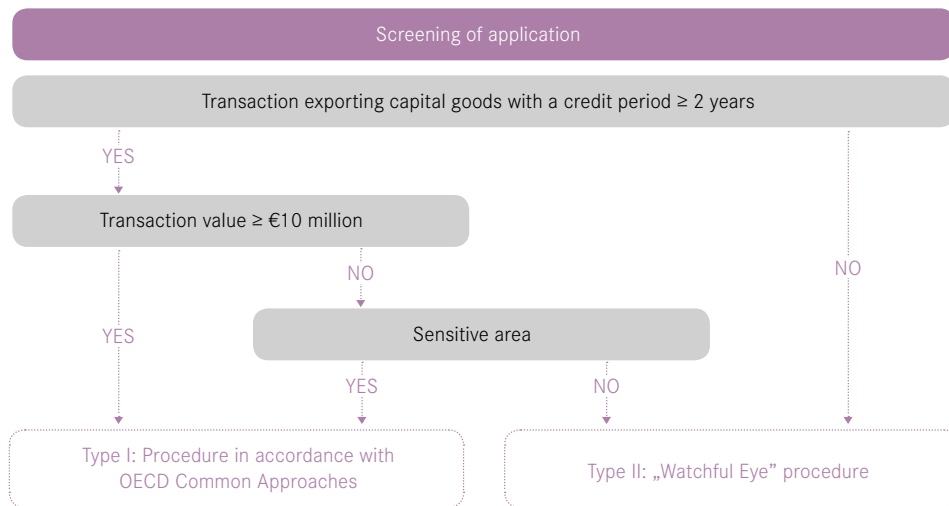
OeKB reviews every application by a company for a federal government guarantee for various environmental and social risks. In its capacity as fiduciary, OeKB is obligated to accept all applications for review. Products that are subject to the War Material Act or the Nuclear Energy Security Monitoring Act are ineligible. OeKB is not entitled to define its own exclusion criteria. This screening determines whether the applications (may) entail risks in terms of negative environmental and social impacts. A decision is also made as to what review procedure to apply.

More information about environmental audits, the Common Approaches, and the projects can be found on OeKB's [website](#).

When assessing the compatibility of the environmental and social aspects, OeKB (as the Austrian export credit agency) must adhere to the Common Approaches of the OECD (Organisation for Economic Co-operation and Development). These rules stipulate how to proceed with project assessments, thus establishing standardised conditions for competition among the export credit agencies represented in the OECD. Human rights have taken on an even higher weighting in the assessment requirements since the revision of the Common Approaches in 2016.

Projects that do not fall under the Common Approaches due to their scope or duration but that will presumably have an environmental and social impact are evaluated separately using the watchful eye principle that was designed in conjunction with the BMF. This ensures that as many of the submitted projects as possible are evaluated for their impacts in these areas. A total of 35 projects were evaluated for their environmental and social impact in 2019.

The assessment procedure divides projects into the categories of A, B, C, and E depending on the extent of the project’s potential impact. Project financing in Category A must be accompanied by monitoring at regular intervals. For all other projects, the experts conducting the assessment decide whether monitoring is appropriate. After its review, OeKB prepares a proposal that is submitted to the Advisory Committee comprised of representatives of various stakeholders for a final decision by the BMF. OeKB only plays a consulting role in the Advisory Committee.



We decide which environmental and social audit procedures are necessary when screening the applications.

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	2019	2018	2017	2016
Category A	7	2	7	4
Category B	6	8	10	7
Category C	7	5	7	6
Category E	15	10	9	3
Total	35	25	33	20
Sectors	2019	2018	2017	2016
Thermal power plant	-	-	-	2
Hydroelectric power plant	7	3	6	2
Renewable energy	-	1	3	-
Chemicals (plastic)	-	1	1	1
Pulp and paper	5	1	-	4
Iron and steel	9	7	3	4
Drinking water, water treatment	3	2	5	-
Transport	-	-	-	-
Agriculture, lumber	1	1	-	-
Transport infrastructure	2	2	2	1
Other *	8	7	13	6
Total	35	25	33	20

*Other: health care, (4), others (4)

Projects under review

Projects that are assigned to Category A in the assessment according to the environmental and social standards of the Common Approaches of the OECD can have significant negative, irreversible effects on the environment and society. We present Category A projects that may be awarded a federal guarantee on our website at least 30 days before a guarantee is issued.

OeKB evaluated possible involvement in the Nord Stream 2 project in 2018 and 2019. This is a gas pipeline from Russia to Germany. The objective of the evaluation was to determine whether the project meets all requirements and prerequisites for the involvement of OeKB as an agent of the Republic of Austria.

We attach considerable importance to dialogue with all stakeholders, including relevant NGOs, to come to a comprehensive understanding of the environmental and social impacts of a project. This dialogue took place as part of the evaluation. The environmental and social audit for Nord Stream 2 was terminated because the project was cancelled.

OECD Recommendation on Bribery and Officially Supported Export Credits

GRI 205-1 The international community is working to fight corruption and bribery. The OECD adopted the Action Statement on Bribery and Officially Supported Export Credits to this end in 2000, and then expanded it and converted it into an OECD recommendation in 2006. The OECD Council formally adopted an extended anti-bribery recommendation in 2019. It generally applies a broader definition to the term bribery, which now not only includes the offering of illicit consideration to foreign officials but also illicit consideration to domestic officials and business partners. This new recommendation is currently in implementation.

The new recommendation aims to prevent bribery relating to officially supported export credits. OECD intends to further raise awareness for preventing corruption with this recommendation. To this end, exporters are also called upon to set up internal control systems in their management organisation to preclude potential cases of bribery.

The OECD recommendation calls upon export credit insurance agencies such as OeKB to enact further measures to effectively prevent bribery in connection with export transactions. The Republic of Austria has committed to adhere to all of these anti-corruption measures. In its capacity as national export credit agency acting on behalf of the Republic of Austria, OeKB fully complies with the regulations set forth in the OECD Recommendation on Bribery and Officially Supported Export Credits.

Information on preventing corruption is available on the [OeKB-website](#).

[The International Chamber of Commerce \(ICC\)](#) recommendations on preventing corruption

For the export guarantees, this means that the applicant must confirm for every application according to the Austrian Export Guarantees Act (AusfFG) that no officials will be bribed by the applicant or, to his knowledge, by his representatives or agents in connection with the transaction or transactions to be covered. In the so-called debarment check, we ascertain whether the applicant is included on any exclusion lists of certain international financial institutions (IFI) such as the World Bank or European Bank for Reconstruction and Development. The new recommendation stipulates that the debarment check should also include representatives and agents and any other relevant parties to the export transaction.

If entries are found in a relevant debarment list, an extended review is initiated. Here, the structure of the underlying transaction and the internal rules of the applicant, agent, and/or representative are evaluated for corruption prevention aspects. We do not process the application for the issue of a guarantee until all concerns have been rectified.

In future, the applicant will be required to confirm that payments (commissions) will only be made for legitimate services. There is also an ongoing monitoring process. An intensified assessment can also be conducted here, if appropriate.

The OeKB bank group assists its customers in their efforts to proactively fight corruption. One primary instrument in this is raising awareness.

Country reports on risk assessment

Our country reports have contained social, development, and ecological indicators in addition to the corruption perception index since 2018 to make the country risk more transparent when evaluating projects. If such metrics are available for the country in question, the report also includes the Human Development Index (HDI) ranking, the Gini coefficient, and the rankings in the World Risk Index for Natural Disasters and the ease of doing business index.

OeKB's Export Financing Scheme (EFS)

Information about OeKB's EFS can be found here: www.oekb.at/export-services

OeKB's Export Financing Scheme provides funding for exports and domestic and foreign investments by Austrian export companies. It is available to domestic and foreign banks as a source of refinancing, subject to certain criteria (such as a suitable credit rating). We are bound by Austrian laws and also international regulations in this, in particular EU guidelines and OECD agreements.

Financing at commercial terms

The current EFS interest rates can be found here: <https://loanpricer.oekb.at/public>

Read more about financing special projects – soft loans in the [Development Financing section](#)

Financing for bank supplier and buyer loans and for equity investments is extended in euros and in foreign currencies at variable and fixed interest rates. Until the end of 2019, the interest conditions were set based on the weighted average life (WAL) of the refinancing loan. In the case of euro financing, the interest rates were published on our website, where a WAL calculator was also provided to calculate the interest conditions. Starting on 1 January 2020, the interest rates in the Export Financing Scheme (EFS) are calculated daily. This ensures that the EFS interest rates are in line with the market conditions, fair, and transparent. Furthermore, the refinancing products are simple, standardised, and strongly orientated towards market practices.

Current developments in 2019

Further information about Exportinvest Green can be found within the chapter [Sustainable Finance](#) in the OeKB bank group and on [OeKB's website](#).

The product launched in 2017 for the financing of investments needed in Austria to fulfil export orders was expanded in 2019. In collaboration with the BMF, OeKB has created the option to take on additional refinancing if the new or replacement investment entails environmentally relevant and forward-looking aspects. For example, the investment could be targeted at reducing a company's energy consumption by using geothermal heat pumps, HVAC systems with heat recovery systems, solar collectors, complete LED lighting, and sophisticated insulation. This represents a new milestone in supporting the export economy. Because every domestic investment made by an exporter invigorates exports and thus improves Austria's current account balance, generates additional value, and creates jobs in the country. Exportinvest Green provides a new incentive to reduce negative impacts on the environment and make a lasting contribution to improving the environment.

A total of 1,159 new guarantees were issued in 2019 (a 12 per cent increase in annual comparison). The total of used guarantee facilities came to €28 billion. This reflects not only the growth of Austrian export activity, but also the commitment of the employees of OeKB to successfully process this high volume of new guarantees and loans.

GRI 201-2, GRI 203-1, 2
FS7, FS8

Development Financing

Financing for special projects through soft loans from OeKB

The criteria for the extension of soft loans and the financing conditions can be seen here: www.oekb.at/soft-loan

New and less-developed markets offer great opportunities for Austrian companies. In order to allow these to be seized more easily, OeKB also offers soft loans for certain countries under the Export Financing Scheme in collaboration with the Federal Ministry of Finance (BMF). These development cooperation loans, which can be offered at very low cost thanks to government assistance, are also intended to promote the sustainable development of the target country. This is subject to the relevant provisions of the OECD arrangement and dependent on the approval of the Export Financing Committee. Federal funds used for this purpose are viewed as part of Austria's official development assistance.

GRI 102-2, 6, 7, 29, 31
GRI 203-1, 2
GRI 412-1, 2, 3
GRI 413-1, 2
FS2, FS3, FS7, FS8, FS9,
FS11, FS13, FS14, FS15

Financing stable development through Oesterreichische Entwicklungsbank (OeEB)

More information on the European Development Finance Institutions can be found [here](#).

As an agent of the federal government and the official development bank of the Republic of Austria, OeEB supports the establishment and expansion of private sector projects in developing and emerging countries and is committed to furthering the objectives of Austria's development cooperation policy. It is one of the 15 European Development Finance Institutions (EDFI) who complement one another with their wide range of development policy and financing activities.

Further information on OeEB's projects and services on OeEB's [website](#).

The share capital totals €5 million and is entirely held by OeKB. The company focuses on its core business: the identification, structuring, implementation, and management of eligible projects. All supporting functions such as accounting, IT, human resources administration, internal audit, and asset management have been outsourced to OeKB on a paid basis with the approval of the Financial Market Authority (FMA). This lean organisation allows for high efficiency.

The development bank has been incorporated in the sustainability management system of the OeKB bank group since its establishment.

Financing sustainable development

As measured by its portfolio, OeEB has become the sixth-largest development bank in Europe over the past ten plus years. In addition to its broad geographical mandate, which enables appropriate risk diversification, OeEB puts forth the specific expertise that it has built up and the ability to structure complex international private sector projects in developing countries bilaterally and in collaboration with international entities as key advantages.

A lack of access to long-term financing and capital is a major impediment to opening private businesses in developing countries. But it is in fact private businesses that create important direct jobs and a wide variety of indirect jobs through value creation chains, generate local revenue especially through higher tax receipts, and that bring foreign currency into the country. A key factor in customer selection is the concept of “responsible financing”, which refers to OeEB’s focus on international environmental and social standards, transparency, good corporate governance, and especially the creation of development policy value.

OeEB acts as a complement to domestic and foreign commercial banks in its activities. It offers credit financing at near-market terms (senior loans, subordinated loans, risk sub-participation, etc.) with the required long terms and higher risk profile on the basis of guarantees from the BMF. The development bank can also invest capital in funds or companies in a fiduciary capacity on behalf of the federal government. Under the business advisory services, technical aid is also offered in advance of and during projects in the form of lost grants as another instrument intended especially to increase the development policy effects.

OeEB strategy for 2019 to 2023

Read more about the strategy “Financing our Shared Future” on [OeEB’s website](#).

In its new strategy period from 2019 to 2023, OeEB has above all positioned itself as a development bank that focuses on specific topics in a broad regional area to diversify risk and to flexibly address the needs of its partner countries. OeEB is permitted to act in all developing countries according to the OECD’s Development Assistance Committee (DAC) list, but is obligated to assist the poorest countries.

In line with our mandate, all projects of OeEB are aimed at promoting private sector development in the developing countries and in this way at contributing to the attainment of the SDGs. To this end, the following three focus areas have been defined for the 2019 to 2023 strategy cycle:

- Renewable energy,
- Micro, small, and medium-sized enterprises (MSME)/financial inclusion, and
- Infrastructure.

Around 80 per cent of new business for OeEB is to be in these three focus areas over the next five years.

Beyond these focus areas, OeEB can also engage in projects with high development-policy value or that are in Austria’s foreign-policy interests and that make a valuable contribution to private sector development. These projects are assigned to the “other topics” category and are limited to a target share of 20 per cent of new business.

Two overarching topics in particular are to be taken into account for all measures completed by OeEB in the coming years:

- Climate protection, and
- Gender equality.

More on OeEB’s contribution “The Austrian Development Bank as a Climate Bank” to the book *CSR und Klimawandel* (CSR and Climate Change) in the chapter [Stakeholder relations and dialogue](#).

OeEB sees a high degree of comparative strength in efficiently and effectively contributing to international climate financing goals with its instruments, and wishes to continue its role as a key provider of international climate financing in Austria. OeEB is seeking to invest an average of at least 40 per cent of its new business in climate-relevant projects from 2019 to 2023.

Women are more strongly affected by various dimensions of poverty (education, income, health care, etc.) than men. This is why gender equality is defined as a core objective in the SDGs (SDG 5), the EU Gender Action Plan 2016–2020 (GAP II), and Austria's development cooperation policy. OeEB feels obligated to pursue these objectives and has begun to systematically implement gender equality measures. OeEB has defined gender equality as an overarching topic in the current strategy cycle. In this, OeEB is striving to structure all business activities (loan and equity financing, technical assistance – projects, environmental and social audits, training, etc.) in a way that prevents discrimination and strengthens the position of women in a targeted manner.

OeEB will continue to finance and assist with private sector projects when they are economically feasible and contribute to the attainment of the development policy goals. The projects of OeEB contribute to the creation of jobs and national income, to the improvement of access to modern infrastructure, and to the improvement of the energy supply (especially through renewable energy projects and energy efficiency projects). Adherence to international environmental, social, and labour standards is a focus for all projects. Human rights issues are also taken into account, as is gender equality.

Environmental and social standards

In addition to the local and national environmental and social regulations of the country in question, OeEB also strives to bring financing projects in line with international environmental, social, and human rights standards. If necessary, OeEB prepares a measures catalogue with its customers in the form of an action plan that then becomes a binding requirement for the credit agreement. Compliance with the environmental and social standards is verified at regular intervals over the course of the project.

OeEB views the environmental and social standards adopted by the EDFI Group, the Association of bilateral European Development Finance Institutions, as a benchmark. These include the Performance Standards on Social and Environmental Sustainability drafted by the World Bank subsidiary IFC, which have become a market standard; the Environmental, Health and Safety Guidelines of the World Bank Group; and the international conventions of the International Labour Organization (ILO).

Renewable energy for developing countries

FS8 More than one billion people around the world still have no access to an electrical grid. More than half of them live in Sub-Saharan Africa. With investments in off-grid solar power systems, OeEB has provided thousands of people in this part of Africa with the ability to turn on the lights at night and to charge their mobile phones. In addition to the improved quality of living, a core goal of the OeEB projects is spurring the economy, because economic growth is not possible without power. And the demand for power is rising especially rapidly in the emerging and developing countries. At the same time, developing countries are being impacted especially significantly by climate change. OeEB's objective is to leverage the potential of renewable energy to create jobs and enable entrepreneurial activity.

In order to promote growth and climate protection at the same time, it is important to bank on renewable energy sources from the start. This is why promoting renewable energy and energy efficiency in developing countries is a core focus of OeEB. The report on international climate financing, which breaks down the contributions of all relevant Austrian entities, was concluded at the end of 2019. OeEB signed contracts for international climate financing worth around €135 million in 2018, and the private climate financing mobilised through OeEB in the same year accounted for another €87 million. This makes OeEB the largest Austrian provider of eligible climate financing for developing countries by far.

Microfinance and SME financing: creating jobs

FS7, FS13,
FS14, FS15

Since OeEB's founding in 2008, microfinance has been part of the bank's toolkit for improving access to financial services in developing countries. The instrument is not a panacea for reducing poverty. But when taken beyond mere lending and viewed as a way of building up savings and obtaining insurance, it makes a sustainable contribution to development in the financial sector.

More information
about the projects of
OeEB can be found
on their [website](#)

It is critical for the success of small-loan programmes that the loans are granted responsibly and that customers are protected from accumulating excessive debt. Both goals are realisable through transparency in the microfinance sector. This makes it important to not only provide capital, but also to focus on capacity building, to provide consulting and training, to establish financial knowledge, and to support local banks and funds in better assessing risks and developing tailored products.

Micro loans make it possible for many people to build their own small businesses. Micro, small, and medium-sized enterprises (MSME) are the backbone of the economy in many developing countries. OeEB thus not only provides capital for microfinance, but also for the development of SMEs.

In India, for example, OeEB has extended a loan of \$15 million to Satin Creditcare Network, one of the leading microfinance institutions in the country. Women in India often have only limited access to banking services and loans because they cannot provide collateral. Thus, Satin Creditcare has made it its mission to provide financial support for low-earning female entrepreneurs to improve their household budgets and to promote an economically productive environment. With an average micro loan volume equating to €400 per borrower, Satin Creditcare facilitates the procurement of farming equipment and tools (such as tractors and sewing machines) or livestock, the opening of new businesses, and the expansion of existing micro, small, and medium-sized enterprises (MSMEs).

Satin Creditcare is certified according to the Smart Campaign client protection principles, one of the most respected distinctions for microfinance institutions that protects borrowers against excess debt and that ensures responsible lending. The loan provided by OeEB enables Satin Creditcare to expand its business, especially in rural areas. This will not only make a contribution to strengthening the private sector and reducing poverty in the country, but will also improve equality in an area with one of the the largest gender gaps in the world.

Gender issues

The focus on gender-relevant issues has been implemented in multiple areas. A Gender Action Plan was developed in 2019 and covers internal and external gender aspects. The first step covered the development of the Gender Smart Finance product under the "MSME/financial inclusion" focus area and the integration of gender equality into the social and environmental audit. For this, OeEB was able to set up internal capacities, arrange training for all employees, and develop standardised tools for the OeEB customers with external support.

The Development Effectiveness Rating Tool (DERa) ensures the collection of gender-relevant data. At the customer level, the number of jobs for women (including the subset of women in leadership positions), the resulting share of female staff, and special measures and benefits for female employees are documented. At the OeEB level, additionality can be enhanced by setting a special gender focus in technical assistance measures or in financing requirements.

The goal is to increase awareness for gender issues among OeEB's employees and customer base and to have them take appropriate steps to ensure gender equality. This can make a contribution to the qualitative additionality of OeEB.

Development policy effects

FS9

A results framework was drawn up in 2011 to allow the various objectives pursued by OeEB to be measured. This planning and management tool contains indicators including targets, and in this way provides information about to what extent OeEB is fulfilling its legal mandate. A new results framework was also drawn up on the basis of the new OeEB strategy for 2019 to 2023 and contains only a limited number of core indicators.

Different indicators were defined for the development policy, economic, and strategic goals of OeEB – for example newly installed renewable energy capacity, the regional project breakdown, and the number of people who have benefited from capacity building measures – and are evaluated at the portfolio level. This allows goal attainment to be tracked continuously and operational changes to be made at an early stage when needed.

Further information on impact measurement can be found in the chapter [Sustainable Development Goals](#).

To evaluate the development-policy effects, all financing projects are assessed with a version of the Development Effectiveness Rating Tool (DERa) from Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG) that we have specifically adapted for our needs. DERa applies international best practices by primarily using quantitative and harmonised indicators, and has been applied to the entire portfolio and new business of OeEB since the beginning of 2019. DERa assesses what development contribution our customers make and show the changes that have taken place since our investment. In this way, DERa allows us to report on the development-policy effects of our financing, manage the overall development-policy quality of our portfolio, and generate positive impetus for improvement. The development contributions of each customer are evaluated in five impact categories based on the SDGs: decent jobs, local income, market and sector development, environmental stewardship, and community benefits.

The “Business and Development” committee is composed of representatives from the finance ministry, the Federal Chancellery, the foreign affairs and economic ministries, the Austrian Development Agency (ADA), the Austrian Federal Economic Chamber, the Chamber of Labour, and OeEB and assesses these development policy effects. This also ensures close contact with our principal, the Republic of Austria, and with representatives of interest representation groups and development cooperation organisations.

Our publications such as the OeEB Development Report or the OeEB annual report can be found on [OeEB's website](#).

The various indicators in the results framework are compiled on an annual basis and shown in the OeEB Development Report.

Operating Principles for Impact Management

As one of 60 organisations, OeEB was one of the first signatories to the Operating Principles for Impact Management, which were officially launched at the spring meeting of the IMF World Bank Group in Washington, D.C. on 12 April 2019. Impact investing has become increasingly important in recent years and more and more investors are adding impact investments – investments that generate measurable social and ecological effects in addition to the financial return – to their portfolios. However, there are not yet uniform standards for the management of impact investments and no clear distinction between impact investing and other forms of responsible investment. To address this, the International Finance Corporation (IFC) collaborated with leading asset managers, development banks, and financial institutions to draw up the Operating Principles for Impact Management. The goal is to create a clear common market standard for impact investing and thereby to achieve greater transparency, credibility, and discipline.

Gutmann OeEB Impact Fund

The first joint project of OeEB and Bank Gutmann was launched successfully in 2019. This cooperation between OeEB and a private bank broaches new territory and opens up new avenues for institutional investors. Impact investing refers to the simultaneous striving for financial return and predefined social and/or ecological objectives.

With the Gutmann OeEB Impact Fund, the private bank and OeEB have brought a product to the market where an investment makes a contribution to achieving the UN's Sustainable Development Goals. These include fighting poverty, gender equality, fair working conditions, and responsible production. The joint impact approach makes these goals more concrete, and above all measurable by means of the DERa tool.

What makes this cooperation so unique is that each financial institution can fully apply its respective competencies. OeEB boasts more than ten years of experience in impact investing in the private sector in developing and emerging countries as well as know-how and experience in the field of impact measurement. Bank Gutmann has 20 years of private equity expertise and currently manages five funds-of-funds with over 50 executed investments to date and a volume of €260 million. The division of tasks is clear: Experts from OeEB draw up proposals, and the investment committee consisting of independent impact experts and financial professionals from Bank Gutmann makes the final decision and approves the investment.

In addition to the financial return, the primary goal is improving the living conditions for people in developing and emerging countries. The Gutmann OeEB Impact Fund will invest in around ten private equity funds that in turn invest in three continents, 20 to 30 countries, and around 100 companies.

Developments in products and services in 2019

GRI 102-8
FS8

The year 2019 saw highly positive growth and also brought many requests for financing from new and existing customers as a result of intensified project acquisition activities, with a number of deals being signed.

There were 65 employees as at 31 December 2019. The total transaction volume based on contracts signed in 2019 was around €322.2 million. The profit for the year was €5.756 million.

Capital Market Services

GRI 102-2, 6
GRI 103-2, 3
GRI 203-2

More information on all our services and responsibilities can be found on [OeKB's website](https://www.oebk.at).

As a central service provider for the capital market, we strive to strengthen Austria's competitiveness in a global environment and thus to make a material contribution to the success of our economy. We see ourselves as a neutral intermediary between the various market participants. Our goal is to support the Austrian capital market and to enhance Austria as an internationally respected financial market by offering economically relevant services. Commissioned by the federal government to complete a number of different tasks, we develop infrastructure services that result in greater efficiency for all market participants.

Organisation and administration of Austrian government bond issues

More information is available on www.oebk.at/govbonds

OeKB is the agent for the issuance of bonds of the Republic of Austria through auctions. The auctions are held according to a clear procedure. The special Austrian Direct Auction System platform (ADAS) that was developed by OeKB is used for this.

