



WHEN TRUST MATTERS



THE EXPORT-IMPORT BANK OF KOREA SUSTAINABLE FINANCE FRAMEWORK



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This statement is valid until the Framework provided in April 2023 remains unchanged.

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Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct¹ during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

¹ DNV Code of Conduct is available from DNV website (www.dnv.com)

DNV'S INDEPENDENT ASSESSMENT

Scope and Objectives

The Export-Import Bank of Korea ("KEXIM" or the "Bank")² is the official export credit agency of Korea established in 1976 with the mandate to facilitate the development of Korea's economy and enhance economic cooperation with foreign countries through the provision of a broad range of financial products. KEXIM's financial support is mainly related to export and import transactions, overseas investment projects and the development of overseas natural resources, ranging from project financing for large-scale projects to loans and guarantees for small and medium-sized enterprises ("SMEs").

KEXIM has developed the Sustainable Finance Framework (the "Framework") under which it intends to issue green, social or sustainability bonds, loans or any other debt-like instruments, and in doing so contribute to positive environmental and social impacts. KEXIM will use the proceeds to finance or refinance the Eligible Projects which meet its eligibility criteria.

DNV Business Assurance Korea Ltd. ("DNV")³ has been commissioned by KEXIM to review the Framework and provide a Second Party Opinion on the Framework in relation to alignment with Green Bond Principles 2021 (GBP),⁴ Social Bond Principles 2021 ("SBP"),⁵ and Sustainability Bond Guidelines 2021 ("SBG")⁶ published by the International Capital Market Association ("ICMA") and Green Loan Principles 2023 (GLP)⁷ and Social Loan Principles 2023 (SLP)⁸ published by Loan Market Association ("LMA"), Loan Syndications and Trading Association ("LSTA") and Asia Pacific Loan Market Association ("APLMA")

No assurance is provided regarding the financial performance of instruments issued via the KEXIM's Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Responsibilities of the Management of KEXIM and DNV

The management of KEXIM has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform KEXIM management and other interested stakeholders in the Framework as to whether the Framework is aligned with the GBP, SBP, SBG, GLP, and SLP. In our work we have relied on the information and the facts presented to us by KEXIM. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by KEXIM's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's opinion

We have adapted our assessment methodology to create the KEXIM-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the four core components:

² <https://www.koreaexim.go.kr>

³ <https://www.dnv.co.kr/>

⁴ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

⁵ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

⁶ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/>

⁷ <https://www.lsta.org/content/green-loan-principles/>

⁸ <https://www.lsta.org/content/social-loan-principles-slp/>

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an issuer of a bond/a borrower of a loan must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental and social benefits.

2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond/a borrower of a loan should outline the process it follows when determining eligibility of an investment using Green, Social & Sustainability Bond/Loan proceeds, and outline any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that a bond/a loan should be tracked within the organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be managed.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by KEXIM in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Protocol, adapted to the purpose of the Framework, as described above and in Schedule 3 to this Assessment;
- Assessment of documentary evidence provided by KEXIM on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by KEXIM and KEXIM's website;
- Discussions with KEXIM's management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria. Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's findings are listed below:

1. Use of Proceeds

KEXIM intends to use the proceeds from all debt instruments issued under the Framework to finance or refinance, in whole or in part, new or existing Eligible Green Project Categories and Eligible Social Project Categories. The Framework defines the following eligible project categories.

Eligible Green Project Categories

- Renewable Energy
- Energy Efficiency
- Clean Transportation
- Pollution Prevention and Control
- Sustainable Marine Transportation
- Sustainable Water and Wastewater Management

Eligible Social Project Categories

- Employment Generation
- Access to Essential Services
- Socioeconomic Advancement and Empowerment

DNV undertook an analysis of the associated project type to determine the eligibility as “Green” and “Socially Beneficial” in line with the GBP, SBP, SBG, GLP, and SLP. KEXIM has provided tables mapping its Eligible Green and Social Categories with the United Nations Sustainable Development Goals (“UN SDGs”). The outlined types of project within each category and associated selection criteria is provided in the Framework in order to determine eligibility.

DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the GBP, SBP, SBG, GLP, and SLP.

2. Process for Project Evaluation and Selection

The Framework describes the process for project evaluation and selection. KEXIM's dedicated Sustainable Finance Working Group (“SFWG”) ensures that eligible projects and assets are reviewed and selected in accordance with the eligible project category and exclusion list presented in the Framework. SFWG is composed of representatives from Treasury, ESG Management, Credit Policy, Engineering & Environment Advisory and Finance departments.

DNV concludes that KEXIM's Framework appropriately describes the process of project evaluation and selection.

3. Management of Proceeds

The Framework states that the net proceeds from Sustainable Financing Transactions (SFTs) issued under this Framework will be deposited in KEXIM's general funding accounts. KEXIM will aim to achieve and maintain, on a best-effort basis, a level of allocation for the Eligible Portfolio that matches or exceeds the balance of net proceeds from its outstanding SFTs. Pending allocation, the net proceeds from the SFTs issued may be managed in cash or cash equivalents or used to repay existing borrowings under general credit facilities of KEXIM.

DNV has reviewed the evidence presented and can confirm that the proceeds arising from the future issuances will be appropriately managed.

