



Financing
our shared
future.



Annual Report

2022



Contents

Quick facts and figures	3
Management report	5
Financial statements 2022.....	21
Notes to the financial statements	25
Independent Auditor's Report.....	52

Totals may not add up due to rounding.

- indicates zero. 0 means the amount is smaller than half of the stated unit.

Quick facts and figures

Financial year ended 31 December 2022

Oesterreichische Entwicklungsbank AG (OeEB)

- Development bank acting on behalf of the Austrian government
- Member of the Association of European Development Finance Institutions (EDFI), the European development banks

Founded in 2008 in Vienna

- Wholly owned subsidiary of Oesterreichische Kontrollbank AG, with the Federal Ministry of Finance as principal
- Share capital of € 5,000,000
- 73 active employees, plus 3 on parental leave (as of 31 December 2022)
- Standard & Poor's long-term issuer rating: AA+; S&P short-term issuer rating: A-1+

Key financials

€ million	2022
Total assets	1,348.66
Profit for the year	3.65
Unallocated profit for the year	0.19
Total portfolio* at 31 December	1,619.79

* Total committed portfolio of loans and equity investments

New projects signed in 2022

€ million	2022
Investment finance	288.95
Equity investments	15.27
Business Advisory Services	0.82

Contribution to developments

As the development bank acting on behalf of the Republic of Austria, OeEB finances private projects in developing countries and thus makes an important contribution to development in these economies.

The projects implemented by OeEB generate sustained development impacts, particularly the creation and protection of jobs, access to clean, affordable energy, and access to financing especially for micro, small and medium-sized enterprises.

In this way, OeEB contributes to the achievement of the Sustainable Development Goals (SDGs) of the United Nations' Agenda 2030. The 17 SDGs aim to improve the living conditions of all people and to protect the planet.



OeEB's projects serve especially the achievement of the following Sustainable Development Goals:

- SDG 1 (fighting poverty in all its forms)
- SDG 7 (access to affordable and clean energy)
- SDG 13 (climate protection measures)
- SDG 8 (decent work and economic growth)
- SDG 9 (industry, innovation and infrastructure)

The development performance indicators at portfolio level can be found at

www.oe-eb.at/en

Management report

Business and financial review

Nature of business activities and terms of reference

Acting on behalf of the Austrian federal government, Oesterreichische Entwicklungsbank AG (OeEB) supports the development and expansion of private sector projects in developing countries as defined in the list of OECD's Development Assistance Committee (DAC).

The legislative basis for the activities of OeEB was created by an amendment to Austria's Export Guarantees Act (in German: Ausfuhrförderungsgesetz, or AusFFG). OeEB is also committed to the goals and principles of the Development Cooperation Act.

In accordance with its mandate, OeEB finances developmentally sustainable, private-sector projects in developing economies in compliance with national and international environmental and social standards and other norms. The private sector is an important driver of economic development and sustainable growth in developing countries. Private investment creates and protects jobs, generates local income and local value, provides access to clean, affordable energy, and much more.

In order for private sector projects to be financed, development banks such as OeEB are needed to provide additional funding where commercial financing on the open market is unavailable or insufficient. OeEB offers financing solutions tailored to the specific project, the current financial and business situation and the risk profile of the developing country in question. OeEB can provide support through traditional financing instruments such as long-term loans, subordinated or equity-like loans, and equity investments. OeEB's involvement can mobilise further urgently needed capital from private investors.

In principle, any company based in an industrialised or developing country that carries out investment projects in developing economies can become a client of OeEB. A key aspect of client selection is the application of responsible-finance principles. In this regard, OeEB takes into account performance in terms of environmental and social criteria as well as transparency and corporate governance standards.

OeEB complements the classic instruments of development cooperation, such as humanitarian aid, by providing development finance on commercial terms. With sound structuring know-how and comprehensive advice, OeEB supports the implementation of complex projects in the renewable energy sector, among others.

In addition, OeEB uses technical assistance funds (non-repayable grants from OeEB's own earnings) to support project-enhancing measures that heighten development effectiveness and/or support the implementation of environmental and social measures.

Development transactions by their nature entail high project and country risks. Before individual deals are presented for approval to the full Executive Board and the Supervisory Board and to the panels specified for this purpose by law, the project risk and country risk are carefully analysed.

As a private, specialised institution with a banking licence and a public mandate, OeEB acts entrepreneurially and generates sustainable earnings.

In line with its corporate strategy (2019-2023 strategy cycle), titled “Financing Our Shared Future”, OeEB is positioning itself as a thematically focused specialist institution with a broad geographic reach. Three priority focus areas are “renewable energy”, “micro, small and medium enterprises (MSMEs)/financial inclusion” and “infrastructure”. The topics of climate protection and gender equality are embedded as cross-cutting themes.

Besides many projects contracted on its own, OeEB also collaborates with institutions internationally, especially the European development banks (currently numbering 15 in total) – the so-called European Development Finance Institutions (EDFI) – whose goal is to jointly finance private sector projects in developing countries and transition economies. As well, OeEB works with multilateral development banks.

Developing and emerging countries are being affected especially gravely by global challenges. It is especially in uncertain times that development banks like OeEB play a key anti-cyclical role. They provide the capital needed so urgently to overcome crises and thus contribute to mitigating economic downturns and improving the resilience of their partner countries. The year 2022 was also marked by a range of challenges that will continue in 2023. In addition to the COVID-19 pandemic, it is above all the war in Ukraine and the high inflation that are causing macroeconomic uncertainty. Despite this, OeEB was able to significantly increase its new business in 2022.

Business development

Investment Finance segment

Overall, in the 2022 financial year, 15 Investment Finance (IF) transactions with a total volume of € 289 million were signed. Thirteen of these deals were concluded independently between OeEB and the respective clients, and two were transacted together with proven co-financing partners. In addition, three deals with a total volume of € 14 million were closed under the collaborative vehicle, the European Financing Partners (EFP). This was a substantial increase in new business volume in the amount of € 80 million or 36% after the COVID pandemic led to a lower business volume in 2021 (€ 209 million).

Ten of the 15 deals, with a new business volume of € 208 million (72% of total new business) were concluded in the real economy, i.e., with private sector businesses or project companies in developing countries. The other € 81 million (28%) was contracted in collaboration with local financial intermediaries (such as micro-finance funds and other special funds, as well as financial institutions) which make loans into the real economy under OeEB guidelines.

In total at the end of the financial year, the Investment Finance segment comprised assets of € 1,284 million (2021: € 1,091 million), which are reported primarily in the balance sheet items “other loans and advances to banks”, “loans and advances to customers”, and “variable-income other securities”. The funding sources for OeEB are Oesterreichische Kontrollbank Aktiengesellschaft in the amount of € 1,242 million (2021: € 1,038 million) on the one hand and Kreditanstalt für Wiederaufbau at € 29 million (2021: € 27 million) and the Austrian federal government at € 7 million (2021: € 12 million) on the other. The total committed portfolio (including undrawn financings and risk participation facilities) amounted to € 1,471 million (2021: € 1,346 million).