At the end of every year, the Austrian Treasury (OeBFA) announces the expected issuance volume of Austrian government bonds and the auction calendar for the next year. The auctions are generally held monthly. Besides being issued through the auction procedure, bonds are also issued through a syndicate of banks.

Furthermore, OeKB acts as the paying and calculation agent for government bonds of the Republic of Austria.

The use of blockchain technology for issuing government bonds

OeKB has used blockchain technology for the purposes of data notarisation in Austrian government bonds auctions since October 2018. This notarisation service documents the authenticity of the reports sent to the auction participants, thus ensuring maximum data security. Notarisation by means of blockchain technology is a new, supplementary support process for the auction procedure.

Legal Entity Identifier (LEI)

More information on the range of data of OeKB's Capital Market Services is available on [OeKB's website](https://www.oebk.at).

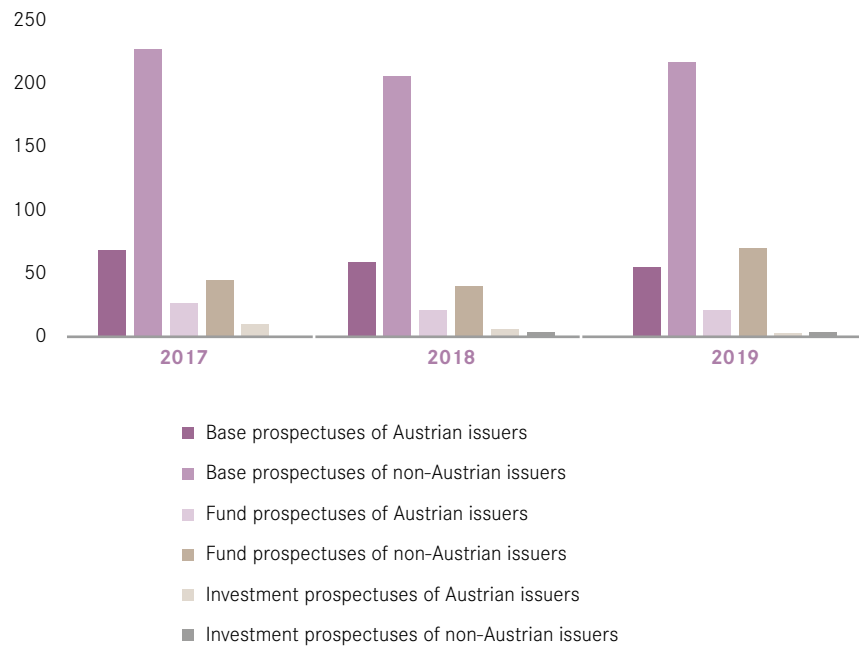
As a service partner of one of the world's largest LEI registration agents, WM Datenservice, OeKB reviews LEI applications from Austrian companies and funds, providing this agent with an experienced contact in Austria. OeKB currently manages around 18,000 LEIs of Austrian applicants and entities. WM Datenservice manages some 145,000 LEIs, and roughly 1.5 million LEIs have been assigned worldwide to date. The increasing use of the LEI in reporting shows how important this identification number is becoming.

Notification office under the Capital Market Act and issue calendar

The notification office provides information about compliance with the publication requirements for entities offering products on the capital market as specified in the Capital Market Act. A list of investment prospectuses and investment supplements filed with the notification office can be called up on the Internet. Copies of the filed prospectuses according to the Capital Market Act (KMG), Investment Fund Act (InvFG), and Real Estate Investment Fund Act (ImmoInvFG) can be obtained for a fee upon request. The coming into force of the EU Prospectus Regulation resulted in the following changes: The notification office publishes the securities prospectuses approved by the FMA and submitted to the Austrian authorities on or after 21 July 2019 at <https://meldestelle-online.oebk.at> under the tab "Prospectus Documentation". These securities prospectuses no longer need to be filed.

All planned and past issues can be viewed in the issue calendar free of charge via the online notification office at <https://meldestelle-online.oebk.at>. The issue calendar has proven to be an important source of information for the capital market.

NUMBER OF FILED PROSPECTUSES FOR FINANCIAL INSTRUMENTS OFFERED IN AUSTRIA



Notices and calculations for investment funds

The exact calculation of the tax assessed against a fund is a complex task that OeKB conducts centrally on the basis of its legal mandate and the reported data. The calculated tax treatment is published on the OeKB’s Profitweb data portal and forwarded to the banks through interfaces to enable the exact assessment of the capital gains tax. Tax-relevant data were forwarded and the income tax treatment determined for around 45,000 domestic and foreign funds in 2019.

The OeKB bank group over the life cycle of a security

OeKB Capital Market Services and the OeKB subsidiaries OeKB CSD and CCP.A offer highly specialised services at every stage in the life cycle of a security. We have been commissioned by the federal government to offer part of these services, and we also independently develop infrastructure services that are attractive alternatives to proprietary developments for capital market participants. In this way, we boost the efficiency and cut the costs of our customers’ processes.

Our innovations are driven above all by the requirements of our customer base, suggestions from our employees, and the advancing harmonisation of the European internal market for securities. When refining our services, we collaborate closely with the Vienna Stock Exchange and the participants on the capital market and coordinate with the Federal Ministry of Finance (BMF), the Financial Market Authority (FMA), and Oesterreichische Nationalbank (OeNB).



OeKB CSD GmbH

GRI 102-2, 6
GRI 103-2, 3

More information on all services and responsibilities can be found on [OeKB CSD's website](#).

OeKB CSD GmbH (OeKB CSD) is a 100 per cent subsidiary of OeKB and acts as the central depository of transferable securities in Austria. The customers of OeKB CSD consist primarily of banks and issuers. It conducts its business in close cooperation with the Vienna Stock Exchange and CCP Austria Abwicklungsstelle für Börsengeschäfte GmbH (CCP.A).

OeKB CSD draws on its expertise to support the legislative process and the implementation of EU Directives. It provides infrastructure for capital market transactions and thereby supports Austria as a place to do business.

Simple and reasonable financing is offered to Austrian companies via the capital market within the legal framework. This supports the competitiveness of Austrian companies in a globalised environment. At the same time, a functioning domestic capital market secures highly qualified jobs.

Notary services and safekeeping

Taking delivery of securities into the safekeeping and custodianship of OeKB CSD and the registration in OeKB CSD's IT system are a precondition for being able to settle securities transactions electronically.

Collective custody offers the banks that hold securities at OeKB CSD a high level of efficiency and security in the safekeeping of their assets, thereby saving them time and reducing costs in their in-house securities account business.

			31 Dec 2018	31 Mar 2019	30 June 2019	30 Sept 2019	31 Dec 2019
Securities with nominal value in million euros	Issuer CSD		312,390	310,614	309,515	314,320	308,516
	Investor CSD		14,032	12,068	11,952	11,326	10,791
Unit-listed securities	Market value in million euros	Issuer CSD	263,565	266,740	253,648	259,929	268,348
		Investor CSD	1,827	1,944	1,964	2,042	2,038
	Units in million	Issuer CSD	7,801	7,566	7,425	7,421	7,429
		Investor CSD	398	406	393	419	396
Number of securities categories	Issuer CSD		14,285	14,642	14,261	14,481	13,885
	Investor CSD		1,383	1,216	1,223	1,204	1,200

The number of securities categories held as an issuer CSD came to 13,885 at the end of the year.

Settlement

A transfer effected by book entries on deposits at OeKB CSD replaces the movement of actual securities certificates. The platform TARGET2-Securities (T2S) facilitates the harmonised settlement of securities transactions in central bank money throughout Europe. This eliminates barriers in cross-border settlement and increases security and efficiency.

		Av./m 2018	Av./m 2019	Ø M 01- 03/2019	Ø M 04- 06/2019	Ø M 07- 09/2019	Ø M 10- 12/2019	Σ 01- 12/2019
Number of transactions	Intra	106,759	112,059	113,743	112,255	111,407	110,829	1,344,703
	Cross/ external	2,978	3,102	3,249	3,066	3,081	3,013	37,226
Settled Volume Nominal Value in Euro million	Intra	54,580	38,153	45,807	35,207	31,313	40,286	457,838
	Cross/ External	272	341	683	137	267	275	4,088
Settled Volume Units in million	Intra	675	555	501	582	523	615	6,663
	Cross/ External	8	17	9	26	20	13	206

OeKB CSD processed more than 1.3 million intra transactions in 2019, 5.0 per cent more than in 2018. This equated to a settled volume of €457.84 billion for securities with a nominal value, a 30 per cent decrease over 2018, and a 17.7 per cent year-on-year decrease in the volume of unit-listed securities to 6.66 billion units.

The number of cross and external transactions rose by 4.2 per cent in annual comparison to just over 37,000 transactions. This equated to a settled volume of €4.09 billion for securities with a nominal value, a 25.3 per cent increase over 2018, and a more than two-fold year-on-year increase in the volume of unit-listed securities to 0.21 billion units.

Asset servicing

OeKB CSD does all the administrative work that can arise in the course of a complete securities cycle for the national and international securities placed in its safekeeping. This includes the fulfilment of maturing claims such as coupon payments and redemptions. Redemption of maturing claims in 2019: 10,740 cases (mainly for earnings payments). This figure only pertains to securities held in a vault.

Current developments in 2019

The year 2019 saw a steady to positive business trend. The existing projects were continued successfully and new projects were launched.

Significant milestones for our customers included the improvements in the automated processing of capital measures and new functions for securities settlement. Together with our customers, OeKB CSD GmbH (OeKB CSD) was actively involved in the definition of the concrete national implementation of the SRD II (revised Shareholder Rights Directive) and of the settlement discipline pursuant to the CSDR (Central Securities Depositories Regulation).

As set forth in the CSDR, the Financial Market Authority as the competent authority completed the first annual audit of OeKB CSD.

The “MegaCor Phase 2” project was continued. The objective of this project is to replace the existing IT systems for capital measures by expanding the existing MegaCor system, as well as to facilitate the more efficient, secure, and customer-friendly settlement of capital measures. The project is expected to be completed in the middle of 2020.

OeKB CSD also launched the “Settlement Discipline” project to implement the extensive measures defined in the CSDR (Central Securities Depositories Regulation) to prevent failed settlement, for reporting, and for penalties for failed settlement. The corresponding provisions of the CSDR will come into force on 14 September 2020 (or in November 2020 in some cases).

The SRD II (revised Shareholder Rights Directive) requires banks managing securities accounts to provide stock companies with the names of the holders of securities accounts (shareholders or depositories) containing their shares upon request by these companies. In addition, issuers are required to submit event data relating to securities to the respective issuer CSD in electronic form. The “SRD” project was launched to meet these requirements and is to be completed in the second half of 2020.

In the “3i” (3 Issuer CSD) project, the provider selection was concluded under a preliminary project. The objective here is the digitalisation of notary lifecycle management taking into account the de-materialisation of securities set forth in the government programme for 2020 to 2024 and the fulfilment of maturing claims, and also the creation of standardised electronic interfaces to issuers and their agents.

Energy Market Services

GRI 102-2, 6
GRI 103-2, 3
GRI 203-2

More information
is available on
[OeKB's website](#).

Since the Austrian energy market was liberalised, OeKB has been commissioned to conduct financial clearing, risk management, and credit rating services by the following companies as a central and neutral agency:

- A&B Ausgleichsenergie & Bilanzgruppen-Management AG,
- AGCS Gas Clearing and Settlement AG,
- APCS Power Clearing and Settlement AG,
- EXAA Energy Exchange Austria,
- OeMAG Abwicklungsstelle für Ökostrom AG.

Financial clearing includes posting, invoice creation, invoice dispatch, and payment processing. The individual settlement agents and the electricity exchange provide all master and billing data. OeKB calculates and posts the receivables and payables on the basis of these data.

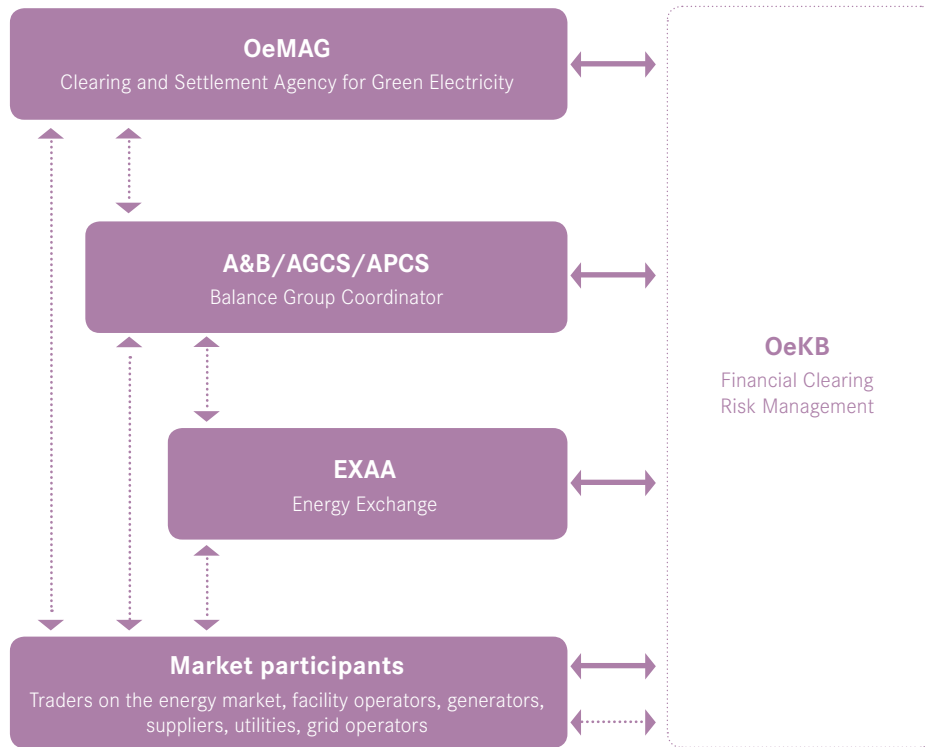
The value of the required collateral is recalculated on an ongoing basis as part of our risk management service. We manage collateral pledged for the settlement agents and the electricity exchange and realise this collateral when payment obligations are not met.

During the credit check, OeKB evaluates the economic, legal, financial, and staff situation of the market participant and assigns it to a rating class.

As an additional service for the market participants, OeKB also offers the management of cash deposit and settlement accounts. OeKB's tasks have also included the settlement of tariff receivables for green electricity for some time already.

OeKB has also been providing clearing bank services with European Commodity Clearing AG (ECC) since 2012 and is an active general clearing member (GCM). ECC is an important European clearing house that handles settlement for a number of energy exchanges. As a GCM, OeKB handles collateral management and financial spot transaction clearing on selected energy exchanges for non-clearing members (NCM) of the ECC.

SMOOTH AND COST-EFFICIENT PROCESSING



The participants in the Austrian energy market profit from the processing by OeKB – including the settlement agents and NCM that trust in OeKB as a GCM. Cost-efficient processing ultimately benefits all consumers. And the environment benefits from an attractive promotion system for alternative energy, which OeKB also helps to drive forward.

Current developments in 2019

OeKB has been handling the payout of the provincial subsidy for biomass for OeMAG since October 2019. EXAA has been providing its traders access to the common European day ahead market through the 12:00 auction since July 2019. We ensure secure and efficient payment processing as a partner of EXAA.

Sustainable finance in the OeKB bank group

102-2, -15
103-1,-2,-3;
203-2, FS16

With the signing of the Paris Agreement on climate change in 2015, the international community set the goal of limiting the global temperature increase compared with the pre-industrial level to well below 2°C by the end of the 21st century, and of striving to keep the increase below 1.5°C. Meeting this 1.5°C limit will require zero net greenhouse gas (GHG) emissions by no later than 2050, and the financial industry has a key role to play here. Article 2 paragraph 1c of the Paris Agreement sets forth the explicit goal of aligning capital flows with climate-friendly and resilient development. The efforts being undertaken by governments and the financial industry in the areas of green finance and sustainable finance are aimed at turning this into reality.

#mission2030 Lighthouse 8 – Green Finance Agenda

The Austrian climate and energy strategy titled #mission2030 was adopted by the federal government on 28 May 2018 and is intended to mark the end of the fossil-fuel age. The topic of green finance has been defined as a specific focus in #mission2030, Lighthouse 8. The Federal Ministry for Sustainability and Tourism (BMNT) and the Federal Ministry of Finance (BMF) as the responsible ministries initiated an intense dialogue between financial market participants, other stakeholders, and the public sector in 2019 to draft a joint Green Finance Agenda. Several workshops, a major stakeholder event, and working groups on the focus areas of “green finance pact”, “green financial literacy”, and “climate risk management” were held as part of the green finance focal group. The OeKB bank group participated in all meetings and made an active and significant contribution to the EU action plan for the promotion of sustainable finance and to the Austrian Green Finance Agenda with its new products.

Exportinvest Green

More information on important preconditions and the application form are available on [OeKB's website](#).

Austrian exporters have had access to this new and especially attractive financing option for new and replacement investments in Austria since 1 June 2019. The facility is aimed at Austrian exporters that make targeted investments to reduce negative environmental impacts and to make long-term contributions to environmental improvements. Through Exportinvest Green, companies with an export ratio of at least 20 per cent and an investment sum of over €2 million are given the opportunity to cover an additional 20 per cent of the investment sum and thus more easily up to 100 per cent of their Exportinvest financing sum at the attractive OeKB conditions. Exportinvest Green is intended as an incentive to make more environmentally relevant and forward-looking investments, for example targeted at reducing a company's energy consumption by using geothermal heat pumps, HVAC systems with heat recovery systems, solar collectors, complete LED lighting, and sophisticated insulation. This new avenue of support was realised in collaboration with the BMF. Exportinvest Green was one of the first measures implemented under the Green Finance Agenda of the Austrian federal government.

OeKB Sustainable Financing Framework

Our Sustainable Financing Framework and the corresponding Second Party Opinion by Sustainalytics can be downloaded from [OeKB's website](#).

According to an EU Commission estimate, at least €180 billion in additional EU funding will be needed every year to achieve the climate and energy goals in the Paris Climate Agreement and to thus limit global warming to well below 2°C by 2030. The OeKB bank group will be making a contribution to this as part of the new sustainable finance programme. We adopted a Sustainable Financing Framework with mandatory guidelines for the issue of sustainable bonds and clear regulations for the use of the generated proceeds in 2019. This Sustainable Financing Framework now allows OeKB to issue green bonds, social bonds, and sustainability bonds. These are bonds whose proceeds can only be used for the (re)financing of environmental and social projects, or a combination of both. This framework was drawn up by a team of experts from different departments of OeKB and OeEB (Oesterreichische Entwicklungsbank AG) and is oriented towards the Green Bond Principles, Social Bond Principles, and Sustainability Bond Guidelines of the International Capital Market Association (ICMA). This framework was reviewed and approved by Sustainalytics, one of the leading independent ESG (environmental, social and governance) and corporate governance research agencies.

OeKB's Sustainable Financing Framework defines criteria for eligible projects in seven "green" and four social categories and focuses on the following topics: renewable energy, energy efficiency, pollution prevention, ecologically sustainable resource management, sustainable water use, clean transport, adaptations to climate change such as flood protection and reforestation, measures for job creation, access to basic social services such as health care and education, basic infrastructure in developing countries, and affordable housing.

First sustainability bond

OeKB's presentation for investors including our Sustainability Bond can be downloaded from [OeKB's website](#).

OeKB issued its first sustainability bond on 1 October 2019. The bond features the unconditional and explicit guarantee of the Republic of Austria and has a term of seven years and a nominal value of €500 million. The bond was presented to investors by way of a roadshow covering Vienna, Paris, London, Amsterdam, Frankfurt, Oslo, Copenhagen, and Helsinki. The issue was significantly oversubscribed and the order book was closed with a commitment of nearly €1.7 billion and 72 investors. In this way, OeKB is making a further contribution to the EU action plan for the promotion of sustainable finance and to the Austrian Green Finance Agenda.

The net issue proceeds of the sustainability bond are being allocated to the (re)financing of social projects (70 per cent) and to the (re)financing of environmental projects (30 per cent). A substantial 38 per cent of the capital is earmarked for improvements to the health care and education systems in developing countries. For example, this will allow the creation of 622 new hospital beds for basic medical care and the modernisation of 5.110 hospital spaces for 1.8 million people. Educational opportunities will also be improved for more than 1,500 students. Thirty per cent of the issue proceeds are earmarked for renewable energy in the form of the construction of climate-friendly electricity generation systems with a capacity of 142 MW. Twenty per cent of the proceeds or €100 million will go to SME financing in Austria to create new jobs. The remaining 12 per cent will be used to modernise the drinking water supply and refurbish and expand 74 km of water lines for around 54,000 people. Broken down by region, 48 per cent of the net issue proceeds are going to Europe, followed by Asia (31 per cent), Africa (15 per cent), and Latin America (6 per cent).

Examples of financed projects

Further information about Tiroler Rohre GmbH, their business areas and services is available on their [website](#).

The construction of a water supply system in the city of Altai in Mongolia is one of the projects that falls under the category "basic infrastructure for developing countries" in the bond. The project is supporting the Millennium development programme in Mongolia and will contribute to improving the water supply in Altai. The drinking water was previously taken from the groundwater, which receded as a consequence of climate change and which was also contaminated with a range of chemicals. The Austrian cast pipe manufacturer Tiroler Rohre GmbH is completing this project as general contractor together with the Viennese planning specialist ÖSTAP Engineering. The project covers water extraction from the reservoir close to the city of Taishir, a water purification system, roughly 55 km of transport pipes including a pump station, and a water reservoir with a capacity of 2,000 m³. In addition to the mechanical, electrical, and control equipment and the construction and engineering services, the local technicians are being trained in the installation of the pipes and the proper operation of the system. The climatic conditions in Mongolia and very low winter temperatures that can reach minus 40°C are a particular challenge in this project. The pipes had to

be laid four meters below the surface to be beneath the frost line. Ductile cast pipes with the proven VRS-T connection system were used to cope with the high water pressures and the difficult installation conditions. Around 18,000 inhabitants in the city of Altai will have access to high-quality water. This project addresses the SDGs 1, 3, 6, and 9.

An example of a project in the category of “renewable energy” is the construction of a wind farm in Serbia. The Serbian electricity supply is still based largely on coal. When energy demand increases, especially in the winter, bottlenecks are frequent and require the import of electricity from other countries. The 69 MW wind farm co-financed by OeEB is being built near the town of Zagajica, which is close to the Romanian border. This is the largest wind power project in Serbia and is intended to be a model for further renewable energy projects in the country. Increasing the share of renewable energy in the electricity mix will sustainably improve the country’s power supply and contribute to protecting the climate. This project addresses the SDGs 1, 7, 9, 13, and 17.

Oesterreichische Entwicklungsbank

Read more about OeEB’s Sustainable Finance activities in the chapter [Development Financing](#)

The Federal Ministry of Finance (BMF) took the high-ranking Africa-Europe forum that was held under the title of “Taking cooperation to the digital age” in December 2018 as an opportunity to launch the African-Austrian SME Investment Facility. OeEB was commissioned to manage the investment facility for which €100 million has been allocated for smaller investments by Austrian SMEs in Africa. The goal is to facilitate sustainable projects in Africa, thus contributing to employment and stabilisation in these countries. OeEB received around 100 inquiries pertaining to the African-Austrian SME Investment Facility in 2019, confirming the high level of interest in this product among Austrian businesses. Many of these projects are still in the preparation and structuring phase. OeEB also intends to expand its activities in Africa to around 20 per cent of its new business, which equates to roughly €55 million per year.

EU action plan on financing sustainable growth

After receiving recommendations from the High-level Expert Group on Sustainable Finance in March 2018, the Commission passed a set of measures in May 2018 for the implementation of a number of key actions that had been announced in its action plan for sustainable finance.

The measures include:

- Proposal for a regulation creating a framework to ease sustainable investment. This regulation is to create the prerequisites and foundation for the gradual creation of a uniform classification system (taxonomy) for what qualifies as ecologically sustainable business activity.
- Proposal for a regulation on the disclosure of information about sustainable investment and sustainability risks.
- Proposal for a regulation amending the Benchmark Regulation. The proposed amendment will create a new category of benchmarks covering low-carbon activities and positive impacts on carbon emissions and will provide investors better information about the carbon footprint of their investments.

The regulations on the taxonomy, disclosure, and benchmarks were completed and adopted in 2019. The disclosure and benchmark regulations were already published in 2019. The taxonomy regulation is to be published in the first half of 2020.

Heidrun Schmid, OeKB employee and experienced expert in the area of environmental and social audits, was recruited for a working group addressing the creation of the taxonomy after an applicant screening process. Over a period of several months, weekly teleconferences, one meeting in Brussels, e-mail correspondence, and independent research all contributed to the creation of the technical report on the EU taxonomy containing the criteria that a sustainable investment must meet.