4. Reporting

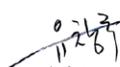
KEXIM intends to publish a report on the allocation of net proceeds and associated impact metrics of its SFTs within one 1 year from issuance date and annually thereafter until the proceeds have been fully allocated, and as necessary in the event of material developments. The relevant information and indicators in relation to allocation and impact metrics are appropriately presented in the Framework.

DNV concludes that KEXIM's reporting is also aligned with the relevant principles.

On the basis of the information provided by KEXIM and the work undertaken, it is DNV's opinion that the KEXIM's Sustainable Finance Framework meets the criteria established in the Protocol and are aligned with the GBP, SBP, SBG, GLP, and SLP. Please refer to Schedule 4. Sustainability Bond/Sustainability Bond Programme External Review Form for detailed information.

for DNV Business Assurance Korea Ltd.

Seoul, Republic of Korea / 12 May 2023


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Schedule 1. Description of Categories to be financed or refinanced through KEXIM's Sustainable Finance Framework

Green Category

Eligible Green Project Categories	Eligible Criteria and Description	DNV Findings
Renewable Energy	<p>Infrastructure dedicated to connecting renewable energy production and storage units to the grid (including powerlines and related infrastructure such as substations)</p> <p>Projects aiming at developing the generation and use of renewable energy, such as:</p> <ul style="list-style-type: none"> • Solar energy (PV and CSP) • Wind energy (onshore and offshore) • Marine energy including but not limited to offshore wind farms, offshore solar farms, tidal and wave energy generation facilities, other marine electricity generation facilities using ocean thermals, where fossil fuel backups are only used for restart capability and monitoring, operating or resilience measures in the event of no power in the system • Hydro energy (generating less than 25MW, or run-of-river, or life-cycle emissions <100g CO₂e/kWh or power density >5W/m²) • Bioenergy for electricity generation (limited to life-cycle emissions of <100g CO₂e/kWh)⁹ • Geothermal energy for electricity generation (limited to direct emissions of <100g CO₂e/kWh) • Fuel cell and other energy storage systems for renewable energy projects/assets 	<p>According to Tracking Power 2021 published by IEA,¹⁰ emissions from the power sector accounts for 40% of energy-related CO₂ emissions. While the report views positively that emissions from the power sector declined almost 3% in 2020 due mainly to reduced electricity consumption during the COVID-19 pandemic and increased share of renewable energy sources (29% out of total power generation), it also highlights that current trends are not on track with the Net Zero Emissions by 2050 Scenario, which requires that power sector emissions fall an average 7.6% per year to 2030.</p> <p>Expanded use of renewable energy is considered as one of crucial means to reaching Net Zero by 2050. In particular, considering low use of renewable energy in Asia and the Pacific region which accounts for more than half of global energy consumption but consumes 85% of its total energy consumption from fossil fuels,¹¹ more efforts for increasing the uptake of renewable energy should be made in this region.</p> <p>However Korea is known for one of the most challenging markets to buy renewable energy according to RE 100. Overall, RE100 members get just 2% of their electricity from renewables in Korea, compared to 32% in China, 26% in Singapore, 15% in Japan.¹²</p> <ul style="list-style-type: none"> • As for projects of solar, wind, marine, hydro, biomass, and geothermal energy, KEXIM secured green eligibility by applying the relevant technical screening criteria from the EU Taxonomy or the Climate Bonds Taxonomy. • If fuel cell system includes power generation from fossil fuels in power plants or any type of hydrogen production, KEXIM has communicated to DNV that it will abide by the relevant technical screening criteria in the EU Taxonomy.¹³ <p>DNV considers that KEXIM's renewable energy projects contribute to reducing GHG in Korea and abroad. In particular, taking into account unfavourable environment for renewable energy in Korea, the stated projects can play pivotal roles to increase environment-friendly energy projects in Korea.</p>
Energy Efficiency	Projects aiming at developing/manufacturing infrastructure,	The Green Bond Principles (GBP) acknowledges energy efficiency as one of important pillars to bring

⁹ Biomass/fuel that is derived from sources of high biodiversity, that competes with food sources or that depletes carbon pools is excluded.

¹⁰ <https://www.iea.org/reports/tracking-power-2021>

¹¹ <https://www.irena.org/asiapacific>

¹² <https://www.there100.org/our-work/press/south-korean-localised-policy-messages>

¹³ The electricity generation from fossil gaseous fuels: <https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/191/view> or

Manufacture of hydrogen: <https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/155/view>

