

Second-Party Opinion

KEXIM Social Bond Framework on the COVID-19 Response



Evaluation Summary

Sustainalytics is of the opinion that KEXIM Social Bond Framework on the COVID-19 Response is credible and impactful and aligns with the four core components of the Social Bond Principles 2020 ("SBP"). This assessment is based on the following:



USE OF PROCEEDS The eligible category for the use of proceeds – Employment Generation and Socioeconomic Empowerment via SME Financing – is aligned with those recognized by the SBP that seek to achieve positive socio-economic outcomes for target populations. Sustainalytics considers that the eligible category will help ensuring business and employment continuity during natural disasters and pandemics, including COVID-19, in South Korea while advancing the UN Sustainable Development Goals (SDGs), specifically SDG 8.



PROJECT EVALUATION / SELECTION KEXIM's internal process in evaluating and selecting projects is managed by the Treasury Group, supported by Credit Policy Department. Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS KEXIM's processes for management of proceeds are handled by the Treasury Group. KEXIM will use an internal register to track the proceeds. Pending allocation, proceeds will be held in cash and cash equivalents in accordance with KEXIM existing liquidity management process. This is in line with market practice.



REPORTING KEXIM intends to report allocation proceeds on its website on an annual basis until full allocation. Allocation reporting may include a description of the projects, amount of the proceeds allocated, number of loans or projects supported by the proceeds, the remaining balance of unallocated proceeds, and KEXIM's intention regarding future allocation. In addition, KEXIM is committed to reporting on relevant impact metrics. Sustainalytics views KEXIM's allocation and impact reporting as aligned with market practice.

Evaluation date	September 11, 2020
Issuer Location	Seoul, South Korea

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Introduction

The Export-Import Bank of Korea (the “Bank”, “KEXIM” or the “Issuer”) was established to facilitate the development of Korea's economy and enhance economic cooperation with foreign countries through the provision of financial supports, mainly related to export and import transactions, overseas investments projects, and the development of overseas natural resources. KEXIM was founded in 1976 and is headquartered in Seoul, South Korea.

KEXIM has developed the KEXIM Social Bond Framework on the COVID-19 Response (the “Framework”) under which it intends to issue COVID-19 bonds and use the proceeds to finance and/or refinance new and/or existing loans extended to entities that fall within the Social Eligible Categories, with a particular focus on SMEs that have been adversely impacted by COVID-19.

The Framework defines eligibility criteria in one area:

1. Employment Generation and Socioeconomic Empowerment via SME Financing

KEXIM engaged Sustainalytics to review the KEXIM Social Bond Framework on the COVID-19 Response, dated September 2020, and provide a Second-Party Opinion on the Framework's social credentials and its alignment with the Social Bond Principles 2020 (SBP).¹ This Framework has been published in a separate document.² The Framework will be disclosed in KEXIM's preliminary prospectus to be filed with the U.S. Securities and Exchange Commission at www.sec.gov.

Scope of work and limitations of Sustainalytics Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Social Bond Principles 2020, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds;
- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.5.1, which is informed by market practice and Sustainalytics expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of KEXIM's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. KEXIM representatives have confirmed (1) they understand it is the sole responsibility of KEXIM to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and KEXIM.

¹ The Social Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/social-bond-principles-sbp/>

² The KEXIM Social Bond Framework on the COVID-19 Response is available in KEXIM's preliminary prospectus to be filed with the U.S. Securities and Exchange Commission at www.sec.gov

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the intended allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that KEXIM has made available to Sustainalytics for the purpose of this SPO.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on KEXIM Social Bond Framework on the COVID-19 Response

Sustainalytics is of the opinion that the KEXIM Social Bond Framework on the COVID-19 Response is credible and impactful and aligns with the four core components of the SBP. Sustainalytics highlights the following elements of KEXIM Social Bond Framework on the COVID-19 Response (the "Framework"):