To help drive innovation

GRI 102-15
GRI 103-1, 2, 3

It is our mission to bolster the local economy and Austria as a place to do business in global competition through our services. In order to ensure that the OeKB bank group and Austria as a place to do business remain strong in future, our innovation management team addresses a variety of forward-looking topics. And true to our open innovation approach, we collaborate with external partners such as start-ups and universities and leverage the innovative potential of our employees.

In times where digital disruption is shaking up the financial world, we have set ourselves the goal of assessing innovations on the financial market in terms of compatibility with our business model and incorporating them into our operations. The effects of digitalisation impact not only our own business models, but also those of our customer base and other stakeholders. That said, effectively handling the digital transition is a top priority for the OeKB bank group. This attitude allows us to ideally design and expand our services in step with market changes.

The Austrian capital market and the Republic of Austria have trusted in our competence in capital market-related securities services for decades. Since the liberalisation of the Austrian electricity and gas market, there have been independent settlement agents that use our know-how. As an extremely specialised service provider of capital market and energy market services, we help to shape and drive the capital and energy markets by developing innovative infrastructure.

You can read more about our Sustainable Finance activities in the chapter [Sustainable finance](#) in the OeKB bank group.

In the areas of Export Services and development financing, we work continuously to make a contribution to meeting the global challenges of our time with innovative products and services, for example to improve climate and environmental protection and to fight social inequality. Our sustainable finance activities in 2019 included the publication of a Sustainable Financing Framework, the issue of our first sustainability bond, and the offering of additional support to companies that invest in environmental improvement measures through the Exportinvest Green product that was developed in collaboration with the BMF. Exportinvest Green is one of the first measures implemented under the Green Finance Agenda of the Austrian federal government. Together with Bank Gutmann, OeEB issued the first Impact Fund, a product that allows investment in instruments that make a contribution to reaching the UN's Sustainable Development Goals (SDGs). This cooperation between OeEB and a private bank broaches new territory and opens up new avenues for institutional investors.

Innovation management

Further information on our Innovation Management is available on [OeKB's website](#).

The innovation management team at the OeKB bank group began its work in September 2017 and is a source of impetus, especially in topics such as digitalisation, corporate culture, trend analyses, and co-creation. The activities are coordinated by the innovation manager of the OeKB bank group, who reports directly to the OeKB Executive Board. In this way, the Executive Board defines the strategic orientation of the OeKB bank group together with the department heads and top management of the subsidiaries. The results of the individual measures are evaluated regularly to ensure that innovations play a central and active role in OeKB. And true to its open innovation approach, OeKB also cooperates closely with weXelerate, Central Europe's largest innovation hub, and other external partners.

New ways of working are applied for internal and external projects on a regular basis to reach our objectives efficiently with the help of modern project management methods. This not only helps us to optimise internal processes, but also leads to a high degree of satisfaction among our customers. In co-creation projects, the customer's needs are evaluated on site and taken into account in how we complete our work.

All employees can use our InnoSpace as a place for creative thinking and innovation. These rooms at the Strauchgasse site are intended to be an innovation hub where modern, productive creation is not fettered. Since its opening, the InnoSpace has been used by many employees for workshops and project group meetings.

Our employees play a decisive role in sustainably anchoring innovations in the company. For this reason, at least one contact person for innovation, called a mentor, has been appointed in each department. This allows trends, technologies, methods, and ideas to be discussed quickly with the respective peers to evaluate and refine them or to end their assessment.

All employees are invited to contribute – because every change, idea, or incident can trigger new innovative solutions. A key task for the innovation manager is recognising internal potential and communicating innovations within the Group. The innovation manager and his team handle the collection, collation, evaluation, coordination, initiation, and marketing of new possibilities. Ongoing exchange and communication with the various stakeholders is crucial in this and takes place through meetings with the mentor network, in face-to-face meetings, at internal events, and also through the dedicated intranet site. It is key at all times to look beyond the boundaries of one's specific area to recognise potential, and we constantly strive to convey this.

Cultural change

Read more about OeKB's ThinkTank event in the chapter [Stakeholder relations and dialogue](#).

More about our Knowledge Coffee can be found in the chapter [To help employees advance](#).

Innovation management is also important in the organisational development of OeKB for and with its employees. The focus here is placed on creating a conducive framework for innovation. Cross-departmental work is promoted through networking measures, which also fosters an open attitude towards new ideas. This involved the introduction of two new events in 2019, for example. At the first OeKB ThinkTank event, expert presentations and workshops expanded participant's horizons. And through Knowledge Coffee inspired by the Dutch development bank FMO, employees were provided with a platform for knowledge exchange and networking that is used across all departments and subsidiaries.

Collaboration with weXelerate

More information is available on www.wexelerate.com

We have been active in the weXelerate start-up hub as a corporate leader and mentor since 2017. Executive Board member Angelika Sommer-Hemetsberger has been chairwoman of the advisory board of weXelerate since the autumn of 2018. The objective of weXelerate is to bring start-ups, established players, and investors together to move forward with innovative business models. OeKB is involved as a corporate leader together with the subsidiary ACREDIA. The exchange with the innovation and strategy managers at other companies regardless of sector is very valuable for building common knowledge. It also forms the basis for cross-company collaboration.

A three-month proof of concept project was launched with a start-up in 2018 and yielded a feedback tool for employees. A number of hurdles were encountered during this proof of concept, especially relating to the user-friendliness of the tool and its compatibility with the existing IT systems and user habits. For this reason, the proof of concept was ended without subsequent collaboration. The experiences gathered from the proof of concept project were subsequently used for the redefinition of the criteria for start-up selection. This led to the initiation of collaboration with a different start-up, whose feedback tool met the more stringent requirements. Talks were also conducted on potential collaboration with two other start-ups, one a Swiss firm that offers comprehensive and innovative authentication solutions for digital products and portals, and another from America that may be able to resume the use case pilot project that was terminated in 2018. Decisions about proof of concept projects and collaboration with these start-ups will be made at the beginning of 2020.

The OeKB customer platform

The winning idea from the 2018 lean innovation workshop, which was turned into the digital prototype STELLA, was the spark for a major innovative project: the OeKB customer platform.

The OeKB customer platform has an ambitious vision: All OeKB services are to be handled centrally and digitally over this platform in future. The primary driver for this vision is the benefits for our customers. All services are to have a uniform look and feel with a single login and are to be centrally available and processed on a single platform. This approach and the interim results generated by the different project stages are tested regularly with customers, and the feedback we receive is implemented immediately. The second phase of the project, which consists of the implementation of the basic portal functions and the integration of the first services, is currently under way. Initial results are expected at the beginning of the third quarter of 2020.

Online Identifikation via MICK

OeKB introduced an online identification function for efficient and secure identity verification for banking transactions in 2019. This eliminates the need for personal identification with local notarisation and international authentication. Now, identification at OeKB is also possible online by means of video identification, or Video ID. In this way, we offer our customers an additional, modern way to verify their identity in over 137 countries by means of the highly secure video identification method MICK (My Identity Check) from the Austrian technology provider younix Identity AG. This makes banking transactions more efficient, quicker, and less expensive. The process only takes a few minutes and is handled by specially trained employees of younix Identity AG. MICK meets all legal requirements of the Financial Market Authority for online identification according to the Financial Market Anti-Money Laundering Act. Video ID can be used on desktop and laptop computers, Android smartphones, iPhones, Android tablets, and iPads. OeKB has used the highly secure MICK video identification method since November 2018.

Industry 4.0 research project – data trust and escrow services for machine data

In the factories of tomorrow, machines are to work together efficiently and exchange information independently – in other words communicate. When this machine-to-machine (M2M) communication takes place between companies, clear rules and data exchange models are needed to enable efficient manufacturing logistics while at the same time treating key business information such as (raw materials) recipes or specific manufacturing details as confidential assets. Escrow agents and due diligence experts are used for this in other sectors of the economy.

OeKB Group provides escrow services in many areas, including:

- Central depository function for securities through OeKB CSD,
- Data custodian and provider for fund data in connection with FundsXML,
- Service provider for electronic Austrian government bond auctions at the behest of OeBFA and the Federal Ministry of Finance (BMF), and
- Data and project preparations for the processing of export guarantees and export financing as an agent of the BMF.

Now, OeKB Business Services GmbH (IT subsidiary of OeKB Group) has been tasked with technically and organisationally transforming OeKB Group's expertise in handling confidential business information so that machine data from Industry 4.0 networks can also be effectively held in safekeeping and protected, and made available in accordance with the rules when needed.

The Comet Center for digital production (CDP) that was established in August 2017 is one of the leading research and development platforms for flexible manufacturing automation, machine-to-machine communication, and digital production networks. It is used for the research and refinement of digital, smart product development processes, which are now called Industry 4.0. The Industry 4.0 pilot factory is available at the Vienna University of Technology campus at Seestadt Aspern. In addition to institutes of the Vienna University of Technology, international institutions such as ETH Zurich and the Karlsruhe Institute for Technology are also participating in this Industry 4.0 project. The business partners include over 40 respected users and technology providers in the research areas of the centre.

Companies now use the digital production system created by CDP to form a virtual production network. This connects the companies for detailed data exchange in order to optimise production. A group of companies can appear as a single entity, but remain autonomous. This results in better production output and faster workflows.

Data exchange between operating units is a sensitive business policy matter. To eliminate friction and thus ensure more reliable planning from the outset, technical production-relevant data are extracted from the full set of data, and only these technical data are fed into a "production framework". As an IT subsidiary of OeKB Group, OeKB Business Services GmbH (OeKB BS) acts in this case as an intermediary data custodian and ensures that each partner has the data it needs but can also trust that no sensitive data will be passed on. The project was started in 2018 and will go online in 2020.

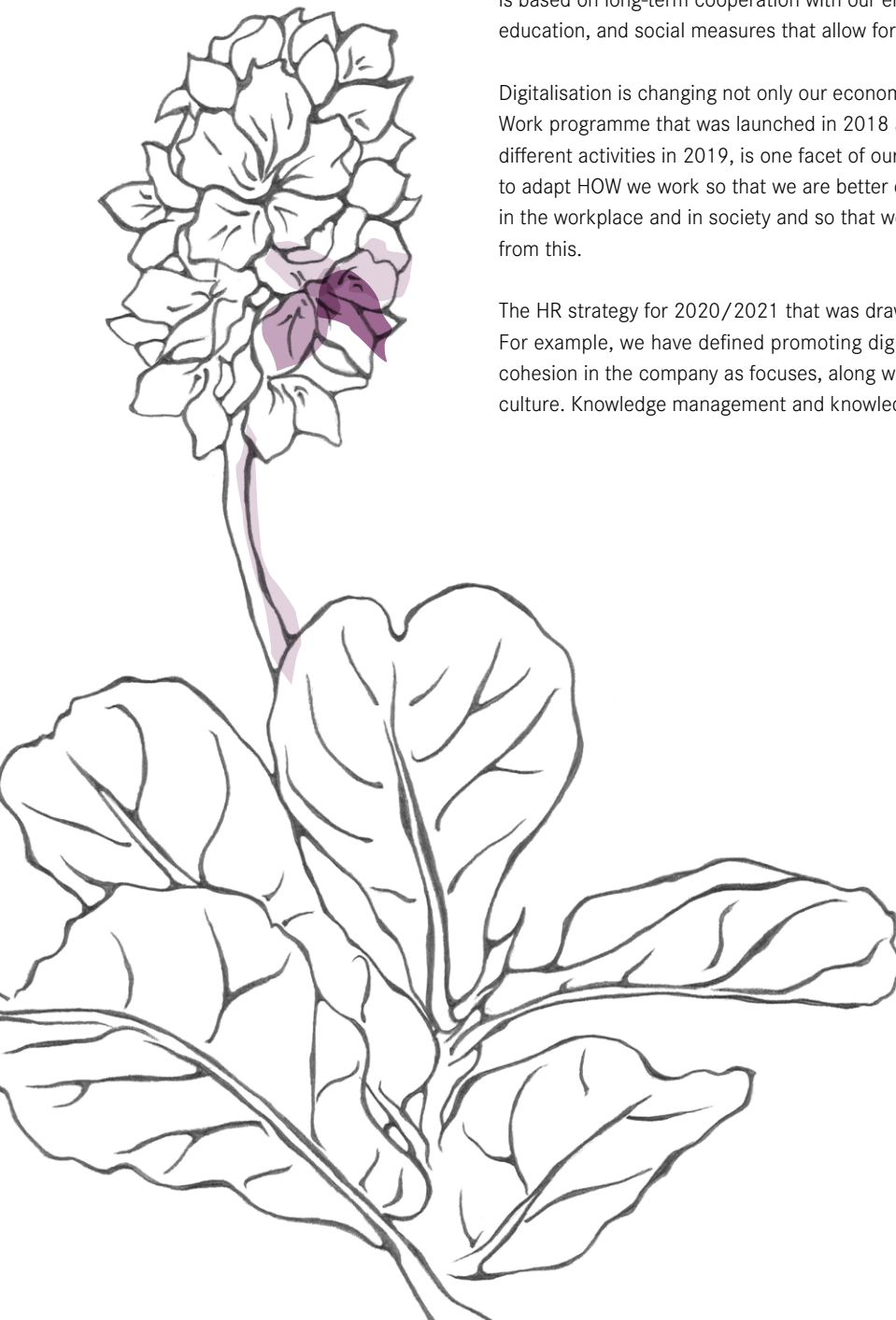
To help employees advance

GRI 102-15
GRI 103-1, 2, 3
GRI 401-1, 2

Demographic change; a lack of skilled professionals; digital disruption and the associated need to rapidly acquire new competencies and skills; and the fundamental cultural transformation that has changed the way people view work; are all major challenges for every employer in Austria. We are also facing this challenge, but see opportunities at the same time. Companies that succeed in creating a good work-life balance have a distinct advantage in recruiting suitably qualified employees. Our human resources policy is based on long-term cooperation with our employees, high standards in training and education, and social measures that allow for an outstanding work-life balance.

Digitalisation is changing not only our economy, but also the way we work. Our Future Work programme that was launched in 2018 and that was continued with a number of different activities in 2019, is one facet of our active response to this change. The goal is to adapt HOW we work so that we are better equipped to master the evolving challenges in the workplace and in society and so that we can seize the opportunities that arise from this.

The HR strategy for 2020/2021 that was drawn up in 2019 addresses these topics. For example, we have defined promoting digital competencies and inter-generational cohesion in the company as focuses, along with the development of a new leadership culture. Knowledge management and knowledge transfer form another strategic focus.



Our promise as an employer

GRI 401-2, 3 We have had the “workandfamily” audit certificate since 2006. Oesterreichische Entwicklungsbank AG (OeEB) was also audited for the first time as part of the recertification process in 2018. The “workandfamily” process actively involves employees and helps to continuously improve the work environment in the OeKB bank group in a targeted manner.

Measures that were implemented in the past years and that have become part of our working world include:

- Ongoing, comprehensive training and development in Austria and abroad;
- Offering flexible working time models, telework, and sabbaticals;
- Company daycare centre and holiday care for school-aged children.
- Health promotion measures at the workplace such as expanded check-ups, immunisation campaigns, physiotherapy, massages, and yoga;
- Employee assistance programme;
- Occupational re-integration programme for employees after extended illnesses;
- Special presentations on psychological health;
- Organisation of common sport and cultural activities outside of work from games such as table tennis, football, squash, tennis, and volleyball to theatre performances and guided tours of exhibitions.

We defined the following focuses for future action during the 2018 recertification process:

- Further promotion of telework,
- Strengthening the trust culture,
- Programme for promoting future talents,
- Promotion for parental leave for fathers and the father month, and
- Evaluation of possibilities to facilitate caring for family members.

Read more about further implemented measures in the sections [Competencies](#) and [Training](#) here in the report.

We already negotiated and signed the new works agreement that will allow even more flexibility in telework in 2019. We also established an additional day of special paid leave to care for immediate family members not living in the same household on a trial basis.

Vacancies for internships can also be found on the OeKB website under [Jobs and Careers](#).

The relationship with existing employees is just as important to us as becoming known to potential applicants as an attractive employer. The OeKB bank group offers vocational days for secondary school pupils, mandatory job placements for students from universities of applied science, and general holiday work placements. This also reflects our attitude that we need to make a social contribution to training young people. The corporate volunteering programme that was launched in 2019 has extended this commitment. As part of cooperative arrangements, our employees are also active as lecturers and speakers at universities of applied science and the Vienna University of Economics and Business.

More information on the corporate volunteering programme can be found in the chapter [To help society succeed](#).

We also place image videos on recruiting platforms where interested persons can get an initial overview of us as an employer.

The in-house job portal is a good place to find out about new vacancies. Many specialist and management positions are filled by existing employees in this manner. Colleagues looking for a change can embark on a new path in-house, thus preserving their experience and know-how for the Group. Management personnel are selected in a multi-stage potential analysis procedure to ensure that well founded, objective decisions are made. The wide range of services and activities conducted by the OeKB bank group is a further benefit for our employees. Well trained employees who are looking for new professional challenges can find new and interesting opportunities within the Group. We expanded the “expert” career path as an offering for the experts in our Group and also defined and introduced the role of a purely technical manager, so-called team leads. The job satisfaction level of the OeKB bank group’s employees is evident not just from the low turnover rate, but also from the high employee recommendation rate.

GRI 102-7, 8
GRI 401-1

Employee statistics

EMPLOYEE STATISTICS OeKB BANK GROUP ¹

As at	31 Dec 2019	31 Dec 2018	31 Dec 2017
Total employees	505	466	445
Of whom women	282	263	248
Of whom men	223	203	197
Of whom younger than 30	46	44	40
Of whom 30-50 years of age	254	246	243
Of whom over 50 years of age	205	176	162
Of whom part-time employees	139	125	119
Of whom women	111	101	99
Of whom men	28	24	10
Of whom younger than 30	16	12	10
Of whom 30-50 years of age	62	61	61
Of whom over 50 years of age	61	52	48
Of whom employees with permanent contracts	491	456	438
Of whom women	273	259	243
Of whom men	218	197	195
Of whom younger than 30	36	35	34
Of whom 30-50 years of age	250	245	242
Of whom over 50 years of age	205	176	162
Of whom employees with temporary contracts	14	10	7
Of whom women	9	4	5
Of whom men	5	6	2
Of whom younger than 30	10	9	6
Of whom 30-50 years of age	4	1	1
Of whom over 50 years of age	-	-	-
Of whom new employees (hired in the reporting period)	39	35	28
Of whom women	20	18	10
Of whom men	19	17	18
Of whom younger than 30	13	18	7
Of whom 30-50 years of age	25	16	20
Of whom over 50 years of age	1	1	1
In full-time equivalents	458	424	405
Average age	46.1	45.7	45.5
Average length of service	16.4	16.7	16.3
Sick days per year and full-time employee	9.6	8.3	8.1

¹ Including fully consolidated companies Oesterreichische Entwicklungsbank AG, Österreichische Hotel- und Tourismusbank GmbH and OeKB CSD GmbH; including employees delegated to ACREDIA AG.

TO HELP EMPLOYEES ADVANCE

Proportion of total positions held by women	55.8%	56.4%	55.7%
Share of women among part-time employees	79.9%	80.8%	83.2%
Share of women among employees with permanent contracts	55.6%	56.8%	55.5%
Share of women among employees with temporary contracts	64.3%	40.0%	71.4%
Share of women among new employees	51.3%	51.4%	35.7%
Proportion of managerial positions held by women	34.8%	39.0%	35.0%
Share of managerial positions filled by employees under the age of 30	0.0%	0.0%	0.0%
Share of managerial positions filled by employees aged 30-50	26.1%	32.2%	29.5%
Share of managerial positions filled by employees over the age of 50	73.9%	67.8%	70.5%
Total resignations excluding retirement ²	32	25	21
Of whom women	22	15	8
Of whom men	10	10	13
Of whom younger than 30	14	11	4
Of whom 30-50 years of age	16	9	14
Of whom over 50 years of age	2	5	3
Turnover rate excluding retirement ²	6.5%	5.5%	4.7%
Of whom women	68.8%	60.0%	38.1%
Of whom men	31.2%	40.0%	61.9%
Of whom younger than 30	43.8%	44.0%	19.0%
Of whom 30-50 years of age	50.0%	36.0%	66.7%
Of whom over 50 years of age	6.2%	20.0%	14.3%
Total turnover rate including retirement ²	42	26	28
Of whom women	29	15	14
Of whom men	13	11	14
Of whom younger than 30	14	11	4
Of whom 30-50 years of age	16	9	14
Of whom over 50 years of age	12	6	10
Turnover rate including retirement ²	8.2%	5.7%	5.9%
Of whom women	69.1%	57.7%	50.0%
Of whom men	30.9%	42.3%	50.0%
Of whom younger than 30	33.3%	42.3%	14.3%
Of whom 30-50 years of age	38.1%	34.6%	50.0%
Of whom over 50 years of age	28.6%	23.1%	35.7%

² The turnover rate is calculated as follows: the number of people leaving during the year x 100 divided by the average headcount. A breakdown by region is not sensible. 99% of the employees work in Vienna.

EMPLOYEES IN THE OeKB BANK GROUP ON PARENTAL LEAVE ¹

As at	2019	2018	2017
Total employees (as at 31.12.)	505	466	445
Of whom on parental leave	21	22	20
Of whom women	15	19	18
Of whom men	6	3	2
Total employees returning from parental leave	9	14	6
Of whom women	6	11	3
Of whom men	3	3	3
Number of employees still employed 12 months after returning from parental leave	13	6	7
Of whom women	10	3	6
Of whom men	3	3	1
Share of women returning to work	96.6%	96.4%	100.0%
Share of men returning to work	100.0%	100.0%	100.0%
Share of women remaining with the Group	100.0%	100.0%	100.0%
Share of men remaining with the Group	100.0%	100.0%	100.0%

¹ Including fully consolidated companies Oesterreichische Entwicklungsbank AG, Österreichische Hotel- und Tourismusbank GmbH and OeKB CSD GmbH; including employees delegated to ACREDIA AG.

Competencies

GRI 102-8
GRI 401-1, 2

Technically and socially capable managers and employees are a fundamental prerequisite for sustainable business and the long-term success of the OeKB bank group. We have defined four areas of competence: entrepreneurial spirit, leadership, teamwork, and generating positive energy. Within these general skill sets, 15 individual abilities have been identified by which management and technical staff are measured. The competency model forms the basis for self-assessment and assessment by supervisors as well as for our structured selection procedure when filling managerial positions.

We also constantly refine our concept of leadership. To this end, we launched workshops for employees and managers to improve and refine our leadership principles. “Leading from the middle” is the guideline for leadership in the future and will be finalised in 2020 and then incorporated into the competence model. Our managers see themselves as service providers for our customers, employees, and shareholders in this. Managers must balance the various expectations and interests to which they are exposed. They fulfil three key functions in their leadership role: performance orientation, supporting employees and promoting their advancement, and planning effectively for the future.

In the OeKB bank group, we believe that respect and constructive feedback create a positive working environment. This promotes trust, loyalty, and therefore productivity. And we expect this respect and constructive feedback to be a cornerstone of daily work. Annual performance reviews are held to discuss individual and Group goals relating to the specific position, training needs, risk objectives, and goals relating to work-life balance, health, innovation, and sustainability. Working together means each employee taking individual responsibility with regard to their co-workers. Both are intended to allow the employees of the OeKB bank group to realise their full potential to ensure the long-term success of the Group. We launched our Culture Club in 2019 to promote and refine this team culture together.

The Culture Club is a cultural transformation that everyone can participate in. All employees and managers are invited to actively contribute to the change and to present new ideas and try new approaches in their own areas. We believe that change is shaped at every level in the company.

We launched Knowledge Coffee in 2019 to promote networking, information exchange, and knowledge transfer between the employees of the OeKB bank group. Knowledge Coffee is platform aimed at preserving, disseminating, and multiplying know-how in the company. Employees are provided with the opportunity to contact colleagues who are experts in their field and request a meeting on a specific expert topic.

Training

The OeKB Academy provides a wide range of in-house seminars for all employees of the OeKB bank group. The focuses are on developing the capabilities of specialist staff and managers and on personal development. Managers completed training in the areas of learning from failure, leading different generations, leaders as coaches, and leading and integrating people with disabilities during the reporting period. Especially employees who were assigned new tasks received extensive training.

We are placing a new training focus on digitalisation and mobile work (such as mobile work with laptop computers and Skype, or the digitalisation of processes).

Employee development is directly linked with the development of the company. Employees who we have identified as having particular potential play a crucial role in this. With that in mind, we place considerable value on offering them the best technical and personal development opportunities. Because our success is rooted not only in these technical and personal qualifications, but also in entrepreneurial thinking, a sense of responsibility, responsible action, and teamwork. To this end, we started our first talent programme in 2019 and registered 17 participants, nine of them women, from the various departments of OeKB. In full-day modules, the participants addressed topics such as recognising and using personal strengths, discovering and testing different elements of effectiveness, and how changes and conflicts can be perceived as opportunities. A core element of the programme is discussion and the sharing of technical know-how between the participants.