Eligible Green Project Categories	Eligible Criteria and Description	DNV Findings
	<p>equipment and technology which yield an energy efficiency improvement of minimum 20% as compared to baseline or market average, including but not limited to:</p> <ul style="list-style-type: none"> • Battery facilities¹⁴ • Energy storage facilities¹⁵ • Smart grids technologies • Waste heat recovery technologies¹⁶ • Energy management systems • Building technologies such as LED lighting, smart meters for households and replacement of boilers to improve energy performance 	<p>about positive environmental outcome. It states that the relevant projects can include energy storage, district heating, smart grids, appliance and products, for instances.</p> <ul style="list-style-type: none"> • The Framework presents the projects which lead to energy efficiency improvement. DNV considers it positive to set up the target of 20% of energy efficiency improvement for these projects because this quantitative target enables more responsible energy efficiency tracking. • In particular, regarding to battery facilities and energy storage facilities, KEXIM has applied the relevant technical screening criteria from the EU Taxonomy and the Climate Bonds Taxonomy, respectively.
Clean Transportation	<p>Projects aiming at developing/manufacturing low-carbon passenger and freight transportation or related infrastructure, including but not limited to:</p> <ul style="list-style-type: none"> • For passenger non-public transportation (e.g. passenger cars and commercial vehicles), either zero direct emissions (fully electric or hydrogen) or with tailpipe emissions of below 50g CO₂e/km until 2025 (non-eligible thereafter) • For passenger public transportation (e.g. light rail transit, metro, tram, trolleybus, bus and rail), either zero direct emissions (fully electric or hydrogen) or with tailpipe emissions of below 50g CO₂e per passenger kilometer (gCO₂e/pkm) until 2025 (non-eligible thereafter) • For freight rail¹⁷(trains), either zero direct emissions (fully electric or hydrogen) or with tailpipe emissions at or below (\leq) 25g CO₂/t-km (tonne-kilometre) until 2029 • For road freight, zero direct 	<p>Transport is the second largest contributor to global GHG emissions after electricity generation, responsible for 23% of all energy-related CO₂ emissions globally and 14% of total GHG emissions. Road transportation for passengers and freight remains the primary source of emissions in the sector, responsible for 73% of CO₂ emissions from all transport.¹⁸ In Korea, according to the statistics of the Ministry of Environment, the portion of road transportation in 2020 takes up 14.2% of total GHG emission.¹⁹</p> <ul style="list-style-type: none"> • It is DNV's opinion that the Framework appropriately applies individual criteria for public and non-public transportation for passengers, and also freight rail and road freight and related infrastructure in accordance with the technical screening criteria of the Climate Bonds Taxonomy or the EU Taxonomy.

¹⁴ Screening of the project will be done to determine that the following positive environmental outcome is met: Result in substantial GHG emission reductions in transport, stationary and off-grid energy storage and other industrial applications.

¹⁵ The Climate Bonds Taxonomy will be applied. Energy_Storage_Infrastructure: https://www.climatebonds.net/files/files/Taxonomy/CBI_Taxonomy_Tables-08A%20%281%29.pdf

¹⁶ For the avoidance of doubt, this excludes waste heat recovery from coal or oil fuelled power generation.

¹⁷ Fossil fuel freight must not be more than 25% of the freight transported (in tonne/km).

¹⁸ https://www.climatebonds.net/files/files/CBI_Background%20Doc_Transport_Jan2020%20.pdf

¹⁹ (only Korean available) <https://www.2050cnc.go.kr/base/board/read?boardManagementNo=43&boardNo=1046&menuLevel=2&menuNo=73>

Eligible Green Project Categories	Eligible Criteria and Description	DNV Findings
	<p>emissions (fully electric or hydrogen)</p> <ul style="list-style-type: none"> Development, manufacturing and recycling of rechargeable batteries and fuel cell for clean transportation 	
<p>Pollution Prevention and Control</p>	<p>Projects aiming at developing/manufacturing infrastructure²⁰, equipment and technology for:</p> <ul style="list-style-type: none"> Recycling of materials, including the prevention, collection, treatment and processing of waste²¹ Reuse of materials, including refurbishing or repairing products for reuse Recycling of organic waste (i.e. food waste) into biogas/biomass energy²² 	<ul style="list-style-type: none"> DNV considers that the described projects such as recycling of materials or reuse of materials will promote circular economy through effective use of materials and resources, eventually leading to pollution prevention. As for recycling projects, KEXIM has communicated to DNV that waste hierarchy should be observed. In particular, as for recycling of organic waste, the Framework applies anaerobic digestion in the Climate Bonds Taxonomy which deals with production of biogases from green waste. It is DNV's opinion that the relevant criterion is accurately adopted for ensuring the project's eligibility.
<p>Sustainable Marine Transportation</p>	<p>Projects aiming at:</p> <ul style="list-style-type: none"> Investments and expenditures related to construction, design, and maintenance of CSVs Investments and expenditures in relation to retrofit²³ of existing vessels engines with alternative fuels <p>Clean and Sustainable Vessels ("CSVs") are defined according to IMO²⁴ and the Norwegian shipping²⁵ regulations and would represent Methanol Dual Fuel Vessels under the Framework.</p> <p>In alignment with the EU Taxonomy, CSVs will attain one or more of the following criteria²⁶:</p>	<p>Maritime transport accounts for approximately 80% of global trade by volume and 70% by value. In 2017, total volumes transported reached 10.7 billion tons. The UN Conference on Trade and Development (UNCTAD) is forecasting a 3.8 per cent Compound Average Growth Rate (CAGR) for seaborne trade between 2018 and 2023.²⁷</p> <p>CO2 is the largest source of greenhouse gas emissions in shipping. The Fourth International Maritime Organization (IMO) GHG Study 2020 estimated that the sector emitted 1,056 million tonnes of CO2 in 2018, which accounts for about 2.89% of the global CO2 emission for that year. According to a range of plausible long-term economic and energy business-as-usual scenarios, emissions could represent 90-130% of 2008 emissions by 2050.²⁸ Taking into consideration large portion of shipping in global trade and ensuing high amount of CO2, decarbonizing the shipping sector is crucial.</p> <ul style="list-style-type: none"> DNV considers that Clean Sustainable Vessels

²⁰ For clarification purposes, this will exclude collection vehicles and other infrastructure for the transportation.