- Use of Proceeds:
 - The eligible category for the use of proceeds – Employment Generation and Socioeconomic Empowerment via SME Financing – is aligned with those recognized by the SBP. Sustainalytics believes that the projects financed through the Framework will help to ensure business and employment continuity during natural disasters and pandemics, including COVID-19, in South Korea.
 - KEXIM has established a 12-month look-back period for its refinancing. Additionally, the Bank intends to fully allocate the proceeds to outstanding financing in two years from the date of issuance, which Sustainalytics considers to be in line with market practice.
 - Under the Framework, KEXIM intends to provide loans and financing to SMEs⁴ that are affected by natural disasters and pandemics, with a particular focus on SMEs that have been adversely impacted by COVID-19. Intended project examples include the provision of loans at discounted rate and increased lending volume, and the waiver of collateral requirement with shortened loan approval process to ensure a timely response. KEXIM confirmed that affected SMEs are identified through a checklist, including KPIs⁵ that are aimed at evaluating the level and nature of the adverse impact. Furthermore, applicant SMEs are required to submit relevant documents to ensure data reliability. Sustainalytics recognizes the importance of ensuring business and employment continuity to address the adverse impact of COVID-19, and financial institutions' role in this regard, and thus welcomes the objectives of the category.
 - In the event that loans are repaid during the tenor of COVID-19 bonds, KEXIM may reallocate the bond proceeds to other SMEs. To be in line with market practice, Sustainalytics strongly encourages KEXIM to ensure targeting of disadvantaged groups for SME financing, and report on the identified disadvantaged groups and impact achieved.

⁴ Categorized as an SME under the Enforcement Decree of The Framework Act on Small and Medium Enterprises. The Decree includes specific requirements for a company to qualify as SME. Are excluded enterprises employing 1,000 or more regular workers and enterprises whose total amount of asset is 500 billion won or more.

Korea Legislation Research Institute, "Enforcement Decree of The Framework Act on Small and Medium Enterprises", (2005), at: http://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=22788&type=part&key=28

⁵ Examples of KPIs include loss in sales and procurement, change in export, import, workforce, and future outlook.

- KEXIM excludes financing of SMEs associated with environmental and social risks such as fossil fuel activities, weapons, tobacco, child labor and forced labor.
- Project Evaluation and Selection:
 - KEXIM’s internal process in evaluating and selecting projects is handled by the Treasury Group, supported by Credit Policy Department.
 - Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
 - KEXIM’s processes for management of proceeds are handled by the Treasury Group. KEXIM will use an internal register to track the proceeds. Pending allocation, proceeds will be held in cash and cash equivalent in accordance with KEXIM liquidity management process. Based on these elements, Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - KEXIM intends to report allocation proceeds on its website on an annual basis until full allocation. Allocation reporting may include a description of the projects, amount of the proceeds allocated, number of loans or projects supported by the proceeds, the remaining balance of unallocated proceed, and KEXIM’s intention regarding future allocation. In addition, KEXIM is committed to reporting on relevant impact metrics, including number of SMEs supported or funded and number of employees of SMEs supported or funded. Based on these elements, Sustainalytics considers this process to be in line with market practice.

Alignment with Social Bond Principles 2020

Sustainalytics has determined that the KEXIM Social Bond Framework on the COVID-19 Response aligns to the four core components of the SBP. For detailed information please refer to Appendix 1: Social Bond/Social Bond Programme External Review Form.

Section 2: Sustainability Performance of KEXIM

Contribution of Framework to KEXIM’s sustainability strategy

KEXIM endeavors to integrate social responsibility as one of its core values and commits to contributing to the welfare of society, through its investments in socially and environmentally responsible projects.⁶ Following its commitment, the Bank is focused on supporting SMEs in order to generate employment and increase access to finance for enterprises in South Korea. The Bank intends to advance this commitment through supporting SMEs affected by natural disasters and pandemics through the COVID-19 Bond proceeds.

Recognizing the importance of SMEs for the socio-economic development of South Korea, KEXIM aims to support SME’s competitiveness⁶ in global markets through increasing access to finance for SMEs. In 2019, the Bank provided KRW 26.8 trillion (USD 22 billion) to SMEs, demonstrating a 12% increase compared to 2018 levels.⁶ This amount accounted for 44.7% of KEXIM’s total volume of credits in the same year, including loans and guarantees.⁶ In 2020, the Bank commits to expand its outreach effort to SMEs by providing KRW 26.8 trillion (USD 22 billion) to SMEs.⁶ Sustainalytics notes that the proceeds issued under the Framework could help KEXIM in meeting its 2020 target.