We launched our Group-wide onboarding process for new hires and university interns in 2019. This process provides targeted support for new colleagues during their first 12 months at OeKB Group and allows them to familiarise themselves with all business segments in OeKB and the subsidiaries. The objective is to integrate new personnel well into the company and to allow them to establish networks and rapidly begin working effectively. The process already included a breakfast with the Executive Board during which the new employees had an opportunity to report on their initial experiences in OeKB Group.

The export credit agencies in Germany (Euler Hermes), Austria (OeKB), and Switzerland (SERV) took the decision in 2019 to collaborate more closely. In addition to joint country and industry conferences and financing offerings, this also includes a training programme with international job rotation. One Export Services employee has already spent one month in Switzerland and one a month in Germany. Two employees from the sister companies spent a month at OeKB in Vienna.

Good governance and compliance are key priorities for the OeKB bank group. Every year, four mandatory online training sessions are held on subjects such as the activities of the business segments and new regulatory developments. Managing directors, members of Supervisory Boards, and other people in key positions receive intensive internal and external training on legal topics like supervisory law and corporate law as well as on technical finance subjects.

GRI 404-1, 2, 3
FS4

Read more on the topic „Leadership of people with disabilities“ in the chapters [Gender equality and diversity](#) and [Safety and health management](#).

Read more about the country and industry conferences in the chapter [Stakeholder relations and dialogue](#).

GRI 404-1, FS4

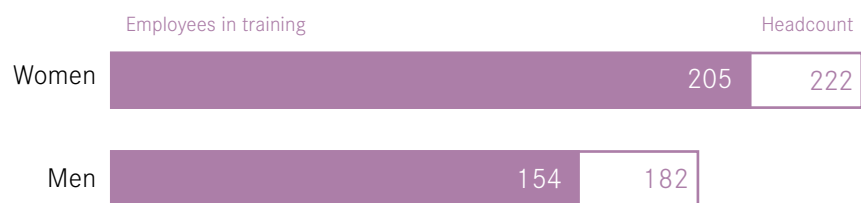
EMPLOYEE TRAINING BY OeKB AG INCLUDING OeKB CSD*

As at	31 Dec 2019 ¹	31 Dec 2018 ¹	31 Dec 2017 ¹
Total OeKB employees	404	406	379
Training costs in euros	624,691	491,674	400,292
Total training hours	12,494	5,910	7,718
Per employee in euros	1,546	1,211	1,056
Per employee in hours	31	15	20
Per employee in days	3.9	1.8	2.6
Senior managers	51	50	50
Training costs in euros	103,433	98,639	109,897
Training in hours	2,178	1,119	1,926
Per employee in euros	2,028	1,973	2,198
Per employee in hours	43	22	39
Per employee in days	5.3	2.8	4.8

¹ Only the training hours of OeKB AG including OeKB CSD were recorded.

* The OeKB's education and training figures are currently being compiled.

EMPLOYEES IN TRAINING 2019



TRAINING COSTS AND HOURS 2019



Gender equality and diversity

GRI 102-35, 36, 37
GRI 103-3
GRI 405-1, 2

People are becoming more mobile – and so are companies. The megatrends of globalisation, mobility, and connectivity are opening up new business opportunities. But they also mean that companies are operating in environments that are becoming less and less predictable. This makes diversity and the associated openness crucial for ensuring that traditional business risks and unforeseen developments can be addressed effectively.

Diversity is decisive for the creativity and resilience of the OeKB bank group. We adopted our gender and diversity policy in 2017 to codify our attitude and implementation strategy. The implementation status is reported regularly to management as part of the sustainability strategy monitoring.

We live diversity and mutual respect

We understand diversity to mean the commonalities and differences that we at the OeKB bank group encounter in our markets, with our customers, and with our employees. Diversity stands for a central conviction of the OeKB bank group: sincere respect, open dealings, and using our diversity to our advantage.

In its activities in different sectors and parts of the world, the OeKB bank group encounters very different ideas about how to live and also different cultures. Diversity factors include gender, culture, religion, sexual orientation, nationality, education level, and also age, different ways of life, and special physical or psychological needs.

And for us, respect means valuing these differences, which in turn gives rise to trust, loyalty, and team spirit as well as potential for creativity and innovation. The OeKB bank group also tolerates no discrimination whatsoever.

We apply this attitude of respect every day within the Group and in all external dealings, following the principles set forth in our human rights policy.

In order to improve further in this area, we began an internal project aimed at increasing the employment of persons with disabilities in 2019. We held a management workshop together with myAbility. The participants were given not only a general introduction into the issue of disabilities, but also had the opportunity to discuss and work with three people with different disabilities.

Gender equality

We make all of our personnel decisions based solely on social and technical qualifications and competencies. Our remuneration policy is based on strict gender equality, with the same payment for the same performance – as regularly shown in the mandatory income report. The goal is to pay the employees of the OeKB bank group a fair wage in line with the market conditions.

At the OeKB bank group, the traditionally high ratio of female employees was around 56 per cent at 31 December 2019. The share of female managers is 34.8 per cent. These figures include all fully consolidated companies, and thus Österreichische Hotel- und Tourismusbank. Investments in a good work-life balance, promotional measures on the way to middle management, and continued transparent job descriptions, including for managerial positions, will also be necessary in future. And we place a focus on balance in our talent program, with nine of the total 17 participants being women.

The targeted appointment of women as project managers was planned as part of the promotion programme. At present, over 48 per cent of all projects are managed by women.

Read more about
OeEB's gender
focus in the chapter
[Development](#)
[Financing](#).

Women are to account for at least 30 per cent of the Supervisory Board and executive management members by 2020. Any works council members appointed to the Supervisory Board are included in this figure (current shares: OeKB 35 per cent, OeEB 50 per cent, OeKB CSD 43 per cent, ÖHT 45 per cent). One of the two managing directors at OeEB and at OeKB is a woman. OeKB CSD and ÖHT are exceptions here. Awareness for our policy must still be raised in the Supervisory Board.

GRI 405-1 DIVERSITY IN OeKB BANK GROUP ¹

As at	31 Dec 2019	31 Dec 2018	31 Dec 2017
Total employees	505	466	445
Of whom persons in controlling bodies	19	16	18
In full-time equivalents	458	424	405
Average age	46.1	45.7	45.5
Average age of new employees	34.2	32.3	35.1
Average length of service	16.4	16.7	16.3
Sick days per year and full-time employee	9.6	8.3	8.1
Proportion of total positions held by women	55.8%	56.4%	55.7%
Proportion of women on the supervisory board and management board	39.0%	28.0%	27.0%
Share of women among part-time employees	79.9%	80.8%	83.2%
Share of women among employees with permanent contracts	55.6%	56.8%	54.6%
Share of women among employees with temporary contracts	64.3%	40.0%	71.4%
Share of women among new employees	51.3%	51.4%	35.7%
Proportion of managerial positions held by women	34.8%	39.0%	35.0%
Turnover rate excluding retirement ²	6.5%	5.5%	4.7%
Turnover rate including retirement ²	8.2%	5.7%	5.9%

¹ Including fully consolidated companies Oesterreichische Entwicklungsbank AG, Österreichische Hotel- und Tourismusbank GmbH (ÖHT) and OeKB CSD GmbH; including employees delegated to ACREDIA AG. The proportion of women on the supervisory board and management board for the years 2018 and 2017 is shown without ÖHT.

² The turnover rate is calculated as follows: the number of people leaving during the year x 100 divided by the average headcount. A breakdown by region is not sensible. 99% of the employees work in Vienna.

Safety and health management

Healthy and motivated employees are a key success factor for the future of OeKB bank group. This is why we have demonstrated a commitment to safety and health protection that goes beyond the legal requirements for many years.

Our establishment of a safety and health management system (SHM) has codified this approach and clearly defined the associated responsibilities. This involves the systematic, forward-looking evaluation of occupational safety and health in connection with operational performance processes. The SHM is part of the sustainability management system and thus systematically expands the activities relating to operational environmental protection and social responsibility by adding aspects of the safety and health of our employees. Our employees had the opportunity to attend the presentation by Dr. Bardia Monshi titled “The role of mental vitality in happiness”, or to watch the recorded video of the presentation on the intranet.

The Future Office employees were given specific ergonomics training by our safety specialist to learn how to properly adjust their desks and chairs because the desk sharing and the height-adjustable desks allow regular workstation changes and standing while working.

We have set up a re-integration management programme. This enables our employees to transition back into the work environment on a part-time basis after an illness, for example, at the same wages as before their illness. Our occupational physician is involved in this process.

Remuneration policy

Remuneration in the OeKB bank group conforms with market norms, with variable remuneration throughout the Group accounting for less than 10 per cent of overall remuneration on average. Employee benefits such as additional health insurance and the employee restaurant are intended to ensure good health and sustainability.

Initial salaries of holders of academic degrees correspond to the market level. These are published on the intranet, making them transparent for all employees. We make all decisions on new hires, promotions, and wage increases based solely on social and technical qualifications and competencies. The internal benchmarking of salaries at the OeKB bank group is conducted according to eight salary bands, divided into one scheme for experts and one for management. The scheme an employee belongs to is decided primarily based on the kind of problem solving and the complexity of the activities their position involves, and on their leadership function. This ensures comparable pay for comparable jobs in a fair and transparent manner according to the qualifications required, the responsibility involved, and actual performance. In addition, compensation is regularly benchmarked against the market – most recently in 2019. Our remuneration policy is published on our intranet and clearly presents the remuneration strategy, remuneration components, and all allowances and fringe benefits.

The Executive Board of OeKB defines the remuneration policy of OeKB, which serves as a guideline for the entire OeKB bank group. This satisfies the requirements of the BWG and the corresponding memo of the Financial Market Authority. This remuneration policy is reviewed once per year, most recently in March 2019. The Supervisory Board of OeKB has a Remuneration Committee that evaluates and approves the remuneration policy and that monitors compliance with this policy including reporting to the Supervisory Board. External experts from Deloitte were consulted in the definition of the remuneration policy and various reviews.

The design of the variable remuneration policy ensures that the incentive structure is aligned with the long-term interests of the OeKB bank group. Variable remuneration is only applied if certain minimum requirements for calculating a bonus pool are met (such as an operating profit or a certain minimum duration for the survival period). The variable remuneration represents a reasonable share of the total remuneration and is oriented towards individual performance and towards single- and multi-year performance parameters of the company and Group.

The total bonus volume that is paid out to employees and managers is calculated on the basis of a combination of company performance indicators. These include the operating profit, the risk-adjusted profit, the risk-bearing capacity, and the liquidity. These metrics are applied in a slightly modified form in OeEB and OeKB CSD.

The individual variable remuneration for managing directors is limited to 85 per cent of the fixed annual remuneration. The variable share is limited to 25 per cent of the fixed remuneration from the second level (department heads) downward. If the variable remuneration exceeds 25 per cent of the total remuneration or the materiality threshold of €30,000 gross as defined by the FMA, deferred payout is applied to comply with the regulatory requirements for sustainability and risk orientation, with 40 per cent of the variable remuneration (or 60 per cent for particularly high sums) being paid out over a period of five years. The employee only has a non-binding entitlement to the deferred amount until actual payout. The portion of the entitlement coming due each year is re-evaluated in that year.

In the event of a poor or negative financial and earnings situation, the executive management and Supervisory Board (Remuneration Committee) reserve the right to reduce the variable remuneration and the deferred bonus payments, up to the cancellation of the entire entitlement in accordance with the legal requirements.

For executive management and all employees in the OeKB bank group in general, the fixed salary is the primary component of overall remuneration, which means that the variable remuneration allows for a flexible remuneration policy in all regards and that the payment of the variable portion can be waived if necessary. In line with the Group's solid and effective risk management system, this ratio of fixed to variable remuneration ensures that no one is given an incentive to assume risks that exceed the specified risk appetite or tolerated degree of risk.

Guaranteed variable remuneration is not compatible with the performance-based approach at OeKB and is therefore not offered.

GRI 402-1

Employee representation

Oesterreichische Kontrollbank AG

Oesterreichische Kontrollbank AG's Staff Council represents the interests of all employees, supports them in matters relating to employment law, and concludes works agreements with OeKB. Six of the seven Staff Council members are appointed to the Supervisory Board.

The Staff Council manages the sports centre and offers various sports classes, organises annual ski championships and a company excursion, and promotes participation in athletic and cultural events. The Staff Council makes an important contribution to the company culture and climate with all of its activities.

Oesterreichische Entwicklungsbank AG

A Staff Council was elected to represent the interests of the employees at Oesterreichische Entwicklungsbank for the first time at the end of November 2017. It consists of three female members and one male member and one substitute member (who is currently on parental leave). Two of its members have been delegated to the Supervisory Board in accordance with the legal requirements. Works agreements were concluded on the subjects of "performance reviews and assessment", "telework", and "management feedback" in 2019. The works agreement on the "use of information and communication technology" was revised. Members of the Staff Council are also involved in the certification for the "workandfamily" audit.

OeKB CSD GmbH

All employees of OeKB CSD GmbH are delegated by OeKB AG and are therefore represented in the Staff Council of OeKB AG.

Future Work

Our goal is to be at least as successful in 2030 as we are today. Our vision is the basis for this and formulates the target state that we are working towards. The mission statements are our guidelines and provide us with orientation as to how we can achieve the vision.

The Future Work programme that we launched in 2018 and continued intensively in 2019 aims at adapting HOW we work so that we are well positioned to master the challenges in business and society. The ongoing process of transformation plays a key role in this. We must continually adapt to make use of the potential that these changes offer for our business, our customer base, and Austria as a place to do business while at the same time maintaining attractive working conditions. The core focus of Future Work is determining how we can best achieve this.

We grouped the broad spectrum of aspects that play a role in this into five categories:

New ways of working together

We need productive collaboration now more than ever. The requirements posed by our environment are changing, so we also need new skills, new methods of working together, and a management style that matches. Managers will have to adopt more of a partnership, advisory approach and less of a strict hierarchical approach than before. The exchange of know-how and finding better solutions in concert with other organisational units will require a new partnership between employers, employees, external service providers, and customers. This new leadership approach is described as “leading from the middle”.

We took a number of key steps in this focus area in 2019. Special seminars, training, and “leadership nuggets”, for example on the topic of successful leadership in a mix of generations, placed a focus on new ways of working together. One “Frühstück mit Weitblick” breakfast event provided insights into various aspects of behavioural research through the presentation by Gregor Fauma. The seven workshops of our Culture Club are another highlight.

[Read more about „Frühstück mit Weitblick“ in the chapter Stakeholder relations and dialogue and about Culture Club in the chapter To help employees advance.](#)

Sustainability

The sustainability strategy is a key aspect of Future Work. We must take a critical approach to future topics to remain successful in our core business activities over the long term and to live up to our social responsibility. Climate change, resource scarcity, and sustainable finance are key challenges, but also harbour equally great opportunities.

We engaged in a variety of activities in 2019 to promote an examination of these topics. The following events played a key role in this:

The new OeKB ThinkTank event series, a kind of internal conference, dealt with the topics of digitalisation and innovation, change, and sustainable finance. Around 150 employees from throughout OeKB Group attended the event, which consisted of keynote speeches in the morning and interactive workshops in the afternoon.

There was also a “Frühstück mit Weitblick” breakfast event where the employees who went on the road to present the first sustainability bond explained to interested colleagues how such a roadshow for investors runs.

In the public OeKB in Dialogue > On the Future of the Economy event, experts discussed the topic of “Can the globalised world be saved? Growth, free trade, and climate policy being put to the test.” with the audience.

A future workshop was held on the topic of “Sustainable development goals and sustainable finance” for the first time to provide a discussion platform for selected internal and external stakeholders.

Digitalisation

It is becoming increasingly important for companies to recognise and use the options provided by highly networked, interactive information and communication technologies in order to remain competitive. This pertains to the manner in which we work as well as to the refinement of our services and the development of new products. The in-depth evaluation of the opportunities and challenges of digitalisation is a matter of course for us.

We continued with digitalisation projects including the customer relationship management (CRM) system, the document management system (DMS), the INFA central reporting platform, and the preparations for an e-learning platform for employees during the reporting period. We implemented online loan applications for main banks, made progress in our “customer platform” project, and created an online tool that allows main banks to determine reference interest rates called Loan Pricer, which went live on 1 January 2020.

Future Office

We have drawn up a pilot concept for a modern office environment that promotes networking, provides room for creativity, and that brings the digitalisation of our working processes forward. This creates the ideal framework for the various forms of “new ways of working together”.

Traditional workplaces are replaced with rooms for projects, interaction, and focused work, as well as zones for rest phases. The concept was implemented in a pilot space in 2019. The Organisation, Construction, Environmental Issues, and Security department (OBUS) moved into the newly designed space in the summer after drawing up an office policy to define the parameters for collaboration in the team. All employees were also able to access an office area where they can try the new concept and give feedback. A “Frühstück mit Weitblick” breakfast event was also held on the topic of “A Reality Check for New Ways of Working” in 2019.

Innovation

Innovation is becoming an increasingly crucial success factor in day-to-day business. The innovation management system that was launched at OeKB in 2017 is not only part of the Future Work concept, but also a commitment to actively addressing and promoting innovation within and outside of the Group. The mission of the innovation management staff is to generate, support, and accompany innovative ideas and solutions. The mission is to modernise products and procedures, develop new services, and optimise processes.

In addition to the OeKB ThinkTank event that was organised in collaboration with the sustainability team, the new Knowledge Coffee platform that promotes knowledge exchange and networking between employees was a highlight in 2019. Participation in the coordination of projects was again a major focus of the innovation team in 2019, alongside exchange with external and internal stakeholders.

Future Work 2020

We again defined focus topics for 2020 that will be actively addressed through a variety of measures. The focus in the first quarter will be on strategy topics, especially “the OeKB brand”, digitalisation, process management, and sustainability. The focus in the second quarter will be on the management approach and leadership style. The third focus topic of our Future Work activities in 2020 is process management. As during the previous year, the OeKB ThinkTank event will be a highlight of the fourth quarter with its character of opening and exchange.

More information about our Innovation Management can be found in the chapter [To help drive innovation.](#)

To help the environment flourish

GRI 102-15
GRI 103-1, 2, 3

More information can be found in the chapter [To help business grow](#).

More information on our new Sustainable finance products can be found in the chapter [Sustainable finance](#) in the OeKB bank group.

The topic of ecology moved into the political, economic, and media spotlight in 2019, in large part due to the Fridays for Future movement. Our planet and the environment in and with which we work and live is at the precipice. Will we as a collective, as a society manage to effectively address the challenges of climate change, resource scarcity, and the loss of biodiversity? These are just some of the challenges and tasks that we have to tackle as a society. And the economy, or more precisely each individual business, is called upon to assume responsibility, just as all other members of society.

As a group of private-sector companies with a government mandate, we must act as role models and live up to our social responsibility. This is why economic, ecological, and social issues play an important role in our organisation and activities. In connection with the investment guarantees that we issue, we are obligated to evaluate not only the economic effects but also the ecological and social impacts of every transaction. We fulfil this responsibility through our environmental and social audits, among other things. We are certain that we will only be able to master the global challenges by working together, so we actively participate in cross-stakeholder initiatives such as the Green Finance Agenda of the BMF and BMNT. Our chosen approach and commitment also led to us launching new sustainable finance products in 2019.

In addition to the key activities in our core area of business specified above, we have also been long committed to using resources wisely and protecting the environment in the day-to-day operations at all of our sites. And even though the aspects of operational ecology do not go beyond well managed office operations, the absolute metrics do represent a considerable impact on the environment. The conscious management of our resources raises awareness among our employees, who then apply similar standards to their actions in our core activities. Since 2001, we have been continuously improving our environmental performance through a certified environmental management system.



Ecology in day-to-day operations

FS9 The OeKB bank group is an EMAS (Eco-Management and Audit Scheme) registered and certified company. The analysis of the direct and indirect environmental aspects required by EMAS showed that energy and fuel consumption are among the most material direct environmental aspects. We thus report on the corresponding GRI Indicators in the sustainability report. All other indicators that are relevant for the environmental report according to the EMAS Regulation can be found in the overview of indicators and in the GRI index.

The maintenance and continual improvement of the environmental management system in accordance with the requirements of EMAS and ISO 14001:2015 are handled by the Group sustainability management organisation in coordination with the executive boards and management of the OeKB bank group. This organisation is part of the Organisation, Construction, Environmental Issues, and Security (OBUS) department, which is also responsible for all operational ecology processes such as procurement and waste, energy, and facility management.

Internal audits are conducted every year to assess our environmental management system. As part of the management assessment, executive management also evaluates the effectiveness of the implemented measures and further options for improvements and changes. This includes an evaluation of the sustainability policy, the objectives, and the provision of resources.

Energy management

The OeKB bank group continuously monitors and optimises its energy consumption at all of its sites. With the introduction of the Energy Efficiency Act (EEffG), companies were obligated to take measures between 2015 and 2020 to improve their energy efficiency and to document and report these to a newly established monitoring body. We employ an internal energy auditor who intensively investigates ways of reducing the energy required for the buildings of the OeKB bank group. The savings in the past years were reported to the monitoring office, and the savings in 2019 were prepared for reporting in 2020.

GRI 302-1, 2, 4
GRI 305-1, 2, 3,
4, 5

The energy management covers all locations of the OeKB bank group, including the off-site emergency data centre. A particular focus is placed on the Strauchgasse building because the OeKB bank group has the greatest ability to act here as the building owner. As part of the Future Office project, all of the lighting in the pilot office space was converted to LEDs, most of which is controlled by occupancy detectors.

As a result of optimisation measures, the Strauchgasse building can now be heated solely using waste heat down to an outside temperature of 6°C. Because of the in part low outside temperatures and the change in the automation process, the share of waste heat use was lower in 2019 than in the previous year. This is reflected in the higher district heating usage at the Strauchgasse site. The significant fluctuations are the result of the need to switch entirely to district heating operation when the outside temperature remains below the threshold for longer periods. Optimisation measures were implemented for the automated switching process.

Because of renovations in the building, the free-cooling system at Am Hof had to be taken offline around four years ago. The system was put back into operation in December 2019. This should increase efficiency by around 20 MW of cooling energy (a roughly 10 MW reduction in the input energy needed for cooling) in 2020.

The fact that the power consumption is equivalent to 588 households (based on a four-person household with an annual power consumption of 4500 kWh) means that we must remain vigilant.

We revised our data collection and analysis system in 2019 with the goal of refining the data quality so that we can better identify suitable measures for continuously improving our environmental performance. This has led to significant deviations for some figures compared to the previous year and has limited the comparability of the figures between the two years in some cases. The comparison figures for the previous years were adapted to the current system as far as possible.

ENERGY CONSUMPTION

All numbers in kWh	2019	2018	2017	2000	Change to previous year
Electricity					
Strauchgasse	2,161,036	2,132,463	2,090,931	2,970,060	+28,573
Am Hof	266,380	289,500	272,970	821,900	-23,120
Wallnerstr., Wipplingerstr.	42,046	43,286	45,359		-1,240
Data center Vienna 21	146,375	159,151	169,999		-12,776
Produced electricity (solar roof)	31,610	31,400	31,490		+210
Electricity total	2,647,447	2,655,800	2,610,749	3,791,960	-8,353
District heating					
Strauchgasse	333,969	203,079	316,344	1,496,750	+130,890
Am Hof	194,112	283,050	228,115	359,453	-88,938
District heating total	528,081	486,129	544,459	1,856,203	+41,952
Cars					
Diesel	31,147	38,981	9,430		-7,834
Petrol	41,272	44,268			-2,995
Electricity	476	747	944		-271
Car fleet total	72,896	83,996	10,374		-11,101
Sold district heating energy	-58,654	-125,410			+66,756
Sold cooling (kWh electricity)	-239,373	-325,083			+85,710
Energy consumption total	2,950,397	2,775,432	3,165,582	5,648,163	+174,965
Cooling generation					
Generated cooling quantity Strauchgasse (kWh)	1,448,175				+1,448,175
Thereof cooling quantity sold (kWh)	382,078				+382,078
Average performance rate Strauchgasse	1.89				+2
Electricity for cooling generation (kWh)	766,230				+766,230
Electricity for cooling quantity sold (kWh)	202,158				+202,158
Generated cooling quantity Am Hof (kWh)	188,674				+188,674
Thereof cooling quantity sold (kWh)	59,544				+59,544
Average performance rate Am Hof	1.60				+2
Electricity for cooling generation (kWh)	117,921				+117,921
Electricity for cooling quantity sold (kWh)	37,215				+37,215
Optimization of energy					
Produced cooling	1,636,849	1,490,684	1,402,196		+146,165
Used waste heat	476,447	611,318	550,867		-134,871
Used waste heat per kWh produced cooling	29%	41%	39%		-12%

Total energy consumption in kWh [GRI 302-1]	2019	2018	2017	2000	Change to previous year
Total electricity consumption	2,647,923	2,656,547	2,611,693	3,791,960	-8,624
Purchased electricity	2,615,837	2,624,400	2,579,259	3,791,960	-8,563
Produced electricity	31,610	31,400	31,490		+210
Electricity consumption e-mobility	476	747	944		-271
Non-renewable energy consumption	600,501	569,378	553,889	1,856,203	+31,123
Gasoline and diesel	72,420	83,249	9,430		-10,829
District heating	528,081	486,129	544,459	1,856,203	+41,952
-Sold energy	298,027	450,493			-152,466
-Sold district heating energy	58,654	125,410			-66,756
-Sold cooling (kWh electricity)	239,373	325,083			-85,710
Total energy consumption	2,950,397	2,775,432	3,165,582	5,648,123	+174,965

Emissions

Motor vehicles represent an impact on the environment and health risks. At the same time, mobility is a key requirement for economic and social development in modern industrialised and service economies. Around 20 per cent of worldwide greenhouse gas emissions come from transport, so this sector makes a significant contribution to climate change.