²¹ For clarification purposes, this will exclude waste from electrical and electronic equipment and hazardous waste. Waste hierarchy (reduce and reuse are always preferred over recycling) should be observed for any project related to recycling.

²² Subject to all of the following exclusions and thresholds: 1) Biomass/fuel that is derived from sources of high biodiversity, that competes with food sources or that depletes carbon pools is excluded; 2) Total methane emissions ≤ 1,285g CH4/tonne of waste input; 3) Woody waste must be segregated before or after processing and sent to an eligible EfW (Energy from Waste) or composting plant; 4) Monitoring, sampling and control is carried out in accordance with BSI PAS (British Standard Institution's Publicly Available Specification) 110 guidance; and 5) The solid and liquid products are not landfilled and replace non-waste materials in the market

²³ In alignment with the EU Taxonomy, until 31 December 2025, the retrofitting activity reduces fuel consumption of the vessel by at least 10 % expressed in grams of fuel per deadweight tons per nautical mile, as demonstrated by computational fluid dynamics (CFD), tank tests or similar engineering calculations. <https://ec.europa.eu/sustainablefinance-taxonomy/activities/activity/217/view>

²⁴ International Maritime Organization: <http://www.imo.org/en/About/Pages/Default.aspx>

²⁵ Norwegian Maritime Authority: <https://www.sdir.no/en/shipping/legislation/>

²⁶ The criteria will apply until December 2025, in alignment with EU Taxonomy, and follow the subsequent updates. <https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/215/view>

²⁷ <https://www.climatebonds.net/standard/shipping>

²⁸ <https://www.imo.org/en/OurWork/Environment/Pages/Fourth-IMO-Greenhouse-Gas-Study-2020.aspx>

Eligible Green Project Categories	Eligible Criteria and Description	DNV Findings
	<ul style="list-style-type: none"> Hybrid and dual fuel vessels derive at least 25 % of their energy from zero direct CO2 emission fuels or plug-in power for their normal operation at sea and in ports The vessels have attained Energy Efficiency Design Index (EEDI) value 10 % below the IMO's EEDI requirements applicable on 1 April 2022 if the vessels are able to run on zero direct (tailpipe) CO2 emission fuels or on fuels from renewable sources 	<p>(CSVs) which KEXIM defines in the Framework are in alignment with the technical screening criteria of the EU Taxonomy regarding sea and coastal freight water transport, vessels for port operations and auxiliary activities²⁹:</p> <p><i>(c) "Hybrid and dual fuel vessels derive at least 25 % of their energy from zero direct CO2 emission fuels or plug-in power for their normal operation at sea and in ports"</i></p> <p><i>(d) "the vessels have an attained Energy Efficiency Design Index (EEDI) value 10 % below the EEDI requirements applicable on 1 April 2022, if the vessels are able to run on zero direct (tailpipe) CO2 emission fuels or on fuels from renewable sources".</i></p> <p>As for the retrofit of existing vessels, KEXIM applies the appropriate threshold of reducing fuel consumption of the vessel by at least 10 % expressed in grams of fuel per deadweight tons per nautical mile in accordance with technical screening criteria of retrofitting of sea and coastal freight and passenger water transport of the EU Taxonomy.</p> <p>In communication with DNV, KEXIM also ensures that the above criteria be only valid until 31 December 2025 in accordance with the EU Taxonomy.</p>
Sustainable Water and Wastewater Management	<p>Projects aiming at developing/manufacturing infrastructure, equipment and technology for:</p> <ul style="list-style-type: none"> Provision of clean and/or drinking water³⁰ Wastewater treatment³¹ Prevention of water pollution Increase of water-use efficiency such as digital water metering, smart control center, leakage prevention and irrigation system to promote water saving and recovery Restoration of hydro-ecological systems Flooding mitigation such as urban drainage systems 	<ul style="list-style-type: none"> DNV considers that the stated projects contribute to sustainable water and wastewater management, which is regarded as one of key pillars in the GBP in order to promote sustainability. Provision of clean and/or drinking water: The Framework presents eligibility criteria according to the EU Taxonomy. Wastewater treatment: The Framework presents eligibility criteria according to the EU Taxonomy.

²⁹ <https://ec.europa.eu/sustainable-finance-taxonomy/activities/activity/215/view>

³⁰ The water supply system complies with one of the following criteria: 1) The net average energy consumption for abstraction and treatment equals to or is lower than 0.5 kWh per cubic meter produced water supply. Net energy consumption may take into account measures decreasing energy consumption, such as source control (pollutant load inputs), and as appropriate, energy generation (such as hydraulic, solar and wind energy); and 2) The leakage level is either calculated using the Infrastructure Leakage Index (ILI) rating method and the threshold value equals to or is lower than 1.5. For the avoidance of doubt, long distance water diversion projects will be excluded from consideration for eligibility under this project category.

³¹ The net energy consumption of the wastewater treatment plant equals to or is lower than: 1) 35 kWh per population equivalent (p.e.) per annum for treatment plant capacity below 10,000 p.e.; 2) 25 kWh per population equivalent (p.e.) per annum for treatment plant capacity between 10,000 and 100,000 p.e.; and 3) 20 kWh per population equivalent (p.e.) per annum for treatment plant capacity above 100,000 p.e.