Sustainalytics is of the opinion that the KEXIM Social Bond Framework on the COVID-19 Response is aligned with the company’s overall sustainability strategy and initiatives and will further the Bank’s action on its key social priorities.

Well positioned to address common social and environmental risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the COVID-19 bonds issued under the Framework will be directed towards eligible projects that are recognized by the SBP to have positive social impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social (“E&S”) outcomes such as financing environmentally and socially harmful business activities through the financing of SMEs and increasing inequality through insufficient targeting of SMEs affected by natural disasters and

⁶ KEXIM, “2019 Annual Report”, (2020), at:

<https://www.koreaxim.go.kr/site/program/board/basicboard/list?boardtypeid=82&phototype=list&menuid=002001006004>

pandemics. Sustainalytics is of the opinion that KEXIM is well positioned to manage and/or mitigate potential risks through the implementation of the following:

KEXIM follows international standards for environmental and social due diligence, such as the OECD Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social (E&S) Due Diligence (the "OECD Common Approaches") for the loans that require the diligence.⁶ The due diligence process includes an estimation of E&S risk levels involved prior to the categorization of projects. Category A projects are associated with significant adverse environmental and/or social outcomes and therefore require an E&S Impact Assessment Report. Category B projects involves potential E&S impacts that require mitigation measures to be implemented, while Category C projects have minimal or no potentially adverse E&S impacts. Following the procedure, the Bank conducts an E&S review and discloses further disclosure when necessary.⁷ After the approval of credit, projects are subject to E&S monitoring throughout the loan or guarantee period. KEXIM confirmed that all SME financing under the Framework will be subject to the identification of adverse environmental and social outcomes through KEXIM's customary screening process. Furthermore, KEXIM excludes financing of enterprises associated with environmental and social risks such as fossil fuel activities, weapons, tobacco, child labor and forced labor under the Framework.

To mitigate the risk of increasing inequality in case of insufficient targeting of SMEs affected by natural disasters and pandemics, the Bank will determine eligibility according to the level and nature of adverse impact. The assessment will be conducted through a checklist, including relevant KPIs,⁸ and documentation process that is aimed at ensuring data reliability.

Based on these policies, standards and assessments, Sustainalytics is of the opinion that KEXIM has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

Supporting Korean SMEs in a Pandemic Context

In 2020, SMEs account for 99.9% of Korean enterprises and 87.9% of employment in Korea.⁹ Natural disasters and pandemics put SMEs, and therefore employment at risk. Recently, the COVID-19 pandemic has heavily hit the labor market.¹⁰ In March 2020, the annual employment rate of South Korea fell by 0.8 points of percentage, whilst the number of employed people decreased by 1.95 million compared to the previous year.¹⁰ In addition, the continuous decline of aggregate demand has reduced sales and opportunities for SMEs.¹⁰ Among other negative externalities on employment described above, the decline in demand led to the temporary closure of businesses, mainly among small businesses in the service sector.¹⁰

In response to above context, the Government of South Korea strives to help employers and protect workers' job security through taking measures that are aimed at mitigating the adverse impact of COVID-19.¹⁰ Examples of these measures include the "Job Stability Funds Program" that aims to address worker's concerns regarding job insecurity while relieving micro-businesses and SMEs from the minimum wage increase.¹⁰ Despite these efforts and the increase in the Government's employee retention subsidy, the initiatives are not considered as sufficient to protect microbusinesses and SMEs from severe financial difficulties, demonstrating the importance of financial institution's in increasing access to finance for SMEs affected by the pandemic.¹⁰

As such, Sustainalytics believes that KEXIM's support to SMEs that are affected by natural disasters and pandemics, including COVID-19, could provide additional financial resources to Korean SMEs and contribute to preserving employment and business continuity.