Our travel guidelines first require our employees to evaluate whether their presence on site is important and necessary, or if a phone call or Skype for Business chat would be just as effective. For all travel, trains or public transportation are preferred over automobiles and aeroplanes. Our employees choose the mode of transport in each situation based on aspects of economy, ecological footprint, and the social considerations of health, safety, and work-life balance. We place a high value on making business travel as cost efficient, environmentally friendly, and pleasant for the employees as possible. An electric bike and electric car are also available to our employees for trips within Vienna in addition to public transportation.

GRI 305-5 BUSINESS TRAVEL

All numbers in km	2019	2018	2017	2000	Change to previous year
Flight	2,050,733	1,605,945	1,581,959	984,663	+444,788
Train	108,681	54,628	31,487	14,117	+54,053
Cars	217,362	234,546	18,816	39,237	-17,185
Thereof CO ₂ -free, E-mobility	2,690	4,223	5,333	0	-1,533
Total business travel	2,376,775	1,895,119	1,632,262	1,038,017	+481,656
Thereof CO ₂ compensated	2,376,775	839,254	870,412		+1,537,521

Our vehicle fleet consists of one pool car that is available to all employees for business travel and one electric car that is primarily used for courier trips if it is not sensible to make the trip with public transportation. We have reported the driven kilometres of the OeKB bank group including the three Executive Board cars and the business trips completed with private vehicles since 2018. This reveals an increase since 2017, and we decided to compensate for our business travel in 2019. This explains the substantial increase in the compensated flights in annual comparison.

GRI 302-4
GRI 305-1, 2, 3, 5

CO₂ EQUIVALENTS

Tonnes of CO ₂ -equivalents	2019	2018	2017	2000	Change to previous year
Scope 1					
Fleet	14.89	19.04	2.30	10.52	-4
Refrigerants	0.00	0.00	0.00	0.00	+0
Scope 1 total	14.89	19.04	2.30	10.52	-4
Scope 2 – Market based*					
Electricity	19.26	20.94	22.37		-2
District heating	95.29	73.23	110.53	376.81	+22
Scope 2 total	114.56	94.17	132.90	376.81	+20
Scope 2 – Location based*					
Electricity	589.36	570.23	639.66	940.41	+19
District heating	95.29	73.23	110.53	376.81	+22
Scope 2 total	684.66	643.46	750.19	1,317.22	+41
Scope 3					
Cars	12.95	12.31	0.52	2.37	1
Flight OeKB und CSD	367.60	318.10	295.22	408.54	49
Flight OeEB	258.10	194.4	188.41		64
Train	1.57	0.79	0.45	0.20	1
Scope 3 total	640.21	525.60	484.60	411.11	115
Thereof CO₂ compensated	-640.21	-194.40	-188.41	0.00	446
Total greenhouse gases - Market based	129.44	444.41	431.39	798.44	-315
Total greenhouse gases - Location based	699.54	993.70	1,048.68	1,738.85	-294

* The market-based approach reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). The location-based approach reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

Read more about the projects on the respective webpages: [Ökoregion Kaindorf](#) and [myclimate](#)

The business travel of OeKB in 2019 was compensated for the first time in 2020. We decided in 2019 to compensate for the 382.11 tons of CO₂ equivalents that were generated by OeKB business travel by air, car, and train through two projects: the Kaindorf eco-region and myclimate. The Kaindorf eco-region has set the objective of ensuring the long-term sequestering of carbon in humus by implementing targeted humus formation measures with farms. And the myclimate project is financing efficient cookers in Rwanda that are produced locally from recyclable materials and that thus create jobs, that use two-thirds less wood and thus protect the habitat of the mountain gorillas in the region, and that provide for better health, a higher quality of living, and time and money savings for the families.

More information about the CO₂ compensation system of BOKU can be found on its [website](#).

The air travel emissions of OeEB have been compensated since 2010 because flights are unavoidable for OeEB employees due to the international projects. OeEB compensates for the resulting CO₂ emissions through climate protection projects of the University of Natural Resources and Life Sciences in Vienna. In 2019, OeEB supported the Uganda – Clean Air and Safe Drinking Water for Soroti project. The reduction of firewood use for drinking water treatment by boiling reduces CO₂ emissions and improves the air quality in the homes. The switch to solar drinking water disinfection ensures clean water for around 12,000 people in Soroti, reducing waterborne diseases. The project also relies on the close involvement of the local population through training and participation activities to ensure the comprehensive improvement of the sanitary facilities and hygiene situation.

TO HELP THE ENVIRONMENT FLOURISH

Source:
<https://ghgprotocol.org/calculation-tools-faq>

The breakdown into individual scopes is based on the Greenhouse Gas Protocol. Scope 1 contains all direct emissions from combustion in internal plants and in the engines of motor vehicles. Scope 2 contains indirect emissions from consumption of purchased energy, and Scope 3 includes all other indirect emissions from upstream and downstream processes. The current emission figures of the Federal Environment Agency are used to calculate the CO₂ equivalents. To determine flight-related greenhouse gas emissions, OeKB uses the values of the Federal Environment Agency (airplane/person-km international). This year, the emission factor of the University of Natural Resources and Life Sciences was used for OeEB flights. Starting next year, all flight-related emissions of the group will be calculated and offset uniformly with the emission factor of the Federal Environment Agency. There have already been changes this year as well: On the one hand, OeKB now uses the entire emission factor of the Federal Environment Agency, including direct and indirect emissions in this report. On the other hand, the emissions of OeEB are presented according to the emission factor of BOKU that was applied for the offsetting. In order to maintain comparability and to properly show the offset emissions, the previous years were also updated.

At the locations in the first district of Vienna (Am Hof and Strauchgasse, Wallnerstrasse and Wipplingerstrasse), the OeKB bank group uses electricity obtained exclusively from hydroelectric power plants. The off-site emergency data centre uses the standard power mix, which is reflected in significantly higher emission values.

The photovoltaic system with a capacity of 31 kWp is making a small contribution towards energy production in the building, which came to 31,610 kWh in 2019. A highly redundant green IT data centre offers a high level of availability, the required reliability, and optimises the use of electrical energy.

Emissions	Unit	2019	Source 2019
Rail travel (electric)/km per person	kg CO ₂ e/pkm	0.0144	Federal Environment Agency www.umweltbundesamt.at/fileadmin/site/umweltthemen/verkehr/1_verkehrsmittel/EKZ_Pkm_Tkm_Verkehrsmittel.pdf
Aeroplane travel/km per person domestic	kg CO ₂ e/pkm	0.7195	Federal Environment Agency www.umweltbundesamt.at/fileadmin/site/umweltthemen/verkehr/1_verkehrsmittel/EKZ_Pkm_Tkm_Verkehrsmittel.pdf
Aeroplane travel/km per person international	kg CO ₂ e/pkm	0.4149	Federal Environment Agency www.umweltbundesamt.at/fileadmin/site/umweltthemen/verkehr/1_verkehrsmittel/EKZ_Pkm_Tkm_Verkehrsmittel.pdf
Aeroplane travel/km per person domestic - international	kg CO ₂ e/pkm	0.2216	University of Natural Resources and Applied Life Sciences. CO ₂ compensation system. averaged emission factor. link: https://boku.ac.at/en/nachhaltigkeit/boku-co2-kompensationssystem/berechnungsgrundlagen
Diesel direct emissions	kg CO ₂ e/kWh	0.252	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
Diesel indirect emissions	kg CO ₂ e/kWh	0.066	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
Petrol direct emission	kg CO ₂ e/kWh	0.255	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
Petrol indirect emissions	kg CO ₂ e/kWh	0.072	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
Car vehicle km	kg CO ₂ e/km	0.2165	Federal Environment Agency www.umweltbundesamt.at/fileadmin/site/umweltthemen/verkehr/1_verkehrsmittel/EKZ_Pkm_Tkm_Verkehrsmittel.pdf
Electricity for data centre	kg CO ₂ e/kWh	0.1316	Wien Energie (Contract ODC - Contact via IBM)
Hydroelectricity	kg CO ₂ e/kWh	0	Energie Allianz (according to contract and certificate)
Electricity mix Austria	kg CO ₂ e/kWh	0.248	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
District heating	kg CO ₂ e/kWh	0.203	Federal Environment Agency https://secure.umweltbundesamt.at/co2mon/co2mon.html
R410a	kg CO ₂ e/kWh	2088	www.linde-gas.com
R407c	kg CO ₂ e/kg	1744	http://btga.de/almanach/2015/092-095.pdf
R134A	kg CO ₂ e/kg	1430	BAFU - Overview of the most important refrigerants
R22	kg CO ₂ e/kg	1810	Refrigerants Product Data Summary Linde (2013)

Ecological key indicators

With regard to operational ecology, key indicators for energy, heating energy, water, and paper are for the main locations at Am Hof 4 with 50 employees and Strauchgasse 1–3 with 412 employees. The collection of waste statistics that began in 2018 was continued at the Am Hof site in 2019 as well. The calculation of key indicators per employee for operational ecology goes beyond the limits of the system as it includes the CCP.A staff (12 employees).

GRI 102-4 **LOCATIONS**

	Strauchgasse	Am Hof
Space in m ²	14,124.49	1,847.35
Main locations	15,971.84	

The metrics show that energy use increased slightly in annual comparison.

The employees at Am Hof have been included in the collection of the waste statistics for paper, glass, plastic, metal, and non-recyclable waste since 2018. The volumes attributable to the tenants in the Strauchgasse building have also been deducted from these figures since then. Overall, we were able to continue our substantial reductions in the volumes of recyclable materials, hazardous waste, and non-recyclable waste compared with the previous years.

The high level of waste generated in previous years despite all measures to the contrary was countered by a new waste separation system as part of the Future Office conversion. Waste collection at the Future Office pilot space was moved from the work stations to central collection sites, where sufficient containers are available for the various waste categories. We expect the roll-out of the Future Office concept at the Strauchgasse site to improve the separation discipline and to reduce the volume of waste overall in the coming years. The further reduction in the volumes of paper and non-recyclable waste was driven by the continuous involvement of the employees at all sites, who are responsible for this success following targeted awareness-raising measures and the switch to follow-me printers.

We launched a pilot project for the collection of the used coffee grounds in the department as part of the Future Office project in 2019. The goal is to find out if the quality of these grounds is high enough to give them to Hut & Stiel, which uses such grounds to grow mushrooms. Hut & Stiel is a company that wishes to produce food where it is needed so as to be able to supply the growing population of Vienna with food and to boost awareness for the importance of an intact environment and good health. The decision was made in 2020 that a company-wide cooperation project between OeKB and Hut & Stiel would make sense.

TO HELP THE ENVIRONMENT FLOURISH

GRI 301-1, 2
GRI 302, 1, 2, 3, 4
GRI 303-1
GRI 306-2

ECOLOGICAL INDICATORS

	Unit	2019	2018	2017	2000	Change to previous year
Energy (Strauchgasse, Am Hof)						
Electricity consumption	kWh/MA	5,323	5,345	5,545	11,088	-22
Thereof own production	kWh/MA	68	68	73	0	+0
District heating consumption per m ²	kWh/m ²	29	20	30	111	+9
District heating consumption per employee	kWh/MA	1,016	786	1,260	5,427	+230
Energy consumption (electricity, district heating, renewable energy)	kWh	2,928,453	2,814,082	2,939,850	5,648,163	+114,371
Energy consumption (electricity, district heating, renewable energy) per employee	kWh/MA	6,339	6,131	6,805	16,515	+208
Business travel (all EMAS sites)						
Train, flight and cars	km/MA	5,146	4,129	3,778	3,035	+1,018
CO₂ Equivalents						
Total (market based)	kg CO ₂ -eq/MA	283.87	1,188	1,202	2,335	-904
Total (location based)	kg CO ₂ -eq/MA	1,534.09	2,657	2,921	5,084	-1,123
Water (Strauchgasse, Am Hof)						
Water consumption	l/MA.d	49.86	51	54	116	-1
Paper (Strauchgasse, Am Hof)						
Paper consumption	Blatt/MA.d	15.00	20	22	41	-5
Share of recycled paper	%	99.1%	97.0%	100.0%		+2.1%
Waste (Strauchgasse including tenants)						
Paper	kg/MA	101	154	182	98	-53
Residual waste	kg/MA	84	123	119	337	-39

TO HELP THE ENVIRONMENT FLOURISH

GRI 301-1 WASTE

All numbers in kg	2019	2018	2017	2000	Change to previous year
Recyclables					
Paper	46,831	70,479	69,999	26,288	-23,648
Glass	1,888	1,639	3,954	1,824	+249
Plastics waste	754	1,413	2,619	1,248	-659
Metal scrap	507	600	650	480	-93
Fat separator contents	13,180	24,700	13,920	20,410	-11,520
Electronic scrap	697	4,070	1,707	715	-3,373
Bulk waste	8,440	15,290	13,934	0	-6,850
Kitchen and canteen waste	17,930	17,832	17,350	0	+98
Waste oil (from canteen)	187	208	292	0	-21
Building waste	76,650	150,928	101,150	0	-74,278
Other non-hazardous waste	1	0	0	0	+1
Recyclables	167,066	287,159	225,575	50,965	-120,093
Recyclables per employee	405	630	586	191	-225
Hazardous waste					
Mobile phones	0	5	5	0	-5
Batteries	112	1,882	1,073	774	-1,770
Fluorescent tubes	141	116	105	129	+25
Dye residues	0	0	0	800	+0
Developer, fixer	0	0	0	540	+0
Oils	0	0	0	0	+0
Monitors	234	87	19	0	+147
Electric & electronic scrap	4	0	0	0	+4
Refrigerators, air conditioners	48	14	0	0	+34
Cooling agents	0	0	0	0	+0
Other hazardous waste	59	0	0	0	+59
Hazardous waste	598	2,104	1,202	2,243	-1,506
Hazardous waste per employee	1	5	3	8	-4
Household-type commercial waste	38,646	56,263	45,900		-17,617
Total waste	206,309	345,526	272,677	53,208	-139,217
Total waste per employee	447	753	708	536	-306



To help society succeed

GRI 102-15
GRI 103-1, 2, 3

We adhere to national laws and international standards in the OeKB bank group. We treat the environment and society with respect and a strong sense of responsibility. We are aware that we are held to a higher standard as a private company with a public mandate and therefore fulfil our responsibilities with particular care.

The aspects of transparency; preventing corruption, money laundering, and terrorist financing; and respecting the internationally proclaimed human rights and complying with all legal regulations are important to us and a fundamental prerequisite for our business activities. We have defined corresponding processes and responsibilities to ensure and monitor compliance with all external and internal requirements.

Through our work, we wish to make a tangible contribution to the well-being of the Austrian economy and society. We do this through our economically relevant activities. We also wish to ensure that our social commitment has strong effects, and want to encourage our employees to join us in these efforts.



Human rights

GRI 412-1 The OeKB bank group has been actively addressing the topic of human rights for years. We demonstrate our foresight and sense of responsibility in the evaluation of projects by also taking project-related human rights issues such as the protection of cultural assets, involuntary relocation, and impacts on local populations into account.

As part of our intensive evaluation of the Universal Declaration of Human Rights, we also assessed how these rights that have been in force for over 70 years are relevant to our business segments and how we can apply them to our daily operations. We summarised the results in our human rights policy. We are also committed to the ten principles of the UN Global Compact and the labour rights according to the ILO Declaration on Fundamental Principles and Rights at Work.

We participate in discussions about compliance with and the protection of human rights in ECA-guaranteed and EDFI-financed projects as part of the OECD practitioners meetings and the working group of the European development financial institutions (EDFIs).

Corporate Governance

The entire original text of the code is available on www.corporate-governance.at

The companies of the OeKB bank group are not listed companies, but are nevertheless guided by the Austrian Code of Corporate Governance in so far as the Code's principles are applicable. For non-listed stock companies, L-rules (rules based on legal requirements) are to be interpreted as C-rules (comply-or-explain rules).

Cooperation between the Supervisory Board and Executive Board

GRI 102-26, 28, 36

The companies of the OeKB bank group are directed by an Executive Board or executive management. They provide their Supervisory Board with regular, prompt, and comprehensive reports on all relevant business developments, including the risk situation and risk management in their company and the significant Group companies. The aim of managing the Group's business in accordance with the principles of good corporate governance is achieved in part through open discussion between the Executive Board or management and the respective Supervisory Board and within each of these bodies.

GRI 102-35

The Executive Board or management sets the company's strategic direction together with, and subject to the approval of, the respective Supervisory Board and regularly discusses the progress made on implementing the strategy with them. The Supervisory Board meets at least four times per financial year. The disclosure of the aggregate compensation of the Executive Board foreseen by L-rule 29 of the Austrian Code of Corporate Governance is omitted pursuant to § 241 (4) of the Austrian Commercial Code (UGB).

GRI 102-18

The detailed composition of the Supervisory Board, the Staff Council, the state committee, and the government committee can be found in the 2019 annual financial report of OeKB AG. The composition of the Executive and Supervisory Boards of OeEB and OeKB CSD can be found on the corresponding websites.

Supervisory Board of OeKB AG

GRI 102-22, 23, 24, 25, 35, 36, 37

The Supervisory Board supervises the Executive Board and supports it in managing the company, especially in reaching decisions of fundamental importance. At the end of 2019, the Supervisory Board was composed of 15 shareholder representatives and six members delegated by the Staff Council. This constitutes a deviation from C-rule 52, which stipulates a maximum of ten members excluding the employee representatives, legitimated by an agreement among OeKB's shareholders.

Supervisory Board remuneration is determined at the Annual General Meeting and is shown in the notes to the consolidated financial statements. The employee representatives perform their function on the Supervisory Board within the scope of their ordinary employment.

The Austrian Stock Corporation Act requires that the chairman of the Supervisory Board be independent from the operations of the company. All Supervisory Board members aside from the employee representatives are independent from the operations of the company.

Committees

The Remuneration Committee approves the remuneration policy and variable compensation rules and monitors the implementation of these policies in practice. In matters of remuneration policy and in particular the compensation of the Executive Board, the employee representatives do not attend or vote at the meetings of the committee. The Remuneration Committee met once in 2019.

The Audit Committee is especially responsible for the auditing of and the preparations for the adoption of the annual financial statements, the proposal for the distribution of profits, and of the company management report, reviewing the consolidated financial statements and group management report, submitting a proposal for the selection of auditors to the Supervisory Board, and monitoring the effectiveness of the company-wide internal control system and risk management system. The Audit Committee met twice in 2019.

The Working Committee oversees borrowing to fund the Export Financing Scheme (EFS), lending under the EFS, lending under § 3 of the internal procedural rules (related debt restructuring facilities and purchase of accounts receivable), and the use of the amounts in the interest stabilisation account. The Working Committee met once in 2019.

The Nomination Committee (pursuant to § 29 of the Austrian Banking Act) not only regularly evaluates the balance and variety of the know-how, skills, and experience of the managing directors but also that of the individual Supervisory Board members. Issuing recommendations, it monitors and supports the course of the Executive Board with regard to appointing senior management. The Nomination Committee met once in 2019.

The Risk Committee (pursuant to § 39d of the Austrian Banking Act) monitors the implementation of the OeKB risk strategy, among other matters. The Risk Committee met twice in 2019. The legally required committees have also been set up in the subsidiaries.

Transparency and auditing

Openness and transparency in communication with our shareholders and stakeholders is particularly important to us. In 2019, the Executive Board as well as the Marketing and Corporate Communication and Investor Relations departments upheld these principles. Up-to-date information on the company and its business segments is always available on the OeKB website at www.oekb.at. This site also contains all information on director's dealings. Executive Board members and Supervisory Board members must report when they or a related party purchase financial instruments issued by OeKB.

The OeKB bank group promotes the development of women in managerial positions for all functions (L-rule 60).

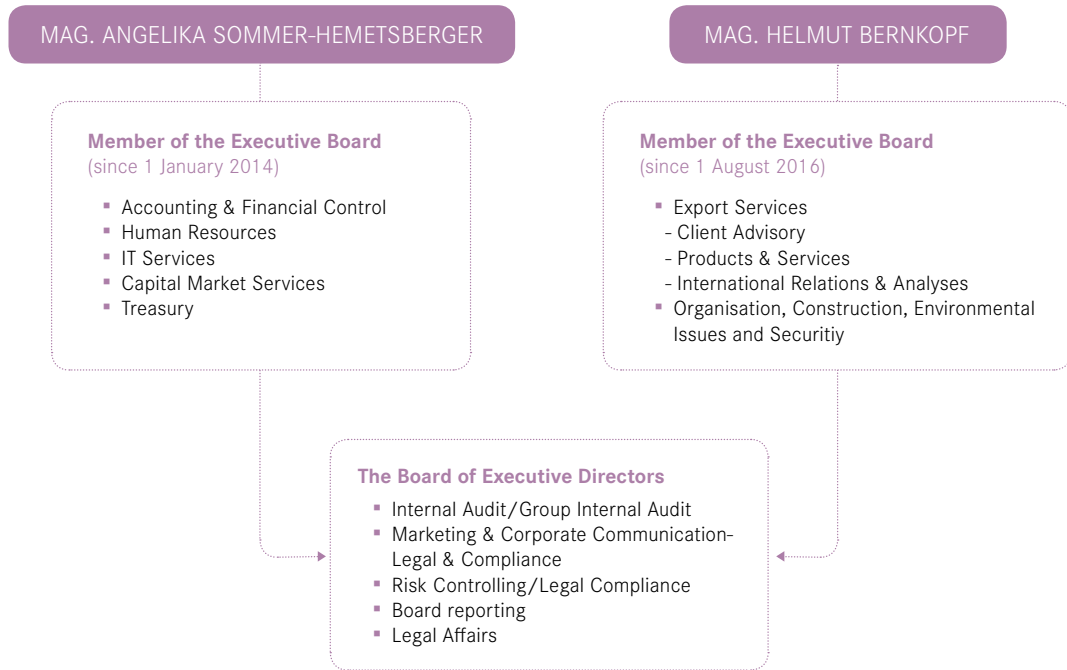
The publication of motions under L-rules 4 to 6 of the Code is not considered expedient, as this information is reserved for shareholders. This means that only shareholders may examine these documents and the right to confidentiality of the shareholders introducing a motion must be maintained. This applies to motions submitted to the Annual General Meetings and all related official documents, including shareholder motions and countermotions, as well as the list of candidates nominated for election to the Supervisory Board and the resolutions passed at the Annual General Meetings.

The annual financial statements, company management report, consolidated financial statements, and group management report were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, the auditor appointed by the Annual General Meeting.

Details can be found within the chapter [To help employees advance](#).

The audit report can be found in the section "Auditor's Report" in the [2019 annual financial report](#).

GRI 102-18, 22 ASSIGNMENT OF DUTIES ON THE EXECUTIVE BOARD OF OEKB AG



The two-member Executive Board of OeKB is responsible for managing the company. Its decisions comply with all relevant laws, the Articles of Association, and the Executive Board’s internal procedural rules. The division of responsibilities and how the members of the Executive Board should work together are set out in these internal procedural rules. This is also the case at Oesterreichische Entwicklungsbank (OeEB), OeKB CSD GmbH (OeKB CSD), and Österreichische Hotel- und Tourismusbank GmbH (ÖHT).

Risk management and internal control system

GRI 102-11, 29,
30, 31
GRI 103-3

Risk measurement and management are key processes within the business strategy of the OeKB bank group and are designed to ensure the long-term stability and profitability of the company. Our risk policy is therefore intended to ensure a stable return on equity on the basis of a conservative approach to business and operational risks.

As a group of special-purpose banks, the OeKB bank group bears special responsibility. This also drives our business and risk policy, and we have installed a holistic risk management framework whose individual components are closely integrated. These include the risk policy and strategy; risk identification, measurement, and management; compliance; an internal control system; and Group Internal Audit.

Further information about our Risk Management can be found within the 2019 annual financial report.

Given the OeKB bank group’s key business activities and its specific business and risk structure, we have adopted a clear functional organisation for our risk management process with well defined roles.

The growing importance of the ESG (environmental, social, and governance) factors and especially of climate change and the associated social and political reactions are a source of rising reputation and business model risks. At the same time, this harbours opportunities for future growth. Thus, OeKB Group has increased its focus on climate risks in its risk management and business strategy. In 2020, climate-based risks and opportunities will be explicitly integrated into the risk policy and strategy of OeKB Group, and the implementation of the TCFD (Task Force on Climate-related Financial Disclosure) recommendations will be steadily improved on the basis of a gap analysis.