Social Category

Eligible Social Project Categories	Eligible Criteria and Description	DNV Findings
Employment Generation: SME financing	(Re)financing of activities of: <ul style="list-style-type: none"> SMEs (as defined by the Enforcement Decree of the Framework Act on Small and Medium Enterprises³²) which are negatively affected by a natural disaster/socioeconomic crisis/ pandemic (e.g. COVID-19 pandemic) Job-creating SMEs which have expanded their headcounts by at least 1% in the previous 6 months³³ 	KEXIM intends to support the SMEs which are negatively impacted by a natural disaster, socioeconomic crisis, and pandemic. Potential projects are to provide support for the Korean Government's designated sectors which were most severely affected by the "Lock-down and/or Ban on gatherings during COVID-19. The Bank also tries to support the SMEs which meet certain criteria in promoting job generations (at least 1% of headcount increase within recent 6 months). <ul style="list-style-type: none"> It is DNV's opinion that KEXIM's projects are aligned with the Social Bond Principles (SBP) which encourages employment generation, and programs designed to prevent unemployment stemming from socioeconomic crisis, including through SME financing and microfinance.
Access to Essential Services: Medical and Healthcare	(Re)financing of activities of: <ul style="list-style-type: none"> Corporates and other type of entities which provide medical and healthcare goods and services to the general public adversely affected by a natural disaster/ socioeconomic crisis/pandemic (e.g. COVID-19 pandemic) 	KEXIM intends to support the entities which provide medical and healthcare good and services to general public which have been affected by natural disasters, socio economic crisis, or pandemic. KEXIM has also communicated to DNV that the related projects can include to support manufacturers of the essential medical products, first-aid kits, and relief goods as well as the providers of medical and healthcare services. <ul style="list-style-type: none"> DNV considers that the presented projects are aligned with the guideline of the SBP by increasing access to essential services such as healthcare.
Access to Essential Services: Hospitals/Care facilities	(Re)financing of activities of: <ul style="list-style-type: none"> Corporates and other type of entities which provide the construction or refurbishment of public hospitals, elderly care facilities, and/or facilities for people with disabilities 	DNV notes that certain projects such as a construction of public hospital, etc. can only be delivered by larger corporates which are not categorized as SMEs. <ul style="list-style-type: none"> It is DNV's opinion that the services by healthcare facilities (public hospitals, elderly care facilities, and/or facilities for people with disabilities), will generate positive social outcome for vulnerable groups.
Socioeconomic Advancement and Empowerment: Equitable participation and Integration	(Re)financing of activities of: <ul style="list-style-type: none"> Corporates and other type of entities which provide social services or job opportunities for vulnerable social groups and have acquired Social Enterprise Certification by Korea Social Enterprise Promotion Agency 	<ul style="list-style-type: none"> It is DNV's opinion that the presented projects contribute to socioeconomic advancement and empowerment in accordance with the SBP by supporting the entities which intend to provide social services or job opportunities for vulnerable social groups. In particular, DNV considers positively that projects to be supported by KEXIM are limited to the entities which have acquired Social Enterprise Certification and Family-friendly Corporation Certification issued by the Government of Korea, expecting that those certificates could help select the more eligible beneficiaries.
Socioeconomic Advancement and Empowerment: Empowerment	(Re)financing of activities of: <ul style="list-style-type: none"> Corporates and other type of entities which provide family-friendly workplace practices that facilitate productivity and women's empowerment and have acquired Family-friendly Corporation Certification by 	

³² https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=22788&type=part&key=28

³³ <https://www.koreaexim.go.kr/HPHKWG029M01#tab4>

Eligible Social Project Categories	Eligible Criteria and Description	DNV Findings
	Ministry of Gender Equality and Family	

Schedule 2. Contributions to UN SDGs

Eligible Project Categories	UN SDGs	DNV Findings
Renewable Energy	SDG 7 Affordable and Clean Energy <ul style="list-style-type: none"> 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services 	DNV is of the opinion that eligible categories outlined in the Framework contribute to the achievement of the UN SDGs.
Energy Efficiency	SDG 7 Affordable and Clean Energy <ul style="list-style-type: none"> 7.3 By 2030, double the global rate of improvement in energy efficiency 	
Clean Transportation	SDG 11 Sustainable Cities and Communities <ul style="list-style-type: none"> 11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons 	
Pollution Prevention and Control	SDG 11 Sustainable Cities and Communities <ul style="list-style-type: none"> 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management SDG 12 Responsible Consumption and Production <ul style="list-style-type: none"> 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse 	
Sustainable Marine Transportation	SDG 11 Sustainable Cities and Communities <ul style="list-style-type: none"> 11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management SDG 14 Life below Water <ul style="list-style-type: none"> 14.3 Minimize and address the impacts of ocean acidification, including through enhanced scientific cooperation at all levels 	
Sustainable Water and Wastewater Management	SDG 6 Clean Water and Sanitation <ul style="list-style-type: none"> 6.1 By 2020, achieve universal and equitable access to safe and affordable drinking water for all 6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally 	
Employment Generation: SME financing	SDG 8 Decent Work and Economic Growth <ul style="list-style-type: none"> 8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services 	
Access to Essential Services: Medical and Healthcare / Hospitals and Care Facilities	SDG 3 Good Health and Well-being <ul style="list-style-type: none"> 3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all SDG 9 Industry, Innovation and Infrastructure <ul style="list-style-type: none"> 9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder 	