⁷ KEXIM, "Export Credit and Environmental Review", at: <https://www.koreaexim.go.kr/site/homepage/menu/viewMenu?menuid=002002004002>

⁸ Examples of KPIs include loss in sales and procurement, change in export, import, workforce, and future outlook.

⁹ Ministry of SMEs and Startups, "Status of Korean SMEs", at: <https://www.mss.go.kr/site/eng/02/2020200000002019110610.jsp>

¹⁰ Ministry of Employment and Labor Republic of Korea, "Responding to COVID-19 - Emergency Employment Measures", (2020), at: http://www.mofa.go.kr/eng/brd/m_22596/view.do?seq=13&srchFr=&srchTo=&srchWord=&srchTp=&multi_itm_seq=0&itm_seq_1=0&itm_seq_2=0&company_cd=&company_nm=&page=1&titleNm=

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. This social bond advances the following SDG goal and target:

Use of Proceeds Category	SDG	SDG target
Employment Generation and Socioeconomic Empowerment via SME Financing	8. Decent work and Economic Growth	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

Conclusion

KEXIM has developed the KEXIM Social Bond Framework on the COVID-19 Response under which it intends to issue COVID-19 bonds and use the proceeds to support SMEs affected by natural disasters and pandemics, with a particular focus on SMEs that have been adversely impacted by COVID-19. Sustainalytics considers that the projects and loans funded by the COVID-19 bond proceeds have the potential to provide positive social impact, and help ensure business and employment continuity in South Korea.

The KEXIM Social Bond Framework on the COVID-19 Response outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the KEXIM Social Bond Framework on the COVID-19 Response is aligned with the overall sustainability strategy of KEXIM and that the social use of proceeds category will contribute to the advancement of the UN Sustainable Development Goal 8. Additionally, Sustainalytics is of the opinion that KEXIM has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that KEXIM is well-positioned to issue COVID-19 bonds and that the KEXIM Social Bond Framework on the COVID-19 Response is robust, transparent, and in alignment with the core components of the Social Bond Principles 2020.

Appendices

Appendix 1: Social Bond/ Social Bond Programme -External Review Form

Section 1. Basic Information

Issuer name:	KEXIM
Social Bond ISIN or Issuer Social Bond Framework Name, if applicable:	KEXIM Social Bond Framework on the COVID-19 Response
Review provider's name:	Sustainalytics
Completion date of this form:	September 11, 2020
Publication date of review publication:	

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 SBP:

- | | |
|--|--|
| <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 REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (please specify): | |

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)

Please refer to Evaluation Summary above.

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):

The eligible category for the use of proceeds – Employment Generation and Socioeconomic Empowerment via SME Financing – is aligned with those recognized by the SBP. Sustainalytics believes that the projects financed through the Framework will help ensuring business and employment continuity during natural disasters and pandemics, including COVID-19, in South Korea.

KEXIM has established a 12-months look back period for its refinancing. Additionally, the Bank intends to fully allocate the proceeds to outstanding financing in 2 years from the date of issuance, which Sustainalytics considers to be in line with market practice.

Under the Framework, KEXIM intends to provide loans and financing to SMEs that are affected by natural disasters and pandemics, with a particular focus on SMEs that have been adversely impacted by COVID-19. Intended project examples include the provision of loans at discounted rate and increased lending volume, and the waiver of collateral requirement with shortened loan approval process to ensure a timely response. KEXIM confirmed that affected SMEs are identified through a checklist, including KPIs that are aimed at evaluating the level and nature of the adverse impact. Furthermore, applicant SMEs are required to submit relevant documents to ensure data reliability. Sustainalytics recognizes the importance of ensuring business and employment continuity to address the adverse impact of COVID-19, and financial institutions' role in this regard, and thus, welcomes the objectives of the category.

In the event that loans are repaid during the tenor of COVID-19 bonds, KEXIM may reallocate the bond proceeds to other SME. To be in line with market practice, Sustainalytics strongly encourages KEXIM to ensure targeting of disadvantaged groups for SME financing, and report on the identified disadvantaged groups and impact achieved.

KEXIM excludes financing of SMEs associated with environmental and social risks such as fossil fuel activities, weapons, tobacco, child labor and forced labor.