More information about the ICS can be found within the 2019 annual financial report.

The aim of the internal control system is to support the management in such a way that it is in a position to ensure ever better and more effective internal checks. The internal control system covers all material business processes so that the economic efficiency and effectiveness of business activities, the reliability of the financial and non-financial performance information, and adherence to guidelines and regulations (compliance) can be guaranteed.

The ICS in the OeKB bank group is based on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission), which has five components: the control environment, risk assessment, control activities, information and communication, and monitoring activities.

The Supervisory Board is briefed at least every quarter with a comprehensive report on the balance sheet, income statement, and other controlling and risk data. Highly detailed reports about this information are submitted to the Executive Board. These are created at least once per month. The Executive Board monitors the appropriateness and effectiveness of the ICS. The Executive Board also established an Asset and Liability Management Committee and a Risk Management Committee that receive, analyse, and monitor this data.

Financial statements intended for publication undergo a final review by management and staff of the Accounting and Financial Control department and by the Executive Board before being forwarded to the Audit Committee of the Supervisory Board.

By monitoring compliance with all rules and regulations, we aim to make all business processes as reliable as possible and ensure Group-wide conformity with policies and procedures. The staff members responsible manage identified risks and shortcomings through prompt mitigative and preventative measures. The implementation of these measures is monitored.

Group Internal Audit evaluates compliance with the requirements in accordance with the annual audit plan.

Compliance and legal requirements

GRI 102-16
GRI 205-2

In accordance with our fundamental values, we manage all of our companies with integrity and comply with the relevant laws. Our values determine the actions of all of our employees.

The Legal and Compliance department with the four teams Securities Supervision Act (WAG) Compliance, Banking Act (BWG) Compliance, Money Laundering Prevention, and Legal is responsible for compliance with all legal regulations and reports directly to the Executive Board. The head of the Legal and Compliance department and the respective compliance officers (Securities Supervision Act, Banking Act, money laundering) exercise an advisory and coordinating function and ensure that there are no gaps in the internal regulations. Activities focus on the identification of the material legal regulations and requirements so as to ensure compliance. Another responsibility is raising awareness among the employees of the OeKB bank group for regulatory issues.

Data protection

GRI 418-1

The OeKB bank group has taken a prudent approach to the protection of data for many years, on the one hand to meet the requirements of the banking act concerning bank secrecy, and on the other as specified in the Data Protection Act and the EU's General Data Protection Regulation. We have appointed a Data Protection Officer and data protection coordinators in every department and in the subsidiaries to ensure the smooth implementation of the requirements.

The GDPR 2016 was implemented in a comprehensive project lasting until May 2018. The business processes are continuously documented in procedure indexes to identify the data types and protection requirements according to the current standard. Processes are defined for information obligations, information disclosure requests, and data protection violations, and supplier contracts are amended to include processing agreements.

The data protection impact assessments were revised and expanded in 2019, as were the procedures for data subject rights and data protection violations.

Training and comprehensive operating procedures were prepared for all employees. A management system for maintenance and regular audits was adapted to meet the current requirements.

The following requirements apply as the basis for handling data in the OeKB bank group:

- Data is only transparent within the OeKB bank group to the extent that it is absolutely necessary for the settlement of the transaction and the assessment of risk.
- For risk management purposes in the OeKB bank group, customer exposures are combined and considered together.

The Data Protection Officer received one request for information relating to data protection in 2019 (no data were on hand).

Preventing money laundering and terrorist financing

Money laundering refers to bringing illegally obtained assets into legal circulation. The act of money laundering is defined in the Austrian Criminal Code (StGB). It covers the holding, investment, management, conversion, or use of assets stemming from a crime or illegal activity, as well as obfuscating the source of assets.

The international community significantly increased its efforts to prevent terrorist financing after the attacks in the USA on 11 September 2001. The act of terrorist financing is also defined in the Criminal Code and covers the provision of assets with the intent that they be used for terrorist purposes. Unlike with money laundering, the financial assets that go into terrorist financing can stem from legal sources.

To prevent money laundering and terrorist financing, the Financial Market Anti-Money Laundering Act (FM-GwG) stipulates special diligence and reporting obligations for credit and financial institutions. Banking transactions may only be conducted with known customers – the “know your customer” principle. Credit and financial institutions must determine the identity of their customers pursuant to the FM-GwG before they enter into a customer relationship.

GRI 205-2 The various activities of the OeKB bank group were evaluated to prevent money laundering and terrorist financing and to identify potentially sensitive areas. Detailed operating procedures were created for the sensitive areas. The legal regulations are monitored on a continuous basis and the internal processes adapted when necessary in the event of changes. Employees in the OeKB bank group who fulfil functions that are relevant to money laundering complete regular training. Those who do not fulfil relevant functions are informed about the money laundering prevention regulations. Internal Audit verifies compliance with these provisions on an annual basis.

The Money Laundering Officer and deputy are responsible for implementing the money laundering prevention regulations. They advise and inform all employees in accordance with their duties. Suspicious transactions must also be reported to them.

The OeKB bank group collaborates directly with the money laundering coordination office of the Austrian Bankers' Association in this. We also implemented the anti-money laundering principles of the Wolfsberg Group.

Business Ethics

Because of the central role that the OeKB bank group plays in the Austrian capital market and as a national and international export credit agency and Austrian development bank, we feel that it is appropriate to orient ourselves towards the stricter provisions of the anti-corruption laws that apply to public officials even though our employees are not public officials pursuant to § 74 Austrian Criminal Code (StGB).

Relevant behavioural rules and other requirements for us and our activities are defined in our Code of Conduct.

Code of Conduct

The Executive Board, senior managers, and employees are committed to acting reliably, according to the pertinent laws, and with due care and adhere to the clear rules in the Code of Conduct. This code contains ethical and legal rules and guidelines that promote individual responsibility and an open, respectful, and responsible working climate.

The Code of Conduct not only sets forth the rules under which we act, but also what we expect from others. For this reason, we decline transactions that violate the Code of Conduct and welcome it when our stakeholders operate under similar rules.

The OeKB bank group began updating its Code of Conduct in 2019. Measures for employees have already been planned for 2020 to invigorate communication about the Code of Conduct.

Complaint handling system

GRI 102-33, 34

Pursuant to § 39e Austrian Banking Act (BWG), the OeKB bank group has set up transparent and appropriate procedures for processing complaints from all persons with which it conducts business. The goal is to identify, analyse, and remedy recurring and potential legal and operational risks.

The OeKB bank group adheres to the guidelines of the Joint Committee for complaints-handling for the securities (ESMA) and banking (EBA) sectors. ÖHT is not subject to the provisions of § 39e BWG.

Customers of the OeKB bank group are generally asked to address their complaints directly to their customer adviser. If the complaint cannot be resolved directly by this person, the issue can be directed to the central complaint management office of the respective bank. This can be done by means of a web form, in person, by telephone, or by regular mail. The Joint Conciliation Board of the Austrian Banking Industry can also be involved.

OeKB bank group customer advisers are required to report any complaints that they receive and the measures they take to address the complaints to the central complaint management office. The data protection regulations of the GDPR and the Data Protection Act must be followed in this. There were 11 relevant complaints to OeKB that were reported to Oesterreichische Nationalbank (OeNB) in 2019. One relevant and reported complaint was submitted to OeKB CSD. No relevant complaints were submitted to OeEB or ÖHT.

The whistleblower systems pursuant to § 99g BWG employ the immediate supervisors, the Staff Council, those responsible for the relevant rules in the Code of Conduct, and a law office, always maintaining the required confidentiality. There were no reports in the internal whistleblower systems in 2019.

Enquiries were submitted, for example to the Staff Council, to the typical extent. None of the enquiries triggered an internal audit.

There is no material pending administrative or legal action against the OeKB bank group.

Preventing corruption

Minor invitations and the exchange of gifts may be part of the local customs or part of local business practice. Benefits that lead to a conflict of interests or that could cause the impression of partiality may not be accepted under any circumstances, especially when this would put the neutral position of the OeKB bank group at risk. It is sufficient in such cases when even just the appearance or expectation of return consideration is raised.

Every gift and invitation that an employee receives while performing his or her duties must be seen as consideration for the function being exercised, and not as a personal gift.

We make no donations whatsoever to political parties.

Sustainable action and risk management

The responsible handling of risks is an integral part of our management approach and culture, and therefore of all decision-making. This can also be seen in the manner in which we approach ecological and social issues.

As EMAS (Eco-Management and Audit Scheme) registered and certified companies, OeKB, OeEB, and OeKB CSD have undertaken to account for resource consumption, climate protection, and social developments in their core business and operations and to pursue annual goals for improvement. A key quality feature of the business and risk policy is the conservative approach to business and operational risks without jeopardising the necessary returns. Subsequent steps after a gap analysis are aimed at the gradual implementation of the TCFD (Task Force on Climate-related Financial Disclosure) recommendations. This is intended to evaluate the effects of climate change on our business model and to enhance the resilience of our business strategy.

GRI 102-11 The Executive Board of OeKB employs a comprehensive management system to ensure the long-term success of the Group, transparent management, and compliance with the due diligence obligations. The OeKB bank group has a comprehensive system of internal guidelines that enables the Executive Board of OeKB to manage Group-level risks and risks at the level of OeKB AG as an individual company.

Top level: The policies and guidelines adopted by the Executive Board of OeKB. These include the following guidelines that are binding for OeKB, OeEB, and OeKB CSD: business policy and strategy, risk policy and strategy, Code of Conduct, Fit & Proper policy, group guidelines for preventing money laundering and terrorist financing, and the remuneration policy principles.

Middle level: The guidelines created by the downstream organisational units that are responsible for risk management as needed on the basis of the top-level policies and guidelines.

Bottom level: The work instructions, standard operating procedures, and method and process documentation that are derived from the adopted guidelines and policies, which are generally under the responsibility of the department heads.

The management bodies of the companies in the OeKB bank group ensure the implementation of the guidelines of the OeKB bank group in their areas of responsibility depending on their scope of application.

Policies

The OeKB bank group has adopted its own policies on socially relevant topics. These reflect our attitude and standards of behaviour, which are adhered to by management and all employees in day-to-day business.

The sustainability policy of the OeKB bank group reflects our responsibility for the positive development of the economy over the long term and for our stakeholders within and outside of the Group. It is submitted to the Executive Board once per year as part of the management assessment and is adapted when needed.

GRI 102-15
Read more about
Risk Management
in the chapter
[Corporate
Governance.](#)

GRI 102-14, 16
GRI 201-2
GRI 412-2, 3
FS1

Our Sustainability
and Human rights
policies are available
on [OeKB's website.](#)

The human rights policy breaks down the articles of the Universal Declaration of Human Rights at the company level and specifies how each article is to be implemented in practice in the OeKB bank group.

The climate policy stipulates that adequate measures be taken in all business processes aimed at a sustainable climate policy and therefore at a reduction in CO₂ emissions. It applies to all OeKB bank group companies that are EMAS registered and certified.

Additional information on our Gender and diversity policy, Risk policy and Remuneration policy can be found in the chapter [To help employees advance](#).

Our gender and diversity policy states: We understand diversity to mean the commonalities and differences that we at the OeKB bank group encounter in our markets, with our customers, and with our employees. Diversity stands for a central conviction of the OeKB bank group: sincere respect, open dealings, and using our diversity to our advantage.

We also have a communication policy and a donation and sponsoring policy. These set forth our principles of behaviour in dealing with the media, at public events, and when making donations and sponsoring arrangements.

Social responsibility with long term benefits

Many services of the OeKB bank group are socially relevant. Because of this, our Group bears special responsibility, which we also live up to through our sponsoring and donation activities.

Donations and sponsoring in the OeKB bank group

The sponsoring activities of the OeKB bank group generally involve activities related to our business, which allows the sponsoring to support our business, communication, and marketing objectives. It also improves the motivation of our employees and their identification with the OeKB bank group, and offers us an opportunity to strengthen our profile as an attractive employer for potential employees. Specific services to be provided in return are set out in writing and compliance is verified for each sponsoring activity.

We as the OeKB bank group donate to projects and organisations that focus on people and that are dedicated to ensuring that people can lead dignified lives with ample opportunity – regardless of their origin, ethnicity, or gender. When selecting projects, we attach particular importance to conformity with our corporate principles and sustainable benefits for society. Our donations are not tied to business goals and are not made in exchange for return consideration, but simply stipulate a purpose for which the funds must be used. Donations may be made only if the identity of the recipient and intended purpose are known. These may not be used to avoid external or internal regulations and must be fully documented for the sake of transparency.

We are certain that we can achieve the greatest impact when we set focuses for our sponsoring and charity activities. We thus decided in 2016 that our sponsoring and charity activities are to focus on SDGs 1, 4, and 8.

SDG 1 covers donations to charitable organisations that focus on reducing poverty in Austria and abroad, for example. In the area of high-quality education, SDG 4, we support organisations such as Teach for Austria and the START scholarship programme, which aim at providing education opportunities to all children, regardless of their background or education or the income level of their parents. Thanks to our corporate volunteering programme, we have been working even more closely with Teach for Austria and the START scholarship programme since 2019. Our support for a scholarship of the Ludwig Boltzmann Institute reflects our SDG 8 focus – decent work and economic growth.

Teach For Austria

OeKB has been supporting the Teach For Austria programme since 2016. This independent charitable initiative creates better education opportunities and prospects for children and youths from socio-economically disadvantaged families. By promoting education for pupils who are experiencing difficulties in school, Teach for Austria contributes to enabling every child to grow in accordance with his or her strengths.

One member of the OeKB Executive Board was also personally involved in the initiative and taught a biology class in one of the focus schools during the “Teach for Austria Week”. During this week, successful people from business, the government, and other pursuits inspire the pupils through their own stories and show what they can achieve through hard work and perseverance.

START scholarship programme

The vision and core idea of this support programme is an open and socially fluid society that provides equal opportunities and in which interculturality is perceived as an enrichment. START Austria makes a contribution to this as a sustainable initiative by assisting the educational path of talented students with a migration background and by promoting their social engagement. The scholarship programme has been implemented in Austria in collaboration with various cooperation partners since 2007. The OeKB bank group has been part of this cooperation partnership since 2018 and funded a scholarship in the amount of €5,000 in the 2019/20 academic year. We also donated a number of smaller prizes for the tombola that START held at the annual punch gathering at the Vienna Stock Exchange in 2019.

Corporate Volunteering

GRI 413-1

Corporate volunteering opens up new perspectives for employees by providing a glimpse of “other worlds” and by facilitating identification with OeKB as an employer that assumes comprehensive responsibility. Because corporate volunteering provides employees of a company the opportunity to engage in good causes during their working time. The OeKB bank group feels that its responsibility includes playing an active role as a shaper and educator for the sustainable development of our society. One element of this is the focused corporate volunteering programme, which went into the pilot phase in 2019. Alongside this social engagement, the OeKB bank group also places a strong focus on promoting employee loyalty through “shared values” and actively assuming social responsibility itself by helping to improve and enhance the social and other skills of its employees.

By participating in a corporate volunteering programme, the employees of the OeKB bank group have the opportunity to gain new perspectives and make a valuable contribution to our society during their working hours. They willingly contribute their working time, their professional expertise, and their personal experience in the name of the OeKB bank group and expand their own horizons.

We held two corporate volunteering events in 2019:

- **Geography and economics day with Teach for Austria**

Six employees of the OeKB bank group visited the third class at the modular Aspern – Eibengasse middle school in cooperation with Teach for Austria. Together with the roughly 25 pupils and the teacher, a Teach for Austria fellow, they held a project day in the subject of geography and economics. These volunteers assisted the pupils in preparing a presentation about a geographical region of Austria. The volunteers helped the groups conduct research on the Internet, helped them design a poster, and offered them tips on giving their presentation. The class members were well prepared and motivated to tackle the topic. The presentations were given to the class at the end of the project day.

▪ Workshop for START scholars

Fifteen of the young adults being assisted through the START scholarship programme learned about the activities and careers in the OeKB bank group during a workshop with Group employees. The scholars were given the opportunity to visit seven different stations in an informal setting and were able to discuss with employees the technical aspects of the different jobs and what a typical working day looks like. The scholars were also highly interested in the life paths of the employees and collected personal tips and tricks for the job hunt and successful interviews.



Employee volunteering

Volunteering has a long tradition in the OeKB bank group, as OeKB AG already seized the initiative in the 1980s and set up the charitable Christmas market on Freyung square in Vienna. The market is now organised by the association OeKB karitativ, which is run by employees of the OeKB bank group. Our employees and supporters of the association again served punch at the stand during the 2019 holiday season: in two-hour shifts, ten hours per day, seven days a week, for five weeks. Four of the five stands at the charitable Christmas market are available for social organisations, which can use the proceeds that they generate entirely for their charitable activities. OeKB karitativ covers the stand operating costs. The net earnings of the association are donated to specially selected non-profit projects.

Further employee commitment projects:

OeKB donates old OeKB BlackBerry devices to the *Ö3 Wundertüte* programme. Our employees support this programme by donating private mobile phones that they no longer use.

Employees who are volunteer members of fire brigades or other emergency services receive a limited period of special leave in the event of disasters (also for taking care of refugees). This is governed in a works agreement.

Our Staff Council holds a blood donation drive once per year.

Small groups of OeKB bank group employees also cooked at the *Gruft* shelter of *Caritas* and distributed the food to the homeless persons there twice in 2019. OeKB provided the food for this.

Review and outlook

Implementation of the programme of measures in 2019

To help business grow

We develop sustainable products and services to contribute to the sustainable operation of the OeKB bank group.

Objective	Measure	Progress report
Set up a Future Advisory Council as an element of stakeholder management to secure the acceptance of the OeKB bank group's mandate over the long term.	Create a concept for a Future Advisory Council and hold the first meeting.	The first future workshop on the topic of "Sustainable Development Goals and Sustainable Finance" was held in October 2019. The findings will be incorporated into the revision of the 2020 sustainability strategy.
Issue the first sustainable bond.	Create a sustainable bond framework targeted at a first issue in 2019.	A sustainable financing framework was drawn up and the first sustainable bond was issued in October 2019.
Expand the projects in the fields of renewable energy and climate protection.	Evaluate whether the extended terms according to the OECD sector agreement have led to an expansion and whether further measures are sensible.	Increased communication through our customer advisers, the OeKB website, and our newsletter was sensible. The communication is being continued.
The OeKB bank group makes an active contribution to sustainable finance.	Provide expertise for the technical working group of the European Commission for taxonomy.	OeKB was represented in a subgroup of the technical working group for the creation of the taxonomy by one of its employees, who contributed her technical expertise.
	Actively support research projects in the field of sustainable finance.	The RiskFinPorto research project was actively supported, as were further workshops and events on this topic.
Introduce a gender smart finance tool at OeEB.	Create a concept, conduct training, and develop a financing tool for gender-balanced financing through an external consultant.	Three training measures were conducted and the Gender Smart Finance product was developed for financial institutions. Gender equality was also incorporated into the environmental and social analysis and a technical assistance product was developed.
Measure and assess the contribution of the customers/projects to the protection of the environment and improvement of the social situation in the target countries.	Introduce the content and implement the technical aspects of the new Development Effectiveness Rating (DERa) for the projects of OeEB.	Final implementation and refinement of the Development Effectiveness Rating (DERa) tool, including the complete digitalisation of the environmental and social audit process for OeEB projects.

Operationalise an innovative new financing instrument for the BMF that mobilises investments of Austrian companies in Africa for the benefit of both sides.	Following the High-level Africa Forum in Vienna in December 2018, talks were initiated with the BMF about the concrete design of an Africa SME Investment Fund.	OeEB was commissioned by the BMF in 2019 to implement and manage the African-Austrian SME Investment Facility.
Mobilise private capital to finance SMEs and financial services providers in developing countries through an innovative partnership with a private Austrian bank.	Cooperate with a private Austrian bank to establish an impact fund that primarily invests in SMEs and financial inclusion funds in developing countries in parallel to OeEB. Talks began in 2018. Objective: first closing of the impact fund in 2019.	December 2019 saw the first closing of the Gutmann OeEB Impact Fund, the first private equity impact fund in Austria that arose from a cooperation between OeEB and Bank Gutmann. In addition to the financial return, the primary goal is improving the living conditions for people in developing and emerging countries.

To help drive innovation

We collect, prepare, assess, and market new possibilities. To this end, we build an environment and internal and external networks to cover this broad topic.

Objective	Measure	Progress report
Develop a value system and a new way of working in the OeKB bank group – Future Work.	<ul style="list-style-type: none"> ▪ Communicate the vision and mission for the OeKB bank group; ▪ Implement the prepared programme; ▪ Implement the Future Office pilot project; ▪ Depending on the results: roll out and/or adapt the Future Work criteria (2020). 	<p>The vision and mission statements were visualised and clearly communicated through various channels. Steps were taken to inspire the active application of the vision and mission statements in daily work.</p> <p>The Future Office pilot space was completed and occupied, and feedback was collected for further improvement. The roll-out was planned.</p>
Establish a cross-corporate initiative.	Joint organisation of the weXelerate Cross-Corporate Initiative to create the basis for exchange between companies on technical and industry topics.	weXelerate developed and expanded the Cross-Corporate Initiative programme throughout the year and closed the first cycle of presentations organised and held by corporate partners at the end of 2019. OeKB held a presentation and workshop on the topic of “HR of the future”. Feedback was collected and improvement suggestions drafted for implementation during the next cycle of the Cross-Corporate Initiative in 2020.
Digitalise securities to increase the efficiency of the capital market infrastructure.	Participate in the FinTech Advisory Committee to create a book-entry security law as the basis for the de-materialisation of transferable securities.	An amendment to the Securities Deposit Act has been formulated. It is likely to be implemented by the new government soon as the project is included in the government declaration. This will pave the way for the evidencing of rights to assets without paper when this is not necessary.
Improve the transparency, processes, and accessibility of our customer services and digitalise the relevant processes.	Develop a digital customer platform.	The base project was concluded in 2019, and the first follow-up project containing the initial implementation steps began in early 2020.

To help employees advance

We pay attention to the health of our employees, to a good work-life balance, and to imparting necessary know-how.

This will enable all of us to make a contribution to the sustainable success of the OeKB bank group.

Objective	Measure	Progress report
Joint target share of women on the Executive and Supervisory Boards of 30 per cent by 2020.	Persuade the shareholders.	Added to the gender and diversity policy as a strategic goal. As at 31 December 2019: <ul style="list-style-type: none"> ▪ OeKB bank group in total: 39 per cent ▪ OeKB: 35 per cent ▪ OeEB: 50 per cent ▪ OeKB CSD: 43 per cent
Improve health and productivity through an integrated safety and health management system.	Implement a company health concept and continue the promotion of sports and other activities that improve health. Conduct a spinal health campaign. Reorganise safety management with an eye to new forms of work and their health and safety effects.	The focus of occupational health management in 2019 was offering therapeutic yoga to employees through a physical therapist. The alkaline foods regimen is still on the menu, and around eight meat-free days were offered in the OeKB restaurant.
Increase the use of internal communication channels to disseminate socially and sustainability-relevant topics.	Promote dialogue between the subsidiaries and departments, for example in the form of a cross conference and open space events as part of the Future Work programme. Conduct online training on the topic of sustainability with an existing or new tool (possibly a gamification pilot).	The OeKB ThinkTank event, the first conference for OeKB Group employees, was held in October 2019. Online training in the subject of sustainability management and sustainable finance was created for OeKB bank group employees.
Implement a future talents promotion programme to identify and assist suitable candidates for expert and managerial positions at an early stage (at least 50 per cent women).	Create a concept and curriculum and identify future talents. Start of the first group with 12 to 15 candidates.	The future talents promotion programme was launched in February 2019, and the first three of six modules have already been completed. The first talents programme runs until May 2020.
Support the cultural transformation to promote identification with the future topics of the OeKB bank group. Achieve as high an employee participation rate as possible.	Hold a workshop series to identify concrete challenges in day-to-day work and develop solutions together.	The exchange of knowledge between employees is a key success factor. The Knowledge Coffee platform was launched to this end and is designed to preserve and disseminate know-how in the company.
Address the topic of and explore how to manage persons with mental or physical disabilities.	Hold workshop with MyAbility.	A management workshop was held with MyAbility.
Collect the missing statistics for employee training.	Add the OeEB training measures to the employee training statistics starting in 2019.	The figures were expanded to include OeEB training. However, the evaluation for 2019 revealed the need for improved data quality, and the figures will therefore be reported for the first time in 2020.

To help the environment flourish

We document and optimise the direct and indirect ecological impacts of our activities.