	<p>infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p>	
<p>Socioeconomic Advancement and Empowerment: Equitable Participation and Integration / Empowerment</p>	<p>SDG 5 Gender Equality</p> <ul style="list-style-type: none"> • 5.1 End all forms of discrimination against all women and girls everywhere <p>SDG 8 Decent Work and Economic Growth</p> <ul style="list-style-type: none"> • 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value 	

Schedule 3. Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings				
1a	Type of bond / loan	<p>The Bond and Loan must fall in one of the following categories, as defined by the Green/Social Bond Principles:</p> <ul style="list-style-type: none"> Green/Social/Sustainable Use of Proceeds Bond Green/Social/Sustainable Use of Proceeds Revenue Bond Green/Social/Sustainable Project Bond Green/Social/Sustainable Securitized Bond Loan instrument made available for Green and Social project (Green and Social use of loan proceeds) 	<p>The KEXIM's Sustainable Finance Framework clearly describes Sustainable Financing Transactions (SFTs) fall in green/social/sustainable bonds or loans, and other forms of debt financing. KEXIM also clarifies that the Framework has been developed based on the most up-to-date principles such as GBP, SBP, SBG, GLP, and SLP.</p> <p>From the Framework</p> <p>The Sustainable Finance Framework (the "Framework" or "SFF") sets out how KEXIM intends to issue Sustainable Financing Transactions ("SFTs"), including, inter alia, green/social/sustainable bond(s), green/social loan(s) and other forms of debt financing, to contribute to a more sustainable future and resilient growth. The issuance of SFTs aims to deliver positive environmental and/or social outcomes by funding projects that meet the eligibility criteria outlined in the Framework, which will, in turn, support KEXIM's sustainability strategy and mission.</p>				
1b	Sustainable Project Categories	<p>The cornerstones of Sustainability Bond and Loan are the utilization of the proceeds of the bond and the loan which should be appropriately described in the legal documentation for the security.</p>	<p>Eligible project categories presented by KEXIM are as follows:</p> <table border="1"> <thead> <tr> <th>Green Categories</th> <th>Social Categories</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> Renewable Energy Energy Efficiency Clean Transportation Pollution Prevention and Control Sustainable Marine Transportation Sustainable Water and Wastewater Management </td> <td> <ul style="list-style-type: none"> Employment Generation Access to Essential Services Socioeconomic Advancement and Empowerment </td> </tr> </tbody> </table> <p>The Framework also specifies the eligible project by adding the exclusion list in it.</p> <p>From the Framework</p> <p>Lending to projects or activities in the following exclusionary criteria is excluded from consideration for eligibility under the SFF:</p> <p>Fossil fuel means a thermal power generation which burns a fossil fuel such as coal, oil, and natural gas to produce electricity</p> <p>Controversial weapons cover both weapons that are prohibited by international (and national) laws and weapons that are banned based on a broad/international consensus</p> <p>Luxury sectors cover precious metals wholesale or brokerage, precious minerals wholesale or brokerage, artworks and antiques wholesale or brokerage</p> <p>Other socially sensitive sectors which include Alcohol and Tobacco</p>	Green Categories	Social Categories	<ul style="list-style-type: none"> Renewable Energy Energy Efficiency Clean Transportation Pollution Prevention and Control Sustainable Marine Transportation Sustainable Water and Wastewater Management 	<ul style="list-style-type: none"> Employment Generation Access to Essential Services Socioeconomic Advancement and Empowerment
Green Categories	Social Categories						
<ul style="list-style-type: none"> Renewable Energy Energy Efficiency Clean Transportation Pollution Prevention and Control Sustainable Marine Transportation Sustainable Water and Wastewater Management 	<ul style="list-style-type: none"> Employment Generation Access to Essential Services Socioeconomic Advancement and Empowerment 						
1c	Environmental benefits	<p>All designated Green Project categories should provide clear</p>	<p>DNV considers that potential projects will generate environmentally beneficial outcome and KEXIM commits to</p>				

Ref.	Criteria	Requirements	DNV Findings
		environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.	reporting the effect by making use of quantitative indicators.
1c	Social Benefits	All designated Social Project categories should provide clear social benefits, which, where feasible, will be quantified or assessed by the Issuer.	DNV considers that potential projects will generate socially beneficial outcome and KEXIM commits to reporting the effect by making use of quantitative indicators.
1d	Refinancing Share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. refinancing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<p>The Framework indicates the list of projects refinancing may be applied to. It also presents look-back period of the 36 months. The share of refinancing will be also disclosed in the annual reporting.</p> <p>From the Framework</p> <p>The net proceeds of the SFTs will be used to finance or refinance, in whole or in part, new or existing Eligible Green and/or Social Projects or Assets (collectively "Eligible Projects or Assets", together forming the "Eligible Portfolio") that comply with respective green or social project categories and eligibility requirements listed in Sections 2.1.1 and 2.1.2 below. For the case of refinancing, Eligible Projects or Assets that are financed up to 36 months prior to the issuance date of the relevant SFT shall qualify.</p>