Most of OeEB’s clients had thus far coped well with the challenges arising from the COVID-19 pandemic. The portfolio’s average S&P rating improved from B+ (at the onset of the COVID crisis) to BB- and was stable in 2022. The claims experience under the federal government guarantees was better than predicted. The

evolution of portfolio quality going forward depends on the increased political risks in some of our target countries (i.e. Egypt, Peru, Caucasus region). The bank's equity as of 31 December 2022 was € 59 million (2021: € 55 million), with the increase being due to an addition to free (i.e., uncommitted) reserves.

Equity Investments segment

Under the Equity Investments mechanism, OeEB acts as a trustee for the Austrian Federal Ministry of Finance, entering into equity investments by acquiring direct interests or by purchasing fund shares. In the 2022 financial year, one such transaction was completed for the Ministry of Finance: a renewable energy project of € 8 million in Southeast Asia. In addition, an investment in the amount of € 4 million was made in a renewable energy project in Sub-Saharan Africa and was funded entirely with OeEB monies. Three new projects with a total value of € 3 million were signed in 2022 using funds from the African-Austrian SME Investment Facility (AAIF).

The Gutmann OeEB Impact Fund, a joint project between OeEB and Bank Gutmann, successfully continued its investment programme. As of the end of 2022, the Gutmann OeEB Impact Fund had thus closed six investments totalling € 40 million.

Disbursements to the project partners are made incrementally for overheads at fund level, or for investee companies at portfolio level, and via capital increases in the case of direct equity investments. The project status and the general and development performance and financial results of the equity investments are regularly documented. In most equity projects, OeEB also takes an active role on the respective Supervisory Board or in a similar oversight function.

Approximately € 15 million was paid out in 2022, including disbursements to partners for projects signed in prior years. About € 13 million of this total represented the portfolio held in trust for the Ministry of Finance.

The approved federal funds in the fiduciary segment, incl. African facility, total € 131 million.

Business Advisory Services segment: funding for technical assistance

Through the use of non-repayable grants for technical assistance (TA) under OeEB's Business Advisory Services (BAS), projects are prepared and refined to enhance their development effectiveness. Examples of measures eligible for support through these monies are pre-project analyses, project-related training and upgrading of qualifications, as well as evaluations.

The funding for technical assistance projects in the 2022 financial year came entirely from OeEB itself. The budget available for this is set at 10% of the previous year's profit for the year plus any unused budget funds from 2021, and amounted to € 862 thousand in 2022. Out of this amount, seven projects with a combined volume of € 685 thousand were approved. The remaining € 177 thousand is available for new projects in the 2023 financial year.

In 2022, OeEB concluded contracts for seven technical assistance projects totalling € 824 thousand.

Most of the TA projects newly approved and contracted in the year under review related directly to projects financed by OeEB's Investment Finance segment or supported by its Equity Investment segment. For example, OeEB supported evaluations of the human-rights impacts of its investments and made financial contributions to technical assistance facilities of selected funds. Among other specific focuses, support is being provided to the banking sector in Ukraine.

In 2022, OeEB disbursed € 462 thousand of its own TA monies to project partners. All disbursements are tied to the progress of the respective projects in order to help ensure the achievement of development objectives.

Financial results

Profit for the year was € 3,648,012.56 (2021: € 4,988 thousand). After transfers to reserves, unallocated profit for the year was € 186,012.56 (2021: € 100 thousand).

Net interest income decreased by € 2,886,039.81 in the financial year (2021: +€ 2,711 thousand) to a new total of € 20,828,518.21 (2021: € 23,715 thousand). This reduction was due in part to the increased funding costs as a result of the rising interest rate level. The item "Income from securities and investments and share of profit of affiliated companies" included higher dividend payments due to the interest rate trend.

Net fee and commission expense amounted to minus € 11,677,979.65 (2021: minus € 10,294 thousand). Fee and commission income, at € 6,026,329.81 (2021: € 6,020 thousand), was up slightly from the previous year; it represents various fees from investment financing and the fees for OeEB's management services rendered as a trustee in the equity investment and lending projects for the Ministry of Finance. Fee and commission expense, amounting to € 17,704,309.46 in the financial year (2021: € 16,314 thousand), rose from one year earlier as a result of an increase in guarantee fees for new contracts in 2019; fee and commission expense consists of the guarantee fees paid, or accrued as payable, to the Ministry of Finance for the guarantees for political and commercial risks (§ 9 Export Guarantees Act).

Net income from financial operations was € 287,677.63 (2021: net income of € 291 thousand).

On balance, moderate growth in operating income was thus achieved, to € 20,648,630.55 (2021: € 20,108 thousand).

The operating expenses of about € 13,956,909.20 (2021: € 13,120 thousand) consisted largely of staff costs of € 8,305,143.01 (2021: € 7,751 thousand) and other administrative expenses of € 5,610,414.50 (previous year: € 5,302 thousand). The increase in other administrative expenses (property and equipment) is mainly due to the resumption of business travel.

Staff costs increased from the previous year, due to a slight increase in the number of employees.

The resulting operating profit in the financial year was € 6,691,721.35, compared with € 6,988 thousand in the previous year. After negative valuation effects of € 56,043.80 (2021: negative € 260 thousand) and taxes of € 1,207,710.32 (2021: € 1,740 thousand), profit for the year was € 3,648,012.56 (2021: € 4,988 thousand).

Based on an agreement between the Ministry of Finance and OeEB dated 17 November 2016 on the use of OeEB's earnings, an amount of € 1,335,323.91 (2021: € 1,543 thousand) as of the balance sheet date was set aside as a reserve under free (uncommitted) retained earnings for use in the implementation of technical assistance projects in the Business Advisory Services segment. In the financial year, 10% of profit for the year in 2022, i.e., € 364,801.26, was transferred to retained earnings, and € 572,205.19 was released from retained earnings for the implementation of technical assistance projects. € 3,669,403.93 (2021: € 5,053 thousand) of profit for the year was transferred to the free non-TA reserve.

Profit available for distribution was € 233,171.91 in the year under review (2021: € 147 thousand).

In the year under review there were loss events with eight clients (2021: seven clients); the claims for all of these were honoured by the Ministry of Finance under the above guarantees for political and commercial risks (§ 9 Export Guarantees Act) and were thus not charged to the results of the bank.

The average S&P rating of the portfolio covered by the federal government guarantees improved from B+ to BB-. The evolution of portfolio quality going forward depends not only on the further trajectory of the COVID-19 pandemic but also on the increased political risks in some of our target countries. Among clients in the financial sector there continued to be an elevated number of breaches of financial covenants, notably in terms of portfolio quality/loan loss provisions. However, the claims experience under the federal government guarantees was better than originally predicted. Valuations of the equity investment portfolio continued to improve and in some cases were above pre-pandemic levels.

Financial performance indicators

Earnings per share

As profit for the year was € 3,648,012.56 and the share capital is divided into 50,000 no par-value registered shares, earnings per share amounted to € 72.96.

Financial ratios

The higher cost/income ratio (operating expenses/operating income) of 67.59% (2021: 65.25%) resulted chiefly from the declining net interest income as a result of higher funding costs and higher guarantee fees as well as an increase in operating expenses. This stems from expenses for the resumption of business travel.

The Tier 1 capital ratio (CRR Tier 1 capital as a percentage of risk-weighted assets) in 2022 was 133.45% (2021: 124.57%) and the leverage ratio (Tier 1 capital as a percentage of total exposure) was 311.90% (2021: 398.14%).