Objective	Measure	Progress report
Optimise the operational ecology process.	Include the company cars of the Executive Board members in the environmental statistics.	Was implemented in 2018 already.
	Implement an environmental data tool to improve the quality of the ecological statistics.	An environmental data tool was implemented.
Reduce non-recyclable waste.	Test new waste separation systems as part of the Future Office project.	A new waste separation system was introduced. The volume of non-recyclable waste generated in OeKB was reduced overall. The new waste separation system was added to the roll-out of the Future Office concept.
Reduce CO ₂ emissions by also compensating for the air travel of OeKB AG.	Select a project/partner to compensate for the air travel.	Two projects were selected to compensate for the distance travelled by air.
Further reduce the CO ₂ emissions of the company and fringe benefit cars.	Discuss and make a decision on hybrid or electric cars.	The evaluation of the company car policy is being discussed.
Reduce the power consumption at the Am Hof location by around 10 MW starting in 2020.	Reactivate the free-cooling system at the Am Hof location (after the renovation and sub-letting of space).	The free-cooling system was put back into operation in December 2019.

To help society succeed

We take an active role as a shaper and educator for the sustainable development of our society.

Objective	Measure	Progress report
Update the human rights policy for OeEB and the entire OeKB bank group based on the amendment to the Austrian Export Guarantees Act (AusfFG).	Update the human rights policy and communicate it internally and to external stakeholders.	The topic was discussed at the meetings of the environmental and social practitioners in the OECD and at the EHS practitioners workshop of the financial institutions (and development financial institutions – [E]DFIs). The results will be included in the update.
Create and implement a concept for financial literacy relating to the capital market.	Research implementation options (including digital solutions). Create implementation concept.	Contact has been established and a coordination meeting held with the individual responsible for financial literacy at the OeNB. The contacts with the OeNB and WBAG that are aimed at financial literacy will be continued. Joint activities with the Austrian Association of Share Issuers and Investors (<i>Aktienforum</i>) are also being considered. Financial literacy is also a focus of our corporate volunteering activities.

Evaluate a corporate volunteering (CoVo) programme for the OeKB bank group and implement by 2020.	<ul style="list-style-type: none"> Draw up a proposal for the most suitable CoVo form for the OeKB bank group (action day, time credit, partnership, etc.). Implement a CoVo pilot project, for example in combination with a future talents promotion programme or together with OeKB karitativ. Depending on the results: roll out and/or adapt the CoVo programme. 	A corporate volunteering concept was created and the first events held with the project partners Teach for Austria and the START scholarship programme. The next activities for 2020 have been planned.
Bolster the association OeKB karitativ.	<ul style="list-style-type: none"> Prepare best practices and lessons learned from the Christmas market. Actively contact associations for future activities. Identify further activities for the association. 	A stakeholder forum was held with the involved associations, adjacent markets, and the district authorities to identify potential for improvement, which was then partially implemented during the 2019 Christmas market. External communication about the Christmas market was intensified and the social benefits presented in a tangible manner.
Harmonise and update the Code of Conduct and the policies.	Revise the documents to create a harmonised Group-wide code; publish and internally communicate a common Code of Conduct for the OeKB bank group.	The revision process has begun with all relevant departments and companies in the OeKB bank group. Finalisation is planned for the end of Q1 2020.

 Done  In implementation

Sustainability programme 2020

To help business grow

FS 16 We develop sustainable products and services to contribute to the sustainable operation of the OeKB bank group.

Objective	Measure	Responsibility
Issue of further sustainability bonds.	Identify possibilities for the issue of further bonds under the Sustainable Financing Framework.	Organisation, Construction, Environmental Issues, and Security Treasury
Publish the allocation and impact report on the first sustainability bond.	Create and publish the allocation and impact report on the first sustainability bond.	Organisation, Construction, Environmental Issues, and Security Treasury
Consider green, social, and sustainability bonds in proprietary investments.	Allocate a portion of the proprietary investments to green, social, and sustainability bonds.	Treasury
Actively participate in sustainable finance initiatives.	Actively participate in the working groups relating to the Green Finance Agenda of the BMF and BMNT and further initiatives.	Organisation, Construction, Environmental Issues, and Security

REVIEW AND OUTLOOK

Update the sustainability strategy.	Prepare the sustainability strategy for 2021 to 2023.	Organisation, Construction, Environmental Issues, and Security
Integrate ÖHT into the sustainability management system.	Plan the steps for the integration of ÖHT into the sustainability management system of the OeKB bank group.	Organisation, Construction, Environmental Issues, and Security ÖHT
Implement the TCFD recommendations.	Complete a gap analysis and gradually implement the improvements recommended by TCFD.	Organisation, Construction, Environmental Issues, and Security Risk management
	Add the topic of climate risk to the risk policy.	Organisation, Construction, Environmental Issues, and Security Risk management
Expand the sustainability criteria in the categorisation data of Austrian funds.	Participate in the discussion process within VÖIG to explore the expansion of the categorisation data for Austrian funds to include sustainability criteria (EFAMA).	Capital Market Services
Implement the strategic focuses of OeEB.	Achieve 80 per cent of new business in the focus areas of renewable energy, financial inclusion, and infrastructure by 2023.	OeEB
	Invest an average of at least 40 per cent of new OeEB business in eligible climate-relevant projects in the period from 2019 to 2023.	OeEB
Improve the data relating to renewable energy.	Define and implement a method to document the CO ₂ emission savings in tonnes.	OeEB
Implement a gender action plan.	Adopt a multi-year gender action plan and begin its implementation.	OeEB
Update the human rights policy.	Formulate a position paper to account for human rights standards in the work of OeEB. A workshop with representatives from civil society is planned in this context.	OeEB
Draw up rules of conduct for a responsible corporate culture.	Formulate values and rules of conduct for a responsible corporate culture.	OeEB
Support young talents.	Support young talents through the co-financing of trainees in Uganda, Ethiopia, Kosovo, and Georgia in cooperation with the BMF, WKO, and ADA.	OeEB
IFC impact principles.	Certify the IFC impact principles to establish a market standard in the field of impact investing.	OeEB
Sustainable capital market.	Conduct discussions with Vienna Stock Exchange (WBAG) on the topic of a “sustainable stock exchange initiative” and potential cooperation projects in the field of sustainability management.	OeKB CSD Organisation, Construction, Environmental Issues, and Security

To help drive innovation

We collect, prepare, assess, and market new possibilities. To this end, we build an environment and internal and external networks to cover this broad topic.

Objective	Measure	Responsibility
Refine the feedback culture.	Collect feedback on sustainability management in the OeKB bank group through Loopline.	Organisation, Construction, Environmental Issues, and Security
Continue the Future Work process to implement new ways of working in the OeKB bank group.	Follow the four defined focuses for 2020: strategy, leadership, processes, and think tank. Hold a series of activities such as workshops, information events, and seminars. Continue the conversion of the office space in line with the Future Office concept.	Human Resources Innovation Management Marketing and Corporate Communications Organisation, Construction, Environmental Issues, and Security
Support cultural transformation.	Improve and continue the various measures launched in 2019 to support cultural transformation and promote knowledge exchange and networking.	Human Resources Innovation Management Marketing and Corporate Communications Organisation, Construction, Environmental Issues, and Security

To help employees advance

We pay attention to the health of our employees, to a good work-life balance, and to imparting necessary know-how. This will enable all of us to make a contribution to the sustainable success of the OeKB bank group.

Objective	Measure	Responsibility
Improve health and productivity through an integrated safety and health management system.	The physical therapist is offering courses such as “Give your back a break” in line with the motto of “sitting is the new smoking”. The physical therapist is also visiting workspaces to prevent poor posture. The menu in the OeKB restaurant will offer two meat-free days per month. We will offer a presentation in collaboration with the Austrian Traffic Safety Board (<i>Kuratorium für Verkehrssicherheit</i>) to promote a higher level of concentration when driving.	Human Resources Organisation, Construction, Environmental Issues, and Security
Increase the use of internal communication channels to disseminate business- and sustainability-relevant topics.	Organise the OeKB ThinkTank event as a conference for OeKB Group employees.	Human Resources Innovation Management Organisation, Construction, Environmental Issues, and Security

REVIEW AND OUTLOOK

	> <i>Blick Voraus!</i> (Look ahead!) video category The Executive Board updates employees regularly about current business developments and strategy issues via video messages and answers employee questions by video.	Marketing and Corporate Communications
	Announce the revised Code of Conduct to the employees through various internal communication channels such as a " <i>Frühstück mit Weitblick</i> " breakfast and online training.	Organisation, Construction, Environmental Issues, and Security
	Organise internal events to sensitise employees to working with persons with disabilities.	Human Resources
Integrate persons with disabilities.	Plan internships for persons with disabilities.	Human Resources
Refine the diversity management framework.	Develop a concept to refine the diversity management framework in the OeKB bank group.	Human Resources Organisation, Construction, Environmental Issues, and Security
	Assess cooperation possibilities with organisations focusing on the integration of persons with disabilities.	Human Resources

To help the environment flourish

We document and optimise the direct and indirect ecological impacts of our activities.

Objective	Measure	Responsibility
Hold green events.	Promote the holding of green events.	Marketing and Corporate Communications Organisation, Construction, Environmental Issues, and Security
	Provide information on the holding of green events and the relevant infrastructure to outside renters of Reitersaal hall.	Organisation, Construction, Environmental Issues, and Security
Sustainable procurement.	Implement measures to raise awareness among purchasing agents in the OeKB bank group.	Organisation, Construction, Environmental Issues, and Security
Reduce non-recyclable waste.	Complete a pilot project with <i>Hut & Stiel</i> to use coffee grounds to grow mushrooms.	Organisation, Construction, Environmental Issues, and Security
Reduce CO ₂ emissions through compensation.	Evaluate how OeKB could become CO ₂ neutral.	Organisation, Construction, Environmental Issues, and Security

REVIEW AND OUTLOOK

Reduce the power consumption at the Am Hof location by around 10 MW starting in 2020.	Evaluate whether the reconnection of the free-cooling system at Am Hof brought the desired reduction in energy consumption.	Organisation, Construction, Environmental Issues, and Security
Optimise the operational ecology process.	Ensure continuous data improvement.	Organisation, Construction, Environmental Issues, and Security
Create and expand awareness.	Raise awareness among OeKB CSD employees for the specific environmental data and sustainability measures at OeKB CSD during a OeKB CSD informational breakfast.	OeKB CSD Organisation, Construction, Environmental Issues, and Security

To help society succeed

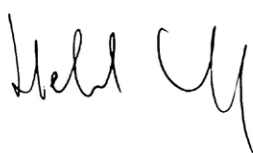
We take an active role as a shaper and educator for the sustainable development of our society.

Objective	Measure	Responsibility
Continue the corporate volunteering programme.	Intensify the collaboration with Teach for Austria and the START scholarship programme under the framework of the corporate volunteering programme.	Human Resources Organisation, Construction, Environmental Issues, and Security
Bolster the association OeKB karitativ.	Evaluate improvement measures and the Christmas market and initiate further changes.	OeKB karitativ

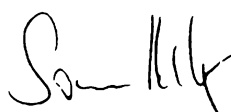
Vienna, 30 March 2020

Oesterreichische Kontrollbank Aktiengesellschaft

Executive Board



Mag. Helmut Bernkopf



Mag. Angelika Sommer-Hemetsberger




GRI-Index

GRI 102-54, 55 This report has been prepared in accordance with the GRI Standards: Comprehensive Option.

The following table provides an overview of how the reporting requirements for the GRI indicators were treated in the report and where the disclosures can be found.

The sustainability report also serves as a progress report for the UN Global Compact (UNGC) and satisfies the high standards required for its Advanced Level.

The content index provides an overview of where disclosures can be found about the measures employed to implement the UNGC and the outcomes of these measures.

-  material
-  not material, but reported
-  not material

The ten principles of the UN Global Compact

Principle 01: Human rights – Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 02: Human rights – Businesses should make sure that they are not complicit in human rights abuses.

Principle 03: Labour – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 04: Labour – Businesses should uphold the elimination of all forms of forced and compulsory labour.

Principle 05: Labour – Businesses should uphold the effective abolition of child labour.

Principle 06: Labour – Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Principle 07: Environment – Businesses should support a precautionary approach to environmental challenges.

Principle 08: Environment – Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 09: Environment – Businesses should encourage the development and diffusion of environmentally friendly technologies.

Principle 10: Anti-corruption – Businesses should work against corruption in all its forms, including extortion and bribery.

GRI 101 Foundation 2016

General Disclosures

GRI 102: General Disclosures 2016	Organizational profile	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	102-1 Name of the organization	About the report OeKB Group			6;10
	102-2 Activities, brands, products, and services	OeKB Group Business model of the OeKB bank group and material shareholdings Export Services Development Financing Capital Market Services OeKB CSD GmbH Energy Market Services Sustainable finance		Principle 01 Principle 02 Principle 04 Principle 05 Principle 06 Principle 07	10;12f; 40f;45ff; 51ff;54f 56f
	102-3 Location of headquarters	OeKB Group Publication information			10
	102-4 Location of operations	Ecological key indicators			84
	102-5 Ownership and legal form	OeKB Group Shareholders and share capital of OeKB AG			10;11
	102-6 Markets served	Business model of the OeKB bank group and material shareholdings To help business grow Export Services Development Financing Capital Market Services OeKB CSD GmbH Energy Market Services Reported in detail in the 2019 Export Services annual report.			12f;38; 40;45ff; 51ff;54f; 56f
	102-7 Scale of the organization	Development Financing To help employees advance Reported in detail in the 2019 annual financial report.			45;67f
	102-8 Information on employees and other workers	Development Financing To help employees advance	SDG 8.5 SDG 10.3	Principle 06	50;67ff
	102-9 Supply chain	Effects of the business model on environmental and social issues The OeKB bank group also assesses its suppliers in terms of their sustainability. A pre-screening is generally conducted for the acquisition of new fixtures, fittings, equipment, and working materials. The Sustainable Procurement in OeKB criteria catalogue contains all the principles that must be taken into account from a sustainability perspective in procurement in addition to the general commercial purchasing terms. In addition to measurable criteria (power consumption, share of recyclable components, etc.), certificates and (product) quality seals are also taken into account for all product groups in this. The OeKB bank group purchases no products that contain PVC and prefers renewable, recyclable, repairable, regional products and providers that orient their actions towards social criteria as defined in the UN Global Compact.		Principle 02 Principle 04 Principle 05 Principle 09	18
	102-10 Significant changes to the organization and its supply chain	Preface by the Executive Board and Management There were no significant changes in the supply chain.			8f
	102-11 Precautionary Principle or approach	OeKB Group Export Services Business ethics Risk management and internal control system		Principle 01 Principle 02 Principle 03 Principle 06 Principle 07	10;41ff; 90;94
	102-12 External initiatives	About the report Social responsibility with long-term benefits			6
	102-13 Membership of associations	Dialogue with civil society Networks and memberships			31ff
	Strategy	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	102-14 Statement from senior decision-maker	Preface by the Supervisory Board of OeKB AG Preface by the Executive Board and Management Policies			7;8; 94
	102-15 Key impacts, risks, and opportunities	Preface by the Executive Board and Management Materiality matrix To help business grow Sustainable finance To help drive innovation To help employees advance To help the environment flourish To help society succeed Business ethics Risk management and internal control system			8f;20; 38;61ff; 65;78; 87;94
	Ethics and integrity	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	102-16 Values, principles, standards, and norms of behavior	Compliance and legal requirements Business ethics Policies	SDG 16.3	Principle 01 Principle 02 Principle 03 Principle 04 Principle 05 Principle 06 Principle 07 Principle 10	91;94f
	102-17 Mechanisms for advice and concerns about ethics	Dialogue with civil society Business ethics	SDG 16.3	Principle 10	31f

Governance	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
102-18 Governance structure	Corporate governance			88ff
102-19 Delegating authority	Sustainability management			37
102-20 Executive-level responsibility for economic, environmental, and social topics	Sustainability management			37
102-21 Consulting stakeholders on economic, environmental, and social topics	Stakeholder relations and dialogue Dialogue with civil society	SDG 16.7		27ff;31
102-22 Composition of the highest governance body and its committees	Corporate governance The detailed composition of the Supervisory Board, the Staff Council, and the state committee can be found in the 2019 annual financial report.	SDG 5.5 SDG 16.7		88ff
102-23 Chair of the highest governance body	Corporate governance	SDG 16.6		88ff
102-24 Nominating and selecting the highest governance body	Corporate governance	SDG 5.5 SDG 16.7		88ff
102-25 Conflicts of interest	Corporate governance	SDG 16.6		88ff
102-26 Role of highest governance body in setting purpose, values, and strategy	Preface by the Supervisory Board Sustainability management Corporate governance			7;37; 88
102-27 Collective knowledge of highest governance body	Materiality analysis Sustainability management			20;37
102-28 Evaluating the highest governance body's performance	Preface by the Supervisory Board Sustainability management Corporate governance			7;37; 88
102-29 Identifying and managing economic, environmental, and social impacts	Materiality analysis Export Services Development Financing Risk management and internal control system	SDG 16.7		20ff;41ff; 45ff;90f
102-30 Effectiveness of risk management processes	Risk management and internal control system			90f
102-31 Review of economic, environmental, and social topics	Sustainability management Export Services Development Financing Corporate governance Risk management and internal control system			37;41ff; 45ff;90
102-32 Highest governance body's role in sustainability reporting	The Executive Board and senior managers review and approve the sustainability report and ensure that the identified material topics have been addressed.			
102-33 Communicating critical concerns	Dialogue with civil society Business ethics The Austrian Stock Corporation Act stipulates the reporting obligations of the Executive Board to the highest governance body, in other words to its Supervisory Board. Ad hoc meetings can be held in addition to the legally mandated quarterly Supervisory Board meetings. No additional meetings of the Supervisory Boards of OeKB AG, OeKB CSD, or OeEB were needed in 2019 aside from the mandatory meetings.			31f;93
102-34 Nature and total number of critical concerns	Business ethics			93
102-35 Remuneration policies	Gender equality and diversity Remuneration policy Corporate governance			72ff;88
102-36 Process for determining remuneration	Gender equality and diversity Remuneration policy Corporate governance			72ff;88
102-37 Stakeholders' involvement in remuneration	Gender equality and diversity Remuneration policy Corporate governance	SDG 16.7		72ff;88
102-38 Annual total compensation ratio	Ratio of compensation to highest-paid individual : median of all salaries – confidential.			
102-39 Percentage increase in annual total compensation ratio	Percentage increase in the compensation to the highest-paid individual : median of compensation for all employees – confidential.			
Stakeholder engagement	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
102-40 List of stakeholder groups	Materiality analysis Stakeholder relations and dialogue			20;27ff
102-41 Collective bargaining agreements	All employees are subject to the collective bargaining agreement for the banking industry.	SDG 8.8	Principle 03	
102-42 Identifying and selecting stakeholders	Materiality analysis Stakeholder relations and dialogue			20;27ff
102-43 Approach to stakeholder engagement	Materiality analysis Stakeholder relations and dialogue			20;27ff
102-44 Key topics and concerns raised	Materiality analysis Stakeholder relations and dialogue			20;27ff

	Reporting practice	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	102-45 Entities included in the consolidated financial statements	OeKB Group			10
	102-46 Defining report content and topic Boundaries	Materiality analysis			20ff
	102-47 List of material topics	Materiality analysis			20ff
	102-48 Restatements of information	Materiality analysis			20
	102-49 Changes in reporting	Materiality analysis			20
	102-50 Reporting period	About the report			6
	102-51 Date of most recent report	About the report			6
	102-52 Reporting cycle	About the report			6
	102-53 Contact point for questions regarding the report	About the report			6
	102-54 Claims of reporting in accordance with the GRI Standards	About the report GRI content index			6;107
	102-55 GRI content index	GRI content index			107ff
	102-56 External assurance	Audit certificate			119f

Material topics

	Management approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
GRI 103: Management Approach 2016 Material topic: Infrastructure for the capital market and energy market	103-1 Explanation of the material topic and its Boundary	Business model of the OeKB bank group and material shareholdings To help business grow			12ff;38f
	103-2 The management approach and its components	Capital Market Services OeKB CSD GmbH Energy Market Services			51;54; 56
	103-3 Evaluation of the management approach	Capital Market Services OeKB CSD GmbH Energy Market Services			51;54; 56

	Management approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
GRI 103: Management Approach 2016 Material topic: Customer satisfaction	103-1 Explanation of the material topic and its Boundary	Customer satisfaction and customer care			29f
	103-2 The management approach and its components	Customer satisfaction and customer care			29f
	103-3 Evaluation of the management approach	Customer satisfaction and customer care			29f

	Management approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
GRI 103: Management Approach 2016 Material topic: Innovation and digitalisation	103-1 Explanation of the material topic and its Boundary	To help drive innovation			61
	103-2 The management approach and its components	To help drive innovation			61
	103-3 Evaluation of the management approach	To help drive innovation			61

	Management approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
GRI 103: Management Approach 2016 Material topic: Responsible financing and investment	103-1 Explanation of the material topic and its Boundary	To help business grow Sustainable Finance			38f
	103-2 The management approach and its components	To help business grow Sustainable Finance			38f
	103-3 Evaluation of the management approach	To help business grow Sustainable Finance			38f

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	Economic standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
GRI 201: Economic Performance 2016 Material topic: Financial stability	103-1 Explanation of the material topic and its Boundary	To help business grow			38f
	103-2 The management approach and its components	To help business grow			38f
	103-3 Evaluation of the management approach	Sustainability management To help business grow Risk management and internal control system			37ff
	201-1 Direct economic value generated and distributed	Highlights Business model of the OeKB bank group and material shareholdings Reported in detail in the 2019 annual financial report.	SDG 8.1 SDG 8.2 SDG 9.1 SDG 9.4 SDG 9.5		2;12
	201-2 Financial implications and other risks and opportunities due to climate change	To help business grow Development Financing Policies	SDG 13.1		38f;45; 94
	201-3 Defined benefit plan obligations and other retirement plans	Contributions are paid into an umbrella pension fund for all employees based on the collective pension fund agreement.			
	201-4 Financial assistance received from government	There were no public subsidies for construction measures or for the training of employees in 2019.			
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Entry level wages are governed by the collective bargaining agreement for the banking industry, which covers all employees of the OeKB bank group.	SDG 1.2 SDG 5.1 SDG 8.5	Principle 06	
	202-2 Proportion of senior management hired from the local community		SDG 8.5		
GRI 203: Indirect Economic Impacts 2016 Material topic: Enabling entrepreneurship and growth	103-1 Explanation of the material topic and its Boundary	To help business grow			38f
	103-2 The management approach and its components	To help business grow			38f
	103-3 Evaluation of the management approach	Sustainability management To help business grow			37ff
	203-1 Infrastructure investments and services supported	To help business grow Export Services Development Financing	SDG 5.4 SDG 9.1 SDG 9.4 SDG 11.2	Principle 07	39ff;45
	203-2 Significant indirect economic impacts	Business model of the OeKB bank group and material shareholdings To help business grow Export Services Protecting against credit default risks Development Financing Capital Market Services Energy Market Services Sustainable finance	SDG 1.2 SDG 3.8 SDG 8.2 SDG 8.3 SDG 8.5		12ff;39ff; 45;51; 56;58ff
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers		SDG 8.3		
GRI 205: Anti-corruption 2016 Material topic: Human rights, compliance, and business ethics	103-1 Explanation of the material topic and its Boundary	To help society succeed			87
	103-2 The management approach and its components	To help society succeed			87
	103-3 Evaluation of the management approach	Sustainability management To help society succeed			37;87
	205-1 Operations assessed for risks related to corruption	Protecting against credit default risks Corruption risk in Export Services is assessed based on the implementation of the OECD Recommendations on Bribery and the provisions of Austrian criminal law. Regular information relating to criminal law is provided to all employees in writing, and OECD-specific information is also provided regularly to employees involved with export guarantees.	SDG 16.5	Principle 10	43f
	205-2 Communication and training about anti-corruption policies and procedures	Compliance and legal requirements	SDG 16.5	Principle 10	91f
	205-3 Confirmed incidents of corruption and actions taken	No violations are known.	SDG 16.5	Principle 10	

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GRI 206: Anti-competitive Behavior 2016	Economic standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions for anti-competitive behaviour, anti-trust, or monopoly practices are known.	SDG 16.3		

GRI 301: Materials 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	301-1 Materials used by weight or volume	Ecological key indicators	SDG 8.4 SDG 12.2	Principle 07 Principle 08 Principle 09	85
	301-2 Recycled input materials used	Ecological key indicators	SDG 8.4 SDG 12.2 SDG 12.5	Principle 07 Principle 08 Principle 09	85
	301-3 Reclaimed products and their packaging materials	Not applicable: Because the business activities consist of the provision of services in the financial industry, there are no reclaimed products or packaging materials.	SDG 8.4 SDG 12.2 SDG 12.5		

GRI 302: Energy 2016 Material topic: Operational ecology	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	103-1 Explanation of the material topic and its Boundary	To help the environment flourish			78
	103-2 The management approach and its components	To help the environment flourish			78
	103-3 Evaluation of the management approach	Sustainability management To help the environment flourish			37;78
	302-1 Energy consumption within the organization	Energy management Ecological key indicators	SDG 7.2 SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	Principle 07 Principle 08 Principle 09	79ff;85
	302-2 Energy consumption outside of the organization	Energy management Ecological key indicators	SDG 7.2 SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	Principle 07 Principle 08 Principle 09	79ff;85
	302-3 Energy intensity	Energy management Ecological key indicators	SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	Principle 07 Principle 08 Principle 09	85
	302-4 Reduction of energy consumption	Energy management Ecological key indicators	SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1	Principle 07 Principle 08 Principle 09	79ff;85
	302-5 Reductions in energy requirements of products and services	Not applicable due to the nature of the activities in the financial services sector.	SDG 7.3 SDG 8.4 SDG 12.2 SDG 13.1		

GRI 303: Water 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	303-1 Water withdrawal by source	Ecological key indicators The total water consumption for the Strauchgasse and Am Hof sites in 2019 came to 5,759,000 litres (2018: 5,805,000 litres).	SDG 6.4	Principle 07 Principle 08	85
	303-2 Water sources significantly affected by withdrawal of water	Not applicable: Due to the location of the site and the nature of the activities as a service provider, no water sources are significantly affected by the withdrawal of water.	SDG 6.4		
	303-3 Water recycled and reused	Not applicable: Due to the location of the site and the nature of the activities as a service provider, the recycling and reuse of water is not sensible.	SDG 6.3 SDG 6.4 SDG 8.4 SDG 12.2		

GRI 304: Biodiversity 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable: The sites are not located in such areas.	SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5		
	304-2 Significant impacts of activities, products, and services on biodiversity	Environmental and social aspects The impacts on biodiversity are assessed as part of the environmental and social audits. OeEB invested USD 25 million in the eco.business Fund – Sub-Fund I in September 2017. This investment was increased by a further USD 25 million in November 2019. The objective of the fund is to maintain biodiversity and promote the sustainable use of natural resources in Latin America.	SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5	Principle 07	41ff
	304-3 Habitats protected or restored	Not applicable: There are no protected or restored habitats.	SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Environmental and social aspects The impacts on biodiversity are assessed as part of the environmental and social audits.	SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5	Principle 07	41ff

GRI 305: Emissions 2016 Material topic: Operational ecology	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	103-1 Explanation of the material topic and its Boundary	To help the environment flourish			78
	103-2 The management approach and its components	To help the environment flourish			78
	103-3 Evaluation of the management approach	Sustainability management To help the environment flourish			37;78
	305-1 Direct (Scope 1) GHG emissions	Energy management	SDG 3.9 SDG 12.4 SDG 13.1 SDG 14.3 SDG 15.2	Principle 07 Principle 08 Principle 09	79;82
	305-2 Energy indirect (Scope 2) GHG emissions	Energy management	SDG 3.9 SDG 12.4 SDG 13.1 SDG 14.3 SDG 15.2	Principle 07 Principle 08 Principle 09	79;82
	305-3 Other indirect (Scope 3) GHG emissions	Energy management	SDG 3.9 SDG 12.4 SDG 13.1 SDG 14.3 SDG 15.2	Principle 07 Principle 08 Principle 09	79;82
	305-4 GHG emissions intensity	Energy management	SDG 13.1 SDG 14.3 SDG 15.2	Principle 07 Principle 08 Principle 09	79;82
	305-5 Reduction of GHG emissions	Energy management	SDG 13.1 SDG 14.3 SDG 15.2	Principle 07 Principle 08 Principle 09	79;82
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable: Because of the nature of the activities as a service provider, there are no emissions of ozone-depleting substances.	SDG 3.9 SDG 12.4		
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Not applicable: Because of the nature of the activities as a service provider, there are no relevant emissions.	SDG 3.9 SDG 12.4 SDG 14.3 SDG 15.2		

GRI 306: Effluents and Waste 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	306-1 Water discharge by quality and destination	Because of the site location and the activities as a service provider, water is only discharged into the public sewage system and the quality requirements are complied with in all cases.	SDG 3.9 SDG 6.3 SDG 6.4 SDG 6.6 SDG 12.4 SDG 14.1		
	306-2 Waste by type and disposal method	Ecological key indicators The employees at Am Hof have been included in the collection of the waste statistics for paper, glass, plastic, metal, and non-recyclable waste since 2018. The volumes attributable to the tenants in the Strauchgasse building were deducted from these figures. The waste generated in the employee restaurant has been included in these figures since 2016. This waste is disposed of separately. All hazardous waste is disposed of in compliance with statutory requirements. Every batch of waste handed over for processing is documented using a stamped and signed certificate. All of these data are recorded in Excel. The total cost of waste disposal amounted to € 32,237 in 2019. Construction work generated 76,650 kg of waste in 2019 (2018: 150,928 kg).	SDG 3.9 SDG 6.3 SDG 12.4 SDG 12.5	Principle 07 Principle 08	85
	306-3 Significant spills	Not applicable: Because of the nature of the activities as a service provider, there were no spills of hazardous substances.	SDG 3.9 SDG 6.3 SDG 6.6 SDG 12.4 SDG 14.1 SDG 15.1		
	306-4 Transport of hazardous waste	Not applicable: The OeKB bank group does not transport hazardous waste.	SDG 3.9 SDG 12.4		
	306-5 Water bodies affected by water discharges and/or runoff	Not applicable: The waste water corresponds to that of a typical service business and is discharged through the public sewage system.	SDG 6.6 SDG 14.2 SDG 15.1 SDG 15.5		

GRI 307: Environmental Compliance 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	307-1 Non-compliance with environmental laws and regulations	In 2019, as in previous years, no breaches of environmental law are known that resulted in legal action.	SDG 16.3	Principle 07 Principle 08	

GRI 308: Supplier Environmental Assessment 2016	Environmental standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	308-1 New suppliers that were screened using environmental criteria	The screening procedure for new suppliers is being set up. All current material suppliers are assessed according to sustainability criteria.		Principle 07 Principle 08 Principle 09	
	308-2 Negative environmental impacts in the supply chain and actions taken	There are no substantial actual or potential negative environmental impacts in the supply chain or related actions taken.		Principle 07 Principle 08 Principle 09	

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GRI 401: Employment 2016 Material topic: Employees and diversity	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	103-1 Explanation of the material topic and its Boundary	To help employees advance			65
	103-2 The management approach and its components	To help employees advance			65
	103-3 Evaluation of the management approach	Sustainability management To help employees advance			37;65
	401-1 New employee hires and employee turnover	To help employees advance Competencies	SDG 5.1 SDG 8.5 SDG 8.6	Principle 06	65;68f
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	To help employees advance Competencies All benefits are available in full to part-time employees of OeKB, as well. The subsidiaries are only covered by the voluntary benefits in part. The benefits primarily consist of: Inclusion in the pension fund solution, occupational medical services, collective accident insurance, offer of supplementary medical insurance, daycare centre, and the employee assistance programme.	SDG 3.2 SDG 5.4 SDG 8.5	Principle 06	65f;69
	401-3 Parental leave	Our promise as an employer Employee statistics	SDG 5.1 SDG 5.4 SDG 8.5	Principle 01 Principle 06	66;69

GRI 402: Labor/Management Relations 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	402-1 Minimum notice periods regarding operational changes	Employee representation Because the Staff Council is represented on the Supervisory Board, the Staff Council has comprehensive information about the ongoing business operations at all times.	SDG 8.8	Principle 03	75

GRI 403: Occupational Health and Safety 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	403-1 Workers representation in formal joint management-worker health and safety committees	The Work Safety Committee consists of 14 persons, one of whom is an external occupational physician and one an external safety expert.	SDG 8.8		
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	There were five accidents during travel to and from work or travel for business purposes and two work accidents in the OeKB bank group in 2019.	SDG 3.3 SDG 3.9 SDG 8.8		
	403-3 Workers with high incidence or high risk of diseases related to their occupation	All workstations are regularly inspected by trained safety experts and occupational physicians with regard to potential for the development of disease in accordance with the Labour Protection Act. This enables us to ensure ergonomically sound workstations to a great extent. The increased consideration of psychological factors required by the law as of 1 January 2013 has been implemented for all employees.	SDG 3.3 SDG 3.9 SDG 8.8		
	403-4 Health and safety topics covered in formal agreements with trade unions	There are no health and safety topics covered in formal agreements with trade unions.			

GRI 404: Training and Education 2016 Material topic: Employees and diversity	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	103-1 Explanation of the material topic and its Boundary	To help employees advance			65
	103-2 The management approach and its components	To help employees advance			65
	103-3 Evaluation of the management approach	To help employees advance Sustainability management			37;65
	404-1 Average hours of training per year per employee	Competencies	SDG 4.3 SDG 4.4 SDG 4.5 SDG 5.1 SDG 8.2 SDG 8.5 SDG 10.3	Principle 06	70f
	404-2 Programs for upgrading employee skills and transition assistance programs	Competence If needed, we offer support in career transitions outside of the company in the form of outplacement consulting for reorientation and relevant vocational training. Our employees can access coaching and assistance in all professional and private matters through our Employee Assistance Programme.	SDG 8.2 SDG 8.5	Principle 06	70f
	404-3 Percentage of employees receiving regular performance and career development reviews	All employees have at least one performance review with their immediate supervisor every year.	SDG 5.1 SDG 8.5 SDG 10.3	Principle 06	70f

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GRI 405: Diversity and Equal Opportunity 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Employees and diversity	103-1 Explanation of the material topic and its Boundary	To help employees advance			65
	103-2 The management approach and its components	To help employees advance			65
	103-3 Evaluation of the management approach	To help employees advance Gender equality and diversity			65;72
	405-1 Diversity of governance bodies and employees	Gender equality and diversity	SDG 5.1 SDG 5.5 SDG 8.5	Principle 06	72f
	405-2 Ratio of basic salary and remuneration of women to men	Gender equality and diversity	SDG 5.1 SDG 8.5 SDG 10.3	Principle 06	72f
GRI 406: Non-discrimination 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Employees and diversity	103-1 Explanation of the material topic and its Boundary	To help employees advance			65
	103-2 The management approach and its components	To help employees advance			65
	103-3 Evaluation of the management approach	To help employees advance Gender equality and diversity			65;72
	406-1 Incidents of discrimination and corrective actions taken	There were no known incidents in the reporting period.	SDG 5.1 SDG 8.8	Principle 06	
GRI 407: Freedom of Association and Collective Bargaining 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The right to collective bargaining is legally guaranteed in Austria. The OeKB bank group has a Staff Council.	SDG 8.8	Principle 03	
GRI 408: Child Labor 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	408-1 Operations and suppliers at significant risk for incidents of child labor	Not applicable: Because of the site location and the activities as a service provider, there are no suppliers at risk of incidents of child labour.	SDG 8.7 SDG 16.2	Principle 05	
GRI 409: Forced or Compulsory Labor 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable: Because of the site location and the activities as a service provider, there are no suppliers at risk of incidents of forced or compulsory labour.	SDG 8.7	Principle 04	
GRI 410: Security Practices 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	410-1 Security personnel trained in human rights policies or procedures	Not applicable: All security personnel are bound by clear instructions. They participate in regular training.	SDG 16.1	Principle 01	
GRI 411: Rights of Indigenous Peoples 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable: No incidents of violations involving rights of indigenous peoples are known. We assess the potential effects of projects on the local population in advance as part of our environmental and social audits.	SDG 2.3	Principle 01	
GRI 412: Human Rights Assessment 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Environmental and social auditing of projects	103-1 Explanation of the material topic and its Boundary	To help society succeed			87
	103-2 The management approach and its components	To help society succeed			87
	103-3 Evaluation of the management approach	Sustainability management To help society succeed			37;87
	412-1 Operations that have been subject to human rights reviews or impact assessments	Protecting against credit default risks Development Financing Human rights A separate human rights policy was defined for implementation in the Group. We assess the impacts on society and the environment as part of the provision of our services.		Principle 01 Principle 02	41ff;45ff; 88

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	412-2 Employee training on human rights policies or procedures	Protecting against credit default risks Policies Our employees regularly participate in events to remain up-to-date on changes in human rights standards. The topic of human rights was regularly discussed at the meetings of the OECD environmental and social practitioners and at the EDFI meetings. This knowledge is disseminated internally through various measures such as regular meetings and brown bag lunches.		Principle 01 Principle 02	41ff;94f
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Protecting against credit default risks Development Financing Policies All guarantee applications were screened for human rights aspects in 2019.		Principle 02	41ff;45ff; 94f

GRI 413: Local Communities 2016	Social standards	Sustainability report of the OeKB bank group	SDG Targete	UNGC	Page
Material topic: Environmental and social auditing of projects	103-1 Explanation of the material topic and its Boundary	To help business grow			38f
	103-2 The management approach and its components	To help business grow			38f
	103-3 Evaluation of the management approach	Sustainability management To help business grow			37ff
	413-1 Operations with local community engagement, impact assessments, and development programs	Materiality analysis Stakeholder relations and dialogue Dialogue with civil society Protecting against credit default risks Development Financing Social responsibility with long-term benefits			20ff;27ff; 31ff;40f; 45;96
	413-2 Operations with significant actual and potential negative impacts on local communities	Protecting against credit default risks Development Financing	SDG 1.4 SDG 2.3	Principle 01 Principle 02 Principle 07	40f;45ff

GRI 414: Supplier Social Assessment 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	414-1 New suppliers that were screened using social criteria		SDG 5.2 SDG 8.8 SDG 16.1		
	414-2 Negative social impacts in the supply chain and actions taken		SDG 5.2 SDG 8.8 SDG 16.1		

GRI 415: Public Policy 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	415-1 Political contributions	Not applicable: No contributions were made to political parties.	SDG 16.5	Principle 10	

GRI 416: Customer Health and Safety 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	416-1 Assessment of the health and safety impacts of product and service categories	Not applicable: We are not aware of any health or safety impacts from our services in the financial sector.			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Not applicable: We are not aware of any violations relating to health or safety impacts from our services in the financial sector.	SDG 16.3		

GRI 417: Marketing and Labeling 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
	417-1 Requirements for product and service information and labeling	The services are described in detail in the general terms and conditions.	SDG 12.8		
	417-2 Incidents of non-compliance concerning product and service information and labeling	The services are described in detail in the general terms and conditions.	SDG 16.3		
	417-3 Incidents of non-compliance concerning marketing communications	There was no known legal action relating to non-compliance with marketing regulations.	SDG 16.3		

GRI 418: Customer Privacy 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Human rights, compliance, and business ethics	103-1 Explanation of the material topic and its Boundary	To help society succeed			87
	103-2 The management approach and its components	To help society succeed			87

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	103-3 Evaluation of the management approach	To help society succeed			87
	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Compliance and legal requirements	SDG 16.3 SDG 16.10	Principle 01 Principle 02	91f

GRI 419: Socioeconomic Compliance 2016	Social standards	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Human rights, compliance, and business ethics	103-1 Explanation of the material topic and its Boundary	To help society succeed			87
	103-2 The management approach and its components	To help society succeed			87
	103-3 Evaluation of the management approach	To help society succeed			87
	419-1 Non-compliance with laws and regulations in the social and economic area	No charges were filed relating to non-compliance.	SDG 16.3		

Sector-specific performance indicators

A series of indicators was incorporated into the Disclosures on Management Approach (DMA) during the adaptation of the sector supplements to GRI G4.

This was accounted for in the following in that these indicators are now shown in brackets. The previous list has been maintained for better clarity.

	Aspect: Management approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Enabling entrepreneurship and growth	(FS 1) Corporate policies relating to environmental and social aspects in the individual business fields	Stakeholder relations and dialogue Policies			27; 94f
Material topic: Environmental and social auditing of projects	(FS 2) Procedures for analysing environmental and social risks in the business fields	Protecting against credit default risks Development Financing			41f;45
	(FS 3) Procedures for determining compliance with environmental and social standards in customer projects	Protecting against credit default risks Development Financing			41f;45
Material topic: Employees and diversity	(FS 4) Procedures for improving employee competence in the implementation of environmental and social policies	Competencies			70f
Material topic: Enabling entrepreneurship and growth	(FS 5) Interaction with customers, investors, and stakeholders regarding environmentally and socially relevant opportunities and risks	Business model of the OeKB bank group and material shareholdings Stakeholder relations and dialogue Dialogue with civil society Events			12ff;27ff; 31ff;33ff

	Aspect: Product portfolio	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Enabling entrepreneurship and growth	FS 6 Percentage breakdown of the portfolio of the business fields by region, size (such as micro/SME/large), and economic sector	Highlights Export Services Details can be found in the 2019 Export Services annual report			2;41
	FS 7 Internally developed services with social benefits	Development Financing			45ff
	FS 8 Internally developed services with environmental benefits	Development Financing			45ff

	Aspect: Product portfolio	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Environmental and social auditing of projects	FS 9 Scope and frequency of audits that assess the implementation of the environmental and social policies and the risk management procedures	Sustainability management Protecting against credit default risks Development Financing To help the environment flourish			37;40f; 49f;79

	Aspect: Active ownership approach	Sustainability report of the OeKB bank group	SDG targets	UNGC	Page
Material topic: Responsible financing and investment	FS 10 Percentage and number of companies in the portfolio of the organisation with which there were direct contacts regarding environmental and social aspects	Financing with a holistic view			39
Material topic: Environmental and social auditing of projects	FS 11 Share of the equity holdings that have been analysed on the basis of environmental and social aspects	Development Financing			45ff
Material topic: Responsible financing and investment	FS 12 Policies for the exercise of voting rights in relation to environmental and social aspects	Fully consolidated and equity-method holdings are included in the reporting. OeKB standards are followed for the energy clearing companies and interests in listed companies.			
	FS 13 Supply security of banking services in sparsely populated or economically disadvantaged regions	Development Financing			48
Material topic: Enabling entrepreneurship and growth	FS 14 Initiatives to improve access to banking services for persons with special needs	Development Financing			48
	FS 15 Policies for the fair development and sale of financial products and services	Development Financing			48
Material topic: Responsible financing and investment	FS 16 Initiatives to improve knowledge about financial products, by target group	Sustainable finance Sustainability programme 2020			58;102f

Independent Assurance

To the Management of
Oesterreichische Kontrollbank Aktiengesellschaft,
Oesterreichische Entwicklungsbank AG,
OeKB CSD GmbH
Vienna

Report about the Independent Assurance of the Non-financial Reporting 2019

Attention: This letter has been translated from German to English for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

We have performed a limited assurance engagement regarding the Sustainability Reporting 2019 (hereafter “Reporting”) in accordance with the requirements of the GRI Standards, Comprehensive Option of Oesterreichische Kontrollbank Aktiengesellschaft (hereafter „OeKB KI-Group“), Vienna. The Sustainability Reporting covers Oesterreichische Kontrollbank Aktiengesellschaft (OeKB) with the fully consolidated subsidiaries Oesterreichische Entwicklungsbank AG (OeEB) and OeKB CSD GmbH (OeKB CSD), called OeKB Kreditinstituts-Group (OeKB KI-Group).

The assurance engagement covers the Sustainability Reporting 2019 as follows:

“Sustainability Report 2019” concerning information in and references linked from the GR Content Index to sustainability disclosures and data for the reporting period 2019. The “EMAS Environmental Statement” is part of the Sustainability Report.

We base the scope of our assurance on the fact that no information relevant for the assurance is outsourced to the homepage.

Responsibilities of the Legal Representatives

OeKB KI-Group’s legal representatives are responsible for the proper compilation of the Sustainability Reporting 2019 in accordance with the GRI-Standards¹.

The legal representatives have signed the Letter of Representation, which we have added to our files.

Responsibilities of the Assurance Providers

Based on our assurance procedures deemed necessary, it is our responsibility to assess whether we have noted issues which cause us to believe, that in all material matters the Sustainability Reporting 2019 is not in accordance with the GRI-Standards.

Our assurance engagement has been conducted in accordance with the “International Federation of Accountants’ ISAE 3000 (Revised)” Standards.

Our professional duties include requirements in relation to our independence as well as planning our assurance engagement based on the materiality considerations in order to allow us to obtain a limited level of assurance.

¹ <https://www.globalreporting.org/standards>

According to the “General Conditions of Contract for the Public Accounting Professions” our liability is limited. An accountant is only liable for violating intentionally or by gross negligence the contractual duties and obligations entered into. In cases of gross negligence, the maximum liability towards the client and any third party together is EUR 726,730 in the aggregate.

Our procedures have been designed to obtain a limited level of assurance on which to base our conclusions. The extent of evidence gathering procedures performed is less than for that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

We have performed all the procedures deemed necessary to obtain the evidence that is sufficient and appropriate to provide a basis for our conclusions. Our main procedures were:

- Obtain an overview over the industry as well as the operational and organizational structure of the organization;
- Interview a selection of senior managers and executives to understand systems, processes and internal control procedures related to the content of the Sustainability Reporting assured, which support the data collection;
- Review relevant group level, board and executive documents to assess awareness and priority of issues in the Sustainability Reporting and to understand how progress is tracked and internal controls are implemented;
- Examine risk management and governance processes related to sustainability and critical evaluation of the disclosure in the Sustainability Reporting;
- Perform analytical procedures at group level;
- Perform site visits in Vienna (Strauchgasse 1-3) to obtain evidence on performance indicators. In addition, we reviewed data samples of the selected disclosures in the Sustainability Reporting at site level for completeness, reliability, accuracy and timeliness;
- Review data and processes on a sample basis to assess whether they have been collected, consolidated and reported appropriately at group level. This included obtaining an opinion whether the data had been reported in an accurate, reliable and complete manner;
- Review the coverage of material issues which have been raised in stakeholder dialogues, in media reports and environmental and social reports of peers;
- Evaluate the company’s materiality assessment, including sector specific megatrends and aspects of GRI;
- Assess completeness of UNGC reporting against the links with the „10 principles“ of the UNGC as outlined in the GRI guidelines;²
- Challenge a sample of statements and claims in the Sustainability Reporting against our work steps and the GRI Standards principles;
- Review whether the GRI Standards were consistently applied for the Comprehensive Option and
- Review whether the requirements of EMAS³ have been appropriately applied.

The objective of our engagement was neither a financial audit nor a financial audit review of past-oriented financial information. We did not perform any further assurance procedures on data, which were subject of the annual financial audit, the corporate governance report and the risk reporting. We merely checked this data was presented in accordance with the GRI Guidelines. Neither the detection and investigation of criminal offenses, such as embezzlement or other fraudulent actions, nor the assessment of effectiveness and efficiency of management were subject to our engagement. We did not test data derived from external surveys or prospective information. Our assurance engagement solely covers references directly specified in the GRI Content Index. It does not cover any further web references.

We submit this report based on our assurance engagement for which, also regarding third parties, the “General Conditions of Contract for the Public Accounting Professions”, are binding.

² <https://www.globalreporting.org/resource/library/UNGC-G4-linkage-publication.pdf>

³ REGULATION (EC) No 1221/2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), repealing Regulation (EC) No 761/2001 and Commission Decisions 2001/681/EC and 2006/193/EC, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32009R1221&qid=1548408230316&from=DE>

COMMISSION REGULATION (EU) 2017/1505 of 28 August 2017 amending Annexes I, II and III to Regulation (EC) No 1221/2009 of the European Parliament and of the Council on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1505&qid=1548408584918&from=DE>

Conclusion

Based on our assurance procedures we haven't noted any issues that causes us to believe that in all material matters the Sustainability Reporting 2019 is not in accordance with the GRI-Standards.

Vienna, 30 March 2020

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Stefan Uher

ppa. Dr. Christine Jasch

⁴ Version from 18 April 2018, published by the Chamber of Public Accountants, Chapter 7, http://www.kwt.or.at/PortalData/1/Resources/aab/AAB_2018_de.pdf

Environmental Verifier's Declaration On Verification And Validation Activities

Attention: This letter is for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. with EMAS environmental verifier registration number AT-V-0025 accredited for the scope 64.92-0 other credit granting declares to have verified whether the **OeKB – Oesterreichische Kontrollbank Aktiengesellschaft with its fully consolidated subsidiaries, Oesterreichische Entwicklungsbank AG (OeEB) and OeKB CSD GmbH (OeKB CSD), called OeKB Kreditinstituts-Group (OeKB KI-Group),** Strauchgasse 1-3, 1010 Vienna

as stated in the Sustainability Report 2019 meets all requirements of Regulation (EC) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 as amended to the Regulation (EU) No 2017/1505 on the voluntary participation by organizations in a Community eco-management and audit scheme (EMAS).

By signing this declaration, we declare that:

- the verification and validation has been carried out in full compliance with the requirements of Regulation (EC) No 1221/2009,
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with applicable legal requirements relating to the environment,
- the data and information of the environmental statement (as integrated part of the Sustainability Report) reflect a reliable, credible and correct image of all the activities, within the scope mentioned in the environmental statement

The next comprehensive Environmental Statement will be published for the reporting period 2021.

An updated Environmental Statement is published every year.

This document is not equivalent to EMAS registration. EMAS registration can only be granted by a Competent Body under Regulation (EC) No 1221/2009. This document shall not be used as a stand-alone piece of public communication.

Vienna, 30 March 2020

Mag. Stefan Uher

ppa. Dr. Christine Jasch

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. 1220 Wien, Wagramer Strasse 19, IZD Tower
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