Use of proceeds categories as per SBP:

- | | |
|---|--|
| <input type="checkbox"/> Affordable basic infrastructure | <input type="checkbox"/> Access to essential services |
| <input type="checkbox"/> Affordable housing | <input checked="" type="checkbox"/> Employment generation (through SME financing and microfinance) |
| <input type="checkbox"/> Food security | <input type="checkbox"/> Socioeconomic advancement and empowerment |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP | <input type="checkbox"/> Other (please specify): |

If applicable please specify the social taxonomy, if other than SBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section (if applicable):

KEXIM's internal process in evaluating and selecting projects is handled by the Treasury Group, supported by Credit Policy Department. Sustainalytics considers this process to be in line with market practice.

Evaluation and selection

- | | |
|---|---|
| <input checked="" type="checkbox"/> Credentials on the issuer's social 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 Social 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 (please specify): |

Information on Responsibilities and Accountability

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

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

KEXIM's processes for management of proceeds are handled by the Treasury team. KEXIM will use an internal register to track the proceeds. Pending allocation, proceeds will be held in xx in accordance with KEXIM liquidity management. Based on above elements, Sustainalytics considers this process to be in line with market practice.

Tracking of proceeds:

- | |
|---|
| <input checked="" type="checkbox"/> Social Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> 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 type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (please specify): |

4. REPORTING

Overall comment on section (*if applicable*):

KEXIM intends to report allocation proceeds on its website on an annual basis until full allocation. Allocation reporting will include a description of the projects, amount of the proceeds allocated, number of loans or projects supported by the proceeds, the remaining balance of unallocated proceed, and KEXIM's intention regarding future allocation. In addition, KEXIM is committed to reporting on relevant impact metrics, including number of SMEs supported or funded and number of employees of SMEs supported or funded. Sustainalytics considers above process to be in line with market practice.

Use of proceeds reporting:

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

Information reported:

- Allocated amounts
 Social Bond financed share of total investment
- Other (please specify):

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):

Information reported (expected or ex-post):

- Number of beneficiaries
 Target populations
- Other ESG indicators (*please specify*): number of SMEs supported or funded and number of employees of SMEs supported or funded

Frequency:

- Annual
 Semi-annual
- Other (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's corporate website
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

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.)

www.koreaexim.go.kr

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- Consultancy (incl. 2nd opinion)
 Certification
- Verification / Audit
 Rating
- Other (please specify):

Review provider(s):

Date of publication:

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

- i. **Second-Party Opinion:** An institution with social 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 Social 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 Social Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to social sustainability, and an evaluation of the social features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or social criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the socially 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 Social Bond proceeds, statement of social impact or alignment of reporting with the SBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Social Bond or associated Social Bond framework or Use of Proceeds certified against a recognised external social 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.
- iv. **Social Bond Scoring/Rating:** An issuer can have its Social Bond, associated Social 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 social performance data, process relative to the SBP, or another benchmark. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material social risks.

Disclaimer

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These are based on information made available by the issuer and therefore are not warranted as to their merchantability, completeness, accuracy, up-to-dateness or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics accepts no liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names or Third Party Data is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. A list of our third-party data providers and their respective terms of use is available on our website. For more information, visit <http://www.sustainalytics.com/legal-disclaimers>.

The issuer is fully responsible for certifying and ensuring the compliance with its commitments, for their implementation and monitoring.

In case of discrepancies between the English language and translated versions, the English language version shall prevail.

About Sustainalytics, a Morningstar Company

Sustainalytics, a Morningstar Company, is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. The firm works with hundreds of the world’s leading asset managers and pension funds who incorporate ESG and corporate governance information and assessments into their investment processes. The world’s foremost issuers, from multinational corporations to financial institutions to governments, also rely on Sustainalytics for credible second-party opinions on green, social and sustainable bond frameworks. In 2020, Climate Bonds Initiative named Sustainalytics the “Largest Approved Verifier for Certified Climate Bonds” for the third consecutive year. The firm was also recognized by Environmental Finance as the “Largest External Reviewer” in 2020 for the second consecutive year. For more information, visit www.sustainalytics.com.



Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider