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Sustainability Bond and Loan should outline the decision-making process it follows to determine the eligibility of projects using Sustainability Bond and Loan proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> A process to determine how the projects fit within the eligible Green and Social Projects categories identified in the Green/Social Bond Principles and Green/Social Loan Principles; The criteria making the projects eligible for using the Sustainability Bond and Loan proceeds; and The environmental sustainability objectives, and the social objectives 	<p>The Framework states that KEXIM has set up a Sustainable Finance Working Group (SFWG) and go through relevant process for deciding eligible projects.</p> <p>From the Framework</p> <p>KEXIM has established a Sustainable Finance Working Group ("SFWG") to ensure that Eligible Projects or Assets are reviewed and selected in accordance with the criteria outlined above in Sections 2.1.1, 2.1.2 and 2.1.3. The SFWG is comprised of the representatives from the Treasury, ESG Management, Credit Policy, Engineering & Environment Advisory and Finance departments and will carry out its mission which includes:</p> <ul style="list-style-type: none"> Identifying and selecting Eligible Projects or Assets that will comply with the criteria set out in Sections 2.1.1, 2.1.2 and 2.1.3 Approving the annual Allocation and Impact Report referred to in Section 2.4 Managing any future updates of the Framework, including any expansion of Eligible Projects or Assets In the review of the Eligible Projects or Assets, the SFWG will specifically identify (if any) and assess known material risks of negative environmental and/or social impacts to ensure whilst an environmental and/or social objective is achieved, it is not done at the expense of

Ref.	Criteria	Requirements	DNV Findings
			other material environmental and/or social objectives, i.e. Do No Significant Harm principle
2b	Issuer/borrower's environmental and social and governance framework	In addition to information disclosed by an issuer on its Sustainability Bond/Loan process, criteria and assurances, Sustainability Bond and Loan investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental and social sustainability.	<p>KEXIM's website explains its sustainability strategy, roadmap, implementation principles, and so on. https://www.koreaexim.go.kr/he/HPHEOM015M01#none</p> <p>In line with Korean Government's ambitious goal of achieving Net Zero by 2050, KEXIM is committed to delivering sustainable outcomes to its business, stakeholders and community by financing projects that have positive environmental and social impact. The commitment is well represented in the official announcement by KEXIM in 2021, which is to halt financial support to new overseas coal-fired power plant project.</p> <p>Under the overarching goal of reaching Net Zero by 2050, the Bank's ESG Management Strategy sets out specific mission, objectives, quantified targets, strategic directions and net zero roadmap as follows:</p> <p>Mission: Spreading ESG values by promoting sustainable international economic cooperation</p> <p>Objectives:</p> <ol style="list-style-type: none"> (1) Advancing global ESG competitiveness of Korean companies (2) Contributing to achieving the government's carbon neutrality goals (3) Expanding social value-added projects and activities <p>Targets for the Period 2021-2030:</p> <ol style="list-style-type: none"> (1) Providing more than KRW 180 trillion to ESG projects (2) Issuing more than USD 20 billion of ESG bonds (3) Reducing the operational carbon emissions by 50% or more <p>To strengthen eligibility of green and social projects, the Bank conducts environmental and social due diligence and has specified the projects which are subject to environmental and social due diligence, its procedures, and checklist. https://www.koreaexim.go.kr/he/HPHEIR032M01#tab2</p>

3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
3a	Tracking procedure	The net proceeds of Green Bond should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green/Social Projects.	<p>The evidence reviewed shows how KEXIM plans to trace the SFT(s) proceeds, in accordance with the evaluation and selection process presented.</p> <p>From the Framework KEXIM will adopt a portfolio approach to manage proceeds of the SFTs. The net proceeds from SFTs issued under this Framework will be deposited in KEXIM's general funding accounts. KEXIM will aim to achieve and maintain, on a best-effort basis, a level of allocation for the</p>

Ref.	Criteria	Requirements	DNV Findings
			Eligible Portfolio that matches or exceeds the balance of net proceeds from its outstanding SFTs. Eligible Projects or Assets will be added, or removed, from the Eligible Portfolio to the extent required.
3b	Tracking procedure	So long as the Green Bond/Loan is outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>KEXIM commits to monitor the allocation of net proceeds and also track the net proceeds through its internal records.</p> <p>From the Framework <i>KEXIM will monitor the allocation of net proceeds to Eligible Projects or Assets and track the net proceeds through its internal records.</i></p> <p>In the allocation reporting of the Framework, KEXIM plans to report proportion of net proceeds used for financing versus refinancing.</p>
3c	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	<p>KEXIM commits to allocate all proceeds to eligible projects or assets on a best-effort basis within one year from the issuance date of the SFTs. The unallocated proceeds can be used as cash or cash equivalents or used to repay existing borrowings under general credit facilities of KEXIM.</p> <p>From the Framework While pending allocation, the net proceeds from the SFTs issued may be managed in cash or cash equivalents or used to repay existing borrowings under general credit facilities of KEXIM. For the avoidance of doubt, these net proceeds will not be used to finance any projects or assets in the list of excluded industries in Section 2.1.3.</p>

4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical reporting	In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including - when possible with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally and social sustainable impact.	<p>The relevant information is appropriately described in the Framework as follows:</p> <p>From the Framework KEXIM will provide the following information for the net proceeds of all the SFTs during the period:</p> <ul style="list-style-type: none"> • The aggregate amount allocated to Eligible Projects or Assets • Examples of Eligible Projects or Assets subject to confidentiality disclosures • The remaining balance of unallocated proceeds (if any) • Proportion of net proceeds used for financing versus refinancing • The share of co-financing³⁴ for the Eligible Projects or Assets (in the case of joint financing with other lenders) <p>In particular, by adding quantitative impact indicators in the Framework, KEXIM commits to disclose the expected environmentally and social sustainable impact.</p>

³⁴ Share of co-financing of an Eligible Project or Asset is defined as the allocated proceeds to a project as a percentage of the total project funding amount.

Schedule 4. Sustainability Bond / Sustainability Bond Programme External Review Form

Section 1. Basic Information

Issuer name:

The Export-Import Bank of Korea ("KEXIM")

Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:

Korea Eximbank Sustainable Finance Framework, April 2023

Independent External Review provider's name:

DNV Business Assurance Korea Ltd.

Completion date of this form:

12 May 2023

Publication date of review publication:

12 May 2023

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBPs:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF INDEPENDENT EXTERNAL REVIEW PROVIDER

- | | |
|---|---|
| <input checked="" type="checkbox"/> Second Party Opinion | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Scoring/Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (if applicable)

On the basis of the information provided by KEXIM and the work undertaken, it is DNV's opinion that the KEXIM's Sustainable Finance Framework meets the criteria established in the Protocol and are aligned with the stated definition of green and social bonds/loans within the GBP, SBP, SBG, GLP, and SLP.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section (if applicable):

KEXIM intends to use the proceeds of the SFTs issued under the Sustainable Finance Framework to finance or refinance, in whole or in part, new or existing Eligible Green Project Categories and Eligible Social Project Categories. DNV concludes that the KEXIM's Framework are aligned with the GBP, SBP, SBG, GLP, and SLP.

Use of proceeds categories as per GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input checked="" type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input checked="" type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBPs | <input checked="" type="checkbox"/> Other (<i>please specify</i>): Sustainable Marine Transportation |

If applicable please specify the environmental taxonomy, if other than GBPs: EU Taxonomy and Climate Bonds Taxonomy

Use of proceeds categories as per SBP:

- | | |
|--|---|
| <input type="checkbox"/> Affordable basic infrastructure | <input checked="" type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input checked="" type="checkbox"/> Employment generation / programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises |
| <input type="checkbox"/> Food security and sustainable food systems | <input checked="" type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBPs | <input type="checkbox"/> Other (<i>please specify</i>): |

If applicable please specify the social taxonomy, if other than SBPs: N/A

Target populations:

- | | |
|--|--|
| <input type="checkbox"/> Living below the poverty line | <input type="checkbox"/> Excluded and/or marginalised populations and /or communities |
| <input checked="" type="checkbox"/> People with disabilities | <input type="checkbox"/> Migrants and /or displaced persons |
| <input type="checkbox"/> Undereducated | <input type="checkbox"/> Underserved, owing to a lack of quality access to essential goods and services |
| <input checked="" type="checkbox"/> Unemployed | <input checked="" type="checkbox"/> Women and/or sexual and gender minorities |
| <input checked="" type="checkbox"/> Aging populations and vulnerable youth | <input checked="" type="checkbox"/> Other vulnerable groups, including as a result of natural disaster/socioeconomic crisis/pandemic (e.g., COVID-19 pandemic) |
| <input type="checkbox"/> Other (please specify): | |

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):
 The proceeds will be allocated to finance and refinance the assets as defined in Schedule 1. DNV reviewed the Framework which describes the process through which projects are evaluated and selected. DNV can confirm the proceeds of SFTs go through a well-placed internal process for evaluation and selection. The Sustainable Finance Working Group ("SFWG") will ensure potential projects and assets are reviewed and selected in accordance with the selection criteria.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's green objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Sustainability Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|---|---|
| <input type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (if applicable):

The Framework states that the proceeds from the SFTs will be allocated to eligible assets and projects. It also describes that KEXIM will monitor the allocation of net proceeds to Eligible Projects or Assets and track the net proceeds through its internal records. While pending allocation, the net proceeds from the SFTs issued may be managed in cash or cash equivalents or used to repay existing borrowings under general credit facilities of KEXIM. DNV can confirm that the proceeds arising from future issuances will be appropriately managed.

Tracking of proceeds:

- Sustainability Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- | | |
|---|---|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (if applicable):

KEXIM intends to publish a report on the use of proceeds and impacts annually. The report will be made available on the KEXIM's website.

Use of proceeds reporting:

- | | |
|--|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other (<i>please specify</i>): |

Information reported:

- | | |
|---|---|
| <input checked="" type="checkbox"/> Allocated amounts | <input type="checkbox"/> Sustainability Bond financed share of total investment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Frequency:

- Annual
- Semi-annual
- Other (please specify):

Impact reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (please specify):

Frequency:

- Annual
- Semi-annual
- Other (please specify):

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Decrease in water use
- Number of beneficiaries
- Target populations
- Other ESG indicators (please specify):

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (please specify): *KEXIM will post the allocation/impact reports on the KEXIM's website*
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review): *KEXIM intends to make the report reviewed by an external verifier for its funding allocation and impact.*

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

<https://www.koreaexim.go.kr/he/HPHEOM022M01>

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Second Party Opinion
- Certification
- Verification
- Scoring/Rating
- Other (please specify):

Review provider(s):

DNV Business Assurance Korea Ltd.

Date of publication:

12 May 2023

ABOUT ROLE(S) OF REVIEW PROVIDERS AS DEFINED BY THE GBP AND THE SBP

- 1. Second Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- 2. Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- 3. Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- 4. Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

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