Research and development

As a result of its particular mandate, OeEB does not conduct research and development.

Office locations

The registered office of OeEB is located at Strauchgasse 3, 1010 Vienna, Austria.

OeEB has no branch offices in Austria or other countries.

Risk management system

Internal control system

The purpose of the internal control system is to support management so as to enable it to ensure effective and continually improving internal controls. This aim should not be limited solely to the accounting system, but should also include all important business processes so that the economic efficiency and effectiveness of business activities, the reliability of the business information (including non-financial reporting, e.g. corporate responsibility), and adherence to guidelines and regulations (compliance) can be guaranteed.

OeEB outsources all accounting activities to its parent institution, Oesterreichische Kontrollbank Aktiengesellschaft (OeKB). The specific requirements are defined in a service agreement. In terms of the accounting process, the internal control system thus meets the same standard as does that of OeKB.

Within OeEB's Executive Board, Michael Wancata has responsibility for the accounting function and for the establishment and design of a system of internal control and of risk management in relation to the accounting processes that meets the bank's needs. The internal control system is implemented jointly with OeKB or by OeKB, according to the specific requirements of OeEB.

The key features of the internal control system can be described based on the definition of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The COSO framework consists of five interrelated components: the control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The most fundamental aspect of the control environment is the corporate culture in which management and employees operate. OeEB continually works to improve communication and the transmission of its basic corporate values.

The manner of implementation of the internal control system in respect of the accounting process is set out in the written internal policies and procedures of the accounting function. The responsibilities in relation to the internal control system have been adjusted to fit the company's organisational structure in order to ensure a satisfactory control environment that meets the requirements.

The Group-level Internal Audit function (performed by the OeKB Group's Internal Audit department) independently and regularly verifies the adherence to internal policies and procedures, including the accounting rules. The head of OeKB Internal Audit reports the findings directly to the Executive Board of OeEB. The Internal Audit activities are outsourced to OeKB under a service agreement.

Risk assessment

Risks related to the accounting process are identified and monitored by OeKB Group and OeEB management, with a focus on material risks.

The preparation of the financial statements regularly requires the use of estimates. This involves the inherent risk that actual future developments will differ from these estimates. As all loans extended by OeEB are secured by guarantees of the Republic of Austria, this estimation risk is particularly relevant to matters/items in the financial statements relating, for example, to the provisions for employee benefits.

Control activities

In addition to the Supervisory Board and Executive Board, the general control environment also encompasses middle management, such as the department heads.

All control activities are applied “in-process” during the regular ongoing operation of the business processes in order to ensure that potential errors in financial and other reporting are detected and corrected.

The Executive Board, working with OeKB, is responsible for ensuring that the levels of the reporting hierarchy are structured such that a given activity and the controls on the activity are not performed by the same person (i.e., ensuring the strict separation of responsibilities).

IT-supported control activities represent a cornerstone of the internal control system. Thus, the segregation of sensitive responsibilities is supported by the restrictive assignment of IT privileges. SAP ERP software is used for accounting and financial reporting. The functioning and effectiveness of this accounting system is assured, among other ways, by automated IT controls installed in the system. OeEB's IT function has been outsourced to OeKB; as a result, the same high security standards are applied as at the parent institution.

Information and communication

The financial reporting requirements are regularly updated by management and communicated to all staff concerned. The Supervisory Board is briefed at least every quarter with a comprehensive report on the balance sheet, income statement, and other controlling and risk data. The Executive Board receives this information in regular, significantly more detailed reports.

As well, the (Group) accounting staff members involved receive frequent training regarding changes in international accounting practices in order to be able to detect risks of inadvertent reporting deficiencies at an early stage.

Monitoring

Ultimate responsibility for the enterprise-wide ongoing monitoring of business processes rests with management and the Supervisory Board. The respective department heads are responsible for the monitoring of the relevant areas of activity; for example, checks and validations are conducted at regular intervals.

Group Internal Audit is also involved in the monitoring process. The system of internal control likewise performs a monitoring and oversight function.

The Audit Committee has the following responsibilities among others:

- Monitoring the effectiveness of the internal control system, the internal audit system and the risk management system
- Reviewing the annual financial statements and preparing their adoption, reviewing the proposal for the appropriation of profit and reviewing the management report
- Carrying out the procedure for selecting the external independent auditor and recommending the auditor for nomination by the Supervisory Board

In the 2022 financial year the Audit Committee met twice.

The findings of the monitoring activities are reported to management and the Supervisory Board. The Executive Board regularly receives summarised financial reports, such as monthly financial statements as well as risk reports. Financial statements intended for publication undergo a final review by accounting management staff (at Group level) and by the OeEB Executive Board before being forwarded to the OeEB Supervisory Board.

Risk management

Introduction

OeEB is a specialised institution for the financing of commercially viable, developmentally effective private sector investment projects in developing and newly industrialised countries. OeEB is acting on behalf of the Republic of Austria.

The focus of risk management activities in the year under review was on control of the increased credit risks in OeEB's federally guaranteed portfolio in response to the Russian invasion of Ukraine and the continuing COVID-19 pandemic.

Strategic approach to risk management

In project risk assessment, environmental, social and economic risks are comprehensively examined in accordance with national and international standards and the EBA guidelines on loan origination and monitoring.

OeEB has a mandate from the Austrian Ministry of Finance to support private-sector projects in developing countries with long-term investment loans and equity capital. To cover the project and country risks, OeEB receives a full guarantee from the Austrian government under the Export Guarantees Act for every credit financing deal. Financing extended on behalf of the Austrian government represents the great majority of the bank's assets. For this portion of its total assets, OeEB, like its parent OeKB, is exempt from the provisions of relevant legislation such as the Capital Requirements Regulation (the CRR, or EU Regulation no. 575/2013).

Thanks to the consistent reinvestment of profits, regulatory capital currently totals € 59 million (share capital: € 5 million). Although the equity base was already strengthened in the past, equity investments without a federal guarantee are undertaken only in accordance with the investment policies approved by the Supervisory Board or – if exceeding the relevant threshold levels that trigger the need for Supervisory Board approval – are made on the basis of specific individual approvals by the Supervisory Board.

OeEB is a wholly-owned subsidiary of OeKB and follows a risk policy and strategy consistent with that of the OeKB Group. In addition to the Group-level risk assessment, OeEB's banking risks are also measured at the individual-institution level. Moreover, internal control systems under the Austrian Banking Act have been developed together with OeKB for OeEB's major business processes – investment finance, equity investments, Business Advisory Services, problem loans and the management of existing projects. These systems of internal control are reviewed annually and enable risk management at the level of the OeKB Group.

As OeKB is its sole owner, OeEB is covered by the Group ICAAP, or Internal Capital Adequacy Assessment Process. No own ICAAP is performed at the level of OeEB. The key metric in the measurement and management of risk – the calculated economic capital required (for the going concern and gone concern views) – is compared against the economic capital available at different levels of scenario severity. At the individual-institution level, OeEB opts not to perform a Pillar II calculation of risk coverage. However, despite the relative insignificance of the risk, economic capital is determined for the investment risk arising from OeEB's own investment portfolio (the banking book), using the value at risk concept.

Risk management – organisation

Under the Austrian Banking Act, the full Executive Board is responsible for managing OeEB's risks relating to banking transactions and banking operations, for ensuring capital adequacy in respect of the risks taken, and for establishing the organisation that this requires. A basic principle of risk management at OeEB is the strict separation of risk origination and risk oversight. The risk management functions reside with the Executive Board member responsible for risk management. Taking into account the principle of proportionality, OeEB's risk management is appropriate to the business model, strategy, risk situation and internal operational requirements.

OeEB implements and adapts appropriate actions and processes for carrying out the risk policy and strategy set by the Executive Board and approved by the Supervisory Board.

Operational risk management involves the monitoring and control of the operational risk profile, the development of strategies and processes for the control of operational risk, and business continuity management in collaboration with OeKB's operational risk manager.

For emergencies and various crisis scenarios, the operational risk management policy identifies emergency and crisis response teams and sets out responsibilities and procedures.

The role of assuring the compliance of the Internal Control System (ICS) with legal requirements is contractually outsourced to OeKB. The ICS compliance officer at OeKB works together with the ICS process owners at OeEB. Operational risk management is performed in close cooperation with the operational risk manager at OeKB.

Like the bank's risk management as a whole, the internal control system is subject to ongoing scrutiny by Internal Audit.

Under an agreement with OeKB, the functions of the securities compliance officer and of the anti-money laundering/anti-terrorism finance officer are outsourced to OeKB. However, there is a (separate) contact person at OeEB for each of these two functions. To mitigate the legal risk of business transactions, OeEB's Legal department usually works with local law firms.

Risk types considered in bank-wide risk management

The most important financial risks are credit risk, market risk, liquidity risk and operational risk.

Credit risk

Credit risk is defined as the risk of loss due to the unexpected non-performance of contractual payment obligations by counterparties. In view of its business structure, OeEB distinguishes the following types of credit risk:

- **Counterparty risk/default risk:** The risk of loss as a result of a borrower's failure to honour its payment obligations or of the default of a counterparty (such as a borrower). All loan exposures are covered by an Austrian government guarantee for commercial and political risk.
- **Investee risk:** The risk of loss from self-funded equity investments
- **Concentration risk:** The risk of loss as a result of high credit exposure to individual borrowers or groups of related borrowers. Country limits and customer limits are in place and are reviewed on an ongoing basis.
- **FX risk from guarantee processing:** The risk of loss as a result of currency translation differences arising from delayed compensation by the Ministry of Finance in credit events with US dollar exposures.

At the end of the year under review, OeEB's credit risk was determined to be € 9 million (2021: € 6 million).

The credit risk budget of € 13 million (2021: € 17 million) for the Group ICAAP was not exceeded in 2022.

Market risk

Market risk is the risk of loss as a result of changes in market parameters. It can be subdivided into interest rate risk, currency risk, equity risk and other price risks. Credit financing extended by OeEB is as a rule funded at rates compliant with the OECD's Commercial Interest Reference Rate (CIRR). OeEB has no other significant exposure to market risks.

As of the end of the year, OeEB's market risk was calculated at € 6 million (2021: € 2 million).

The market risk budget of € 12 million for 2022 (2021: € 6 million) was not exceeded.

Liquidity risk

Liquidity risk can be divided into term liquidity risk and withdrawal/call risk, as well as structural risk (funding liquidity risk).

Liquidity is currently managed and made available on a project basis in coordination between OeEB and OeKB. Term liquidity risk is the risk of change in the length of time for which capital is committed to or by OeEB. Withdrawal/call risk is the risk that deposits received are unexpectedly withdrawn or that loan commitments to borrowers are unexpectedly utilised. Both term liquidity risks and withdrawal/call risks are low as a result of OeEB's business structure and contractual arrangements. Liquidity is monitored and controlled with the aid of weekly cash flow projections.

As OeEB's funding is obtained largely through OeKB, the latter's standing in the market facilitates the availability of financing to OeEB at any time.

Operational risk

Operational risk is the risk of loss resulting from the inadequacy or failure of internal processes, people or systems, or from external events. Operational risk includes legal risk.

The central integration of operational risk management (including information security) into the OeKB Group's bank-wide management of risk, as well as the corporate culture, business continuity plans, insurance cover and similar centrally manageable measures, together form the framework within which the individual staff members are required to exercise personal responsibility for everyday risk management in their sphere of accountability. In these areas, OeEB, which has its offices within OeKB's premises, works very closely with OeKB.

For emergencies and various crisis scenarios, the operational risk management policy identifies emergency and crisis response teams and sets out responsibilities and procedures; an emergency response manual is also in place.

Other risks

Other risks include the following non-financial risks, among others:

- **Strategic risks:** The risk of negative impacts on capital or earnings as a result of strategic business decisions and/or changes in the business environment.
- **Reputation risk:** The risk of adverse effects on the brand and reputation, and resulting potential negative impacts on earnings, capital and liquidity.
- **Business risks:** The risk of deterioration in earnings as a result of unexpected changes in business volume or margins.
- **Sustainability risks:** The risk of events or conditions in the environmental, social or corporate governance sphere (ESG risks) the occurrence of which could have a significant negative impact on the bank's net assets, financial position or results of operations and on its reputation. These notably also include climate-related physical and transition risks.

Strategic and reputational risks to OeEB arise primarily from its special position. As a result of its mandate, OeEB's only principal is the Republic of Austria. A quantitative assessment of the risk associated with this would be difficult to perform and no such assessment is planned. OeEB continually monitors potential changes in its operating environment that have fundamental significance for its business activities and considers such developments in its business strategy. The bank's approach to business and to risk management has always been designed to take into account ESG risks that affect the different risk types. This applies not only to the assessment of the risks, but also to their integration in decision-making and taking mitigation measures.

Non-financial performance indicators

Sustainability, environmental and social matters

Sustainability is also important for OeEB at the institutional level. OeEB's sustainability performance is presented as part of the OeKB Group's annual sustainability report. This includes environmental performance parameters for the Strauchgasse site, which are carefully adhered to and monitored (EMAS, GRI).

Due to the international nature of OeEB's activities, almost all of its employees' business travel is by air. OeEB offsets the CO₂ emissions from its air travel by supporting climate protection projects of Vienna's University of Natural Resources and Applied Life Sciences (see <https://xn--klimaneutralitt-elb.boku.ac.at/en/co2-kompensation/>).

In line with OeEB's mandate to contribute to sustainable development, projects in the business segments of Investment Finance and Equity Investments undergo an environmental and social assessment by the Business Advisory Services department, sometimes with the support of external consultants. The companies and financial institutions financed by OeEB are contractually required to comply not only with national regulations but also with international environmental and social standards, including the Performance Standards of the International Finance Corporation and the core labour standards (the Fundamental Conventions) of the International Labour Organization. As needed, OeEB also supports the implementation of necessary measures to achieve these standards, e.g., through the use of technical assistance funds.

In line with its strategy, OeEB also specifically supports the financing of climate-friendly projects, with a focus on renewable energy.

Staff

OeEB had 73 active employees at 31 December 2022 (2021: 67), plus 3 employees on parental leave (2021: 6).

Motivated staff members with the requisite expertise and who provide service to a high standard of quality and professionalism, and do so in a cost- and risk-conscious manner, are critical to OeEB's sustained business success as acting as a development bank on behalf of the Republic of Austria.

OeEB's employees are responsible for developing new business (through project acquisition, structuring, risk assessment, money laundering and compliance tasks, negotiation and conclusion of new contracts, and processing of all transactions for these projects) and for the ongoing management of the existing portfolio of projects. Besides handling the banking and financing side of the transactions, the respective lead personnel must also assess the development relevance of the projects and their environmental and social impacts, money laundering and compliance aspects, etc. over the entire course of the project.

OeEB has a service agreement with OeKB under which various services are procured from OeKB, thus raising synergies.

The outsourcing of services is approved by the Financial Market Authority and includes finance & planning, human resources, information technology services, internal audit and treasury. OeEB also outsources the compliance officer function for those business segments covered by the Standard Compliance Code (SCC) and the SCC's minimum standards (securities compliance), and the function of the anti-money laundering/anti-terrorism finance officer.

Many OeEB employees bring to their jobs a wealth of experience from their various previous work in Austria and abroad. Personal and professional qualifications are used as the sole evaluation criteria, and for all employees, pay is independent of gender. OeEB applies the collective agreement for the banking sector to all staff and offers every employee flextime without core hours, as well as various flexible work time models. For graduates of vocational schools and higher educational institutions, the salary scale starts above collective agreement levels.

The flexible hybrid remote work arrangement introduced in 2020, which requires only two days of presence in the office per week, was continued in 2022 for the time being. Staff may telework from anywhere, not just their primary residence. Remote work days need not be authorised in advance. However, managers may request employees' presence in the office on specific days when operationally necessary.

The bank's compensation policy uses both performance criteria and market benchmarks. Care is taken to ensure an appropriate relationship between fixed and variable pay. The variable component is based partly on individual performance as discussed in the performance appraisal interview, and partly on various corporate-level performance indicators. Appropriate controls ensure that variable compensation is paid only when the bank's earnings allow it. This approach is followed for all levels of the organisation, including senior management.

OeEB ensures that its staff undergoes regular and practice-oriented further training. In the year under review, in addition to in-house seminars delivered among other ways through the OeKB Academy, participation in external seminars in Austria and abroad was selectively offered, as well. Occasionally, training stays of several months at other development banks are also arranged.

Committed to being a responsible employer, OeEB uses appropriate staff development tools to help create the right conditions for employee satisfaction and productivity. The employee interview discusses performance against productivity objectives set in the previous period, as well as work quality and team relations. Performance objectives and the conditions required to achieve them are set anew each year.

The "Fit to Develop" staff development programme was successfully continued in the year. A number of suggestions from the various working groups were already implemented (such as the elaboration of a set of values for working together, and improvements in service for business trips).

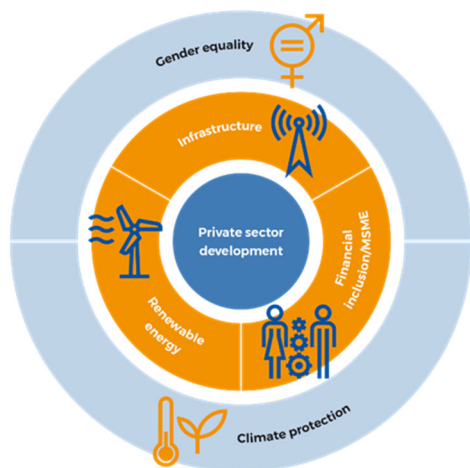
As a family-friendly employer recognised together with OeKB in 2019 by the award of the Work & Family Audit certificate, OeEB offers its staff a range of fringe benefits, such as the use of a medical centre or company doctor, a health budget, participation in vaccination campaigns and mass screenings, a wide range of sports courses, subsidised use of the OeKB sports centre at low residual cost, group accident insurance, an external pension fund, preferential rates for supplementary health insurance, and employee assistance programmes.

Business outlook

Consistent with OeEB's strategy titled "Financing Our Shared Future" (2019-2023 strategy cycle), OeEB is positioning itself as a thematically focused specialist institution with a broad geographic reach. In principle, OeEB can operate in all developing countries on the OECD Development Assistance Committee (DAC) list, but it is specifically pursuing the increased expansion of its engagement in Africa and in the poorest developing countries (Least Developed Countries).

In the current strategy period, 80% of new business is to be concluded in the three thematic focus areas of "renewable energy", "micro, small and medium-sized enterprises (MSMEs)/financial inclusion" and "infrastructure". The topics of climate protection and gender equality are integrated as cross-cutting themes.

To assess development impacts, since 2019 the new DERA (Development Effectiveness Rating tool) is used, which was developed by Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), the German development finance institution. DERA is applied to the entire OeEB portfolio. Guided by the Sustainable Development Goals (SDGs), the development contributions of each OeEB client are assessed across five impact categories: Good and fair employment, local income, development of markets and sectors, environmentally sound business, and benefits for local communities. The results of the portfolio assessments are presented in an annual Development Report (Impact Report).



Strategic cross-cutting theme: climate protection

OeEB sees a comparative strength in its ability, through the instruments at its disposal, to contribute to the climate financing goals agreed at the Paris climate conference in a particularly efficient and effective way. The focus of OeEB's engagement is on emissions reduction, such as through renewable-energy projects. For the period from 2019 to 2023, OeEB has therefore set itself the goal of investing an average of at least 40% of its new business in projects that qualify as climate financing.

Commitment under the Paris climate agreement

In a joint statement, 15 European development banks (European Development Finance Institutions, or EDFI), including OeEB, have committed to aligning all financing decisions with the goals of the Paris climate agreement. Investments in fossil fuels are to be ruled out by 2030. The EDFI members will eliminate the financing of new coal and oil projects and limit the financing for other fossil fuels, such as selective investments in gas-fired power generation, to transactions that are consistent with Paris Agreement targets, until

such financing is generally eliminated by 2030 at the latest. In addition to direct investments, this also includes indirect investments via investment funds and earmarked loans through financial institutions. By no later than 2050, the portfolios of all EDFI members are to reach net-zero emissions. In this way, the EDFI members want to act as a positive example for investors in developing countries and together contribute to achieving the SDGs and the objectives of the Paris climate agreement. Over the last ten years, the EDFIs have provided about € 13 billion in climate finance to low- and middle-income countries.

Joint Impact Model

The Joint Impact Model (JIM) is designed for measuring and reporting the contribution of financial institutions to the Paris Agreement objectives and the UN Sustainable Development Goals (SDGs). The Joint Impact Model is a publicly available impact measurement tool for financial institutions. Using input data such as revenues and electricity generation from investment portfolios, the Joint Impact Model allows users to estimate financial flows and the resulting social and environmental impacts (notably in terms of employment and greenhouse gas emissions).

EU taxonomy for sustainable investment

Regulation (EU) 2020/852 of the European Parliament and of the Council of June 2020 sets out EU rules for the definition of sustainable investments and the associated disclosure obligations. The disclosure of OeEB's activities in this regard will be made at the level of the OeKB Group. To this end, OeEB works closely with the OeKB banking group.

Climate-related financial disclosure

Since 2020, OeEB has also been an official supporter of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and climate-related financial risks are voluntarily disclosed. The Task Force on Climate-Related Financial Disclosures (TCFD) was established in 2016 by the G20 Financial Stability Board to better understand and promote the disclosure of climate-related financial risks.

Strategic cross-cutting theme: gender justice

In addition to combating climate change, OeEB has embedded in its strategy another cross-cutting theme, the economic empowerment of women in developing countries. The aim is for both OeEB staff and OeEB's clients to be sensitised to the topic of gender and for them to take appropriate measures for gender equality.

No quantitative targets have been set for the cross-cutting issue of gender for the time being. As the first step, gender mainstreaming will be implemented within the thematic priority of "MSME/financial inclusion" and integrated into the social and environmental assessment.

In 2022, the gender action plan developed back in 2019, which operationalises the implementation of the strategy, was put into practice as follows:

- Gender analysis over the entire project cycle for transactions in the financial sector.
- Membership in the 2X Collaborative, the knowledge transfer initiative of the 2X Challenge
- Establishment of a gender platform on the intranet for the purposes of knowledge management, on which employees can access not only internal policies and an overview of relevant international studies, but also online training courses and case studies
- Signatory of the United Nations Women's Empowerment Principles.

Outlook for 2023

The environment for the financing of projects remains challenging. OeEB basically regards itself as well equipped to deal with the current challenges. After a decline in business volume in 2021 due to the COVID crisis, the new business volume increased significantly in 2022. The business volume target for 2023 is similar to that for 2022.

The coronavirus pandemic is waning, but worries about the Ukraine crisis and the high inflation are new sources of uncertainty. Particularly in developing countries, this has reduced the financial leeway – in some cases considerably – in recent years. For a considerable time now, commercial banks have been more selective and restrictive in their lending, both as a result of regulatory requirements and adjustments to their business models, and in the face of increased risks. Yet, carrying out development projects is especially important for growth in these countries and for strengthening their resilience to crises. In this situation, the role of development banks is to be stable and dependable partners and to go where the need is.

After seeing a significant decrease in momentum in 2022 already, the global economy is likely to cool further in 2023. This is due to multiple, related crises with mutually exacerbating factors. These include the economic impacts of the Russian invasion of Ukraine, which has led not only to energy and food shortages but also significantly accelerated the inflation uptrend that began in 2021. In turn, the measures being taken to fight the inflation are curbing demand and leading to higher interest rates, which is having a marked impact on developing countries in particular due to their high debt burden, and chain problems can still arise. Additionally, the consequences of climate change are raising the urgency of adapting economic structures more quickly to changing conditions. In concert with this, the geopolitical conditions have deteriorated dramatically over the last year – a situation that makes support from development banks like OeEB more crucial than ever.

Vienna, 3 March 2023

Oesterreichische Entwicklungsbank AG

Executive Board



Sabine Gaber



Michael Wancata

Financial statements 2022

Balance sheet at 31 December 2022

Assets		31 Dec 2022	31 Dec 2021
		€	€ thousand
01	Balances at central banks	0.00	1
02	Loans and advances to banks	464,727,154.39	452,320
	a) Repayable on demand	37,837,294.56	39,621
	b) Other loans and advances	426,899,859.83	412,699
03	Loans and advances to customers	557,108,049.81	407,886
04	Bonds and other fixed-income securities	15,177,342.49	9,088
	a) Of other issuers	15,177,342.49	9,088
05	Other variable-income securities	309,753,699.07	270,683
06	Interests in affiliated companies	65,147.11	61
07	Interests in subsidiaries	35,000.00	35
08	Non-current intangible assets	700.00	2
09	Property and equipment	21,268.90	29
10	Other assets	1,259,043.35	2,339
11	Accruals and deferred expenses	310,776.92	302
12	Deferred tax assets	188,023.65	269
	Total assets	1,348,656,205.69	1,143,016
	Off-balance sheet items		
1.	Foreign assets	1,305,803,334.77	1,098,878
2.	Fiduciary assets	158,748,839.79	142,012

Liabilities and equity		31 Dec 2022	31 Dec 2021
		€	€ thousand
01	Deposits from banks	1,270,223,159.01	1,064,258
	a) With agreed maturity or notice period	1,270,223,159.01	1,064,258
02	Deposits from customers	6,536,540.42	12,102
	a) Non-savings deposits	6,536,540.42	12,102
	<i>Of which aa) With agreed maturity or notice period</i>	<i>6,536,540.42</i>	<i>12,102</i>
03	Other financial liabilities	7,511,254.60	6,060
04	Accruals and deferred expenses	3,778,934.98	3,223
05	Provisions	1,692,489.05	2,007
	a) Termination benefit provisions	329,430.00	381
	b) Other provisions	1,363,059.05	1,626
06	Share capital	5,000,000.00	5,000
07	Retained earnings	53,658,100.00	50,196
	a) Statutory reserve	500,000.00	500
	b) Other reserves	53,158,100.00	49,696
08	Liability reserve purs. to § 57(5) BWG	22,555.72	23
09	Profit available for distribution	233,171.91	147
	Total liabilities and equity	1,348,656,205.69	1,143,016
	Off-balance sheet items		
1.	Contingent liabilities (guarantee obligations incurred and assets pledged as collateral security)	43,222,578.15	56,296
2.	Credit risks	135,247,190.41	183,685
3.	Liabilities from fiduciary activities	158,748,839.79	142,012
4.	Available regul. capital purs. to Part 2 of Reg. (EU) No. 575/2013	53,675,227.88	48,791
5.	Regulatory capital requirement purs. to Art. 92 of Regulation (EU) No. 575/2013	40,220,489.06	39,031
	Regulatory capital requirement purs. to Art. 92(1) lit. a of Regulation (EU) No. 575/2013 - Common Equity Tier 1 ratio in %	133.45%	124.57%
	Regulatory capital requirement purs. to Art. 92(1) lit. b of Regulation (EU) No. 575/2013 - Tier 1 capital ratio in %	133.45%	124.57%
	Regulatory capital requirement purs. to Art. 92(1) lit. c of Regulation (EU) No. 575/2013 - Total capital ratio in %	133.45%	125.01%
6.	Foreign liabilities	28,910,698.29	26,740

Income statement for the year 2022

		2022	2021
		€	€ thousand
1.	Interest and similar income	39,522,726.48	30,230
	<i>Of which from fixed-income securities</i>	<i>929,637.38</i>	<i>694</i>
2.	Interest and similar expenses	(18,694,208.27)	(6,516)
I.	Net interest income	20,828,518.21	23,715
3.	Income from securities, interests, and affiliated companies	10,679,460.84	6,088
	a) Income from ownership interests and from variable-income other securities	10,679,460.84	6,088
4.	Fee and commission income	6,026,329.81	6,020
5.	Fee and commission expenses	(17,704,309.46)	(16,314)
6. ±	Income/expenses from financial operations	287,677.63	291
7.	Other operating income	530,953.52	309
II.	Operating income	20,648,630.55	20,108
8.	General administrative expenses	(13,915,557.51)	(13,053)
	a) Staff Costs	(8,305,143.01)	(7,751)
	<i>Of which:</i>		
	<i>aa) Salaries</i>	<i>(6,390,883.21)</i>	<i>(5,918)</i>
	<i>bb) Statutory social security costs, pay-based levies, and other pay-based compulsory contributions</i>	<i>(1,500,256.02)</i>	<i>(1,412)</i>
	<i>cc) Other social expenses</i>	<i>(213,323.14)</i>	<i>(180)</i>
	<i>dd) Expenses for retirement and other post-employment benefits</i>	<i>(154,562.67)</i>	<i>(157)</i>
	<i>ee) Expenses for termination benefits and contributions to termination benefit funds</i>	<i>(46,117.97)</i>	<i>(84)</i>
	b) Other administrative expenses	(5,610,414.50)	(5,302)
9.	Impairment losses on asset items 8 and 9	(9,757.75)	(37)
10.	Other operating expenses	(31,593.94)	(31)
III.	Operating expenses	(13,956,909.20)	(13,120)
IV.	Operating profit	6,691,721.35	6,988

		2022	2021
		€	€ thousand
11.	Impairment losses and write-downs on loans and advances and on securities classified as current assets	(2,088,240.14)	(292)
12.	Gains on reversal of impairment losses on loans and advances and gains on write-ups on and disposal of securities classified as current assets	302,782.89	284
13.	Impairment and disposal losses on securities classified as non-current financial assets and impairment losses on interests in affiliated companies	(56,043.80)	(260)
14.	Gains on reversal of impairment losses on and on disposal of securities classified as non-current financial assets and reversal of impairment losses on interests in affiliated companies	5,502.58	9
V.	Profit before tax	4,855,722.88	6,728
15. -	Income tax	(1,207,710.32)	(1,740)
VI.	Profit for the year	3,648,012.56	4,988
16. -	Transfer to reserves	(3,462,000.00)	(4,888)
	<i>Of which transfer to liability reserve</i>	<i>0.00</i>	<i>(6)</i>
VII.	Unallocated profit for the year	186,012.56	100
17. +	Profit brought forward from the previous year	47,159.35	47
VIII.	Profit available for distribution	233,171.91	147

Notes to the financial statements

Legislative basis of operations

The Austrian Federal Minister of Finance is authorised by § 9(1) Export Guarantees Act (German name of the Act: Ausfuhrförderungsgesetz, or AusfFG) to grant to Oesterreichische Entwicklungsbank AG (OeEB), a subsidiary of Oesterreichische Kontrollbank AG (OeKB), the public mandate for establishing and providing the services of an Austrian development bank.

Principal activities of OeEB are the longer-term financing of sustainable investment in developing countries and the management of federal government activities for supporting the preparation and implementation of private sector projects in developing countries.

OeEB is bound by Austria's development aims and principles under the Development Cooperation Act, Federal Law Gazette I No. 49/2002, as amended (German name of the Act: Entwicklungszusammenarbeitsgesetz, or EZA-G) and is required to consider Austria's foreign trade objectives.

OeEB operates primarily in developing countries. A guide for the geographic scope of its activities is the respective current list of Official Development Assistance (ODA) Recipients published by the OECD Development Assistance Committee (DAC). OeEB mainly supports private sector projects in developing countries. These projects must meet development criteria, satisfy international environmental and social standards and conform with Austrian and international law.

To implement the projects, OeEB employs three mechanisms: Investment Finance transactions, project support measures under Business Advisory Services, as well as Equity Investments, which are federally funded or OeEB-funded equity and near-equity investments in funds and companies.

The Investment Finance transactions are reported primarily in the balance sheet items "other loans and advances to banks", "loans and advances to customers", and "other variable-income securities". At 31 December 2022, the Investment Finance transactions presented there amounted to € 1,284,101,202.41 (2021: € 1,090,596 thousand). In addition, there are risk participations in the Investment Finance business segment that are recognised as contingent liabilities, and credit risks in the form of credit facilities and securities purchase obligations.

For every Investment Finance transaction conducted under the Export Guarantees Act, the Republic of Austria provides a guarantee for political and commercial risks (§ 9 Export Guarantees Act).

The balance sheet item "other variable-income securities" also includes projects in the Equity Investments segment that are funded by OeEB itself. Information on the associated guarantee is provided in chapter „Accounting and measurement methods“.

The equity investments that are federally funded are recognised below the balance sheet (i.e., off-balance sheet) in the items "fiduciary assets" and "liabilities from fiduciary activities" (see the following chapter). In the federally funded Equity Investments mechanism, the Republic of Austria, acting as trustor, makes the investment funding available for the entire duration of the investment; the risk of loss is therefore borne directly by the Republic of Austria.

Accounting and measurement methods

Basis of presentation and general principles applied

The annual financial statements of Oesterreichische Entwicklungsbank AG at and for the year ended 31 December 2022 were prepared by the Executive Board of OeEB in accordance with the provisions of the Austrian Commercial Code (in German: Unternehmensgesetzbuch, or UGB), as amended, and the bank-specific provisions of the Austrian Banking Act (in German: Bankwesengesetz, or BWG), as amended. In accordance with Austrian publication regulations, the financial statements are filed with the commercial court of business registration and published in the official gazette "Amtsblatt zur Wiener Zeitung". The structure of the balance sheet and income statement is as specified in Annex 2 to § 43 Austrian Banking Act.

OeEB is classified as a public interest entity under § 43(1a) Austrian Banking Act in conjunction with § 189a Austrian Commercial Code.

The annual financial statements were drawn up in accordance with accounting principles generally accepted in Austria and with the guiding principle of presenting a true and fair view of the bank's financial position, results of operations and cash flows. The annual financial statements were prepared in accordance with the principle of **completeness**.

In measuring the individual assets and liabilities, the principle of **individual measurement** was observed and the **bank's continuing operation** was assumed.

The principle of prudence was observed by reporting only those profits realised at the balance sheet date. All identifiable risks and impending losses which arose by the balance sheet date were recognised.

According to the size classes defined in § 221(3) Austrian Commercial Code, OeEB is categorised as a large corporation.

The same accounting, measurement and presentation methods continued to be applied as in the previous year.

Estimates are based on prudent judgement. To the extent that statistically determinable experience from comparable situations exists, it has been taken into account in arriving at estimates.

The financial year under review was the full calendar year.

Securities

Bonds and other fixed-income securities are measured at cost (using the average cost method) applying the modified lower of cost or market value principle (§ 204 UGB). The comparison figures for the prior year were determined applying conservative valuation at the lower of cost or market value (§ 206 of the Commercial Code). All holdings under this item were reclassified to fixed intangible assets in the 2022 financial year (see the notes to the balance sheet – Securities). Write-ups (to no more than the original cost) are recognised when the reasons for the impairment no longer apply. For securities that are measured as fixed assets, the option afforded in § 56 BWG to write off the acquisition cost that exceeds the repayment amount on a proportionate basis is exercised. The option for proportionate write-ups to the higher repayment amount is also exercised.

Variable-income other securities are measured using the modified lower of cost or market principle (§ 204 of the Commercial Code), i.e. are measured at cost or, if permanently impaired, at the lower fair value at the balance sheet date, taking into account any collateral or other security. They are classified as non-current assets. Write-ups (to no more than the original cost) are recognised when the reasons for the impairment no longer apply.

In the case of the fund shares acquired for investment finance purposes, the guarantees (under § 9 Export Guarantees Act) for political and commercial risks cover not just the principal amount underwritten by OeEB but also its target rate of return up to the documented funding costs plus the guarantee fee. As a result of the full government guarantee, the expected dividends and interest income for the year under these transactions are recognised in the balance sheet item “other variable-income securities” on an accrual basis up to the maximum amount guaranteed.

Within the Equity Investments segment, for OeEB’s self-funded investments in private equity funds, the guarantees (under § 9 Export Guarantees Act) for political and commercial risks cover the capital invested by OeEB for the purchase of fund shares, up to a maximum amount, by way of a capital preservation guarantee. These transactions too are included in the balance sheet item “other variable-income securities”.

The bank does not hold securities for trading and therefore does not maintain a trading book.

Interests in affiliated companies and interests in subsidiaries

Interests in affiliated companies and in subsidiaries are measured at cost, less any lasting material impairment losses. Impairment losses are reversed if the reasons for the impairment no longer apply.

Intangible assets

Intangible assets are recognised in the balance sheet only if they have been acquired by purchase. They are measured at cost less amortisation and impairment. In accordance with tax legislation, a full year’s amortisation is applied to additions made in the first half of the year, and half of a year’s amortisation is applied to additions made in the second half of the year. Intangible assets generated internally are expensed immediately.

Amortisation is provided on a straight-line basis over a useful life of 5 years.

Impairment losses existing at the balance sheet date are recognised if the impairment is expected to be lasting in nature. Impairment losses are reversed if the reasons for the impairment no longer apply.

Property and equipment

Items of property and equipment are measured at cost, less depreciation and impairment. Low-value assets (i.e., with an individual acquisition cost of less than € 800) are expensed immediately. In accordance with tax legislation, a full year’s depreciation is applied to additions made in the first half of the year, and half of a year’s depreciation is applied to additions made in the second half of the year.

Depreciation is provided on a straight-line basis over the normal useful life of the assets, which is five to ten years.

Impairment losses existing at the balance sheet date are recognised if the impairment is expected to be lasting in nature. Impairment losses are reversed if the reasons for the impairment no longer apply.

Loans and advances to banks and customers and other assets

Loans and advances to banks and customers and other assets are recognised at face amounts. For identifiable credit risks in respect of borrowers, impairment losses are individually assessed.

For the loans arranged within the framework of the investment financing, the guarantees for political and economic risks (§ 9 AusfFG) cover the fulfilment of the obligations of the foreign contract partner up to the maximum amount specified in the guarantee letter plus contractually agreed interest up to maturity. The expected interest income is recognised on an accrual basis and recorded in the respective balance sheet item.

Deferred taxes

In accordance with § 198(9) and (10) Austrian Commercial Code, deferred taxes are recognised using the balance sheet-based temporary concept and without discounting, on the basis of the current corporate tax rate of 24% (financial year 2023) and 23% (starting in financial year 2024).

Deposits from banks and customers and other financial liabilities

Deposits from banks and customers and other financial liabilities are recognised at the amount required to settle the obligation (the higher of the face amount or repayable amount). Accrued interest is included in the respective balance sheet item.

Provisions

Provisions for termination benefits are determined on the basis of generally accepted actuarial principles, using the projected unit credit method in accordance with International Accounting Standard 19. The calculations assumed a discount rate of 3.75% (2021: 1.00%), a salary growth rate of 3.70% (2021: 2.50%) and an age at retirement of 65 years for women and men (2021: 65 years), and are based on the computation tables "AVÖ 2018 P" by Pagler & Pagler. Actuarial gains and losses and changes in discount rate are reported in the income statement in staff costs.

The discount rate for termination benefit provisions is determined based on market yields of highly rated corporate bonds at the balance sheet date.

The item "**other provisions**" represents all risks, and all liabilities of uncertain amount or nature, identifiable at the time of preparation of the financial statements, measured as dictated by prudent business judgement.

Non-current provisions are recognised at the amount required to settle the obligation and are discounted if material.

For structuring fees (acquisition costs related to the structuring of funds), a provision was created in the 2018 financial statements that is utilised at the time of redemption of the respective investment at fund maturity. In the year under review, € 198,019.80 of the provision was used (2021: € 112 thousand).

Fiduciary assets and liabilities

The item "fiduciary assets" contains the transactions overseen by OeEB as trustee which are covered in § 3 of the contract concluded pursuant to § 9(1) Export Guarantees Act. In fulfilling its mandate, OeEB is authorised to, among other things, acquire interests in investment funds and companies through federally funded equity and near-equity investments. The monies held in trust for these Equity Investments are used by OeEB by

investing them in its own name for the account of the Austrian Ministry of Finance. In addition, there is a co-financing with the Austrian Ministry of Climate Protection, Environment, Energy, Mobility, Innovation and Technology for one of the projects. Also reported under fiduciary assets are loans extended under the African-Austrian SME Investment Facility (AAIF) in OeEB's capacity as trustee. The total for fiduciary assets additionally includes a separate account of the federal government (referred to in this report as the trust account). The position also contains restructured loss events from the Investment Financing segment, which are being carried forward for the Austrian Ministry of Finance.

Under § 48(1) Austrian Banking Act, fiduciary assets can be reported off-balance sheet if there is a special arrangement which allows these assets to be segregated from the assets available for distribution in the event of a compulsory liquidation of the bank. Such a right of segregation exists for the fiduciary assets of the federal government reported in the annual financial statements of OeEB, and these assets are therefore disclosed off-balance sheet.

At the same time, the obligation to the Ministry of Finance (incurred by OeEB as a result of the right of segregation under § 48(1) Austrian Banking Act) to surrender the funds is reported off-balance sheet on the liabilities side.

Foreign currency translation

The reporting currency is the euro. Foreign currency amounts are ordinarily translated at middle rates of exchange.

Notes to the balance sheet

Loans and advances to banks

Loans and advances - repayable on demand in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	36,574,570.40	39,406
Denominated in USD	1,262,724.16	215
Total	37,837,294.56	39,621

Loans and advances to banks not repayable on demand purs. to § 64(1)4 BWG

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Up to 3 months	24,889,507.52	27,455
More than 3 months up to 1 year	71,012,888.00	68,044
More than 1 year up to 5 years	251,544,046.89	254,631
More than 5 years	79,453,417.42	62,654
Subtotal	426,899,859.83	412,784
Less impairment charge under § 57 BWG	0.00	(85)
Total	426,899,859.83	412,699

Accrued interest of €4,217,896.28 (2021: € 2,376 thousand) was recognised within the maturity band of up to three months.

Other loans and advances

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	62,624,622.77	80,034
Denominated in USD	364,275,237.06	332,750
Less impairment charge under § 57(1) BWG	0.00	(85)
Total	426,899,859.83	412,699

The other loans and advances to banks contain subordinated loans in the amount of € 74,840,429.77 (2021: € 35,543 thousand).

Loans and advances to customers

Loans and advances in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	306,758,437.59	190,182
Denominated in USD	250,349,612.22	217,789
Less impairment charge under § 57(1) BWG	0.00	(85)
Total	557,108,049.81	407,886

This balance sheet item also includes unlisted debt securities from the Investment Finance segment, in the amount of € 14,498,114.29 at the balance sheet date (2021: € 13,407 thousand) of which € 5,029,454.25 (2021: € 13,407 thousand) are subordinated. In addition, an unlisted education bond in the amount of € 58,865.94 (2021: € 85 thousand) is reported here. The item also contains subordinated loans in the amount of € 8,592,109.88 (2021: € 2,235 thousand).

Loans and advances to customers not repayable on demand purs. to § 64(1)4 BWG

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Up to 3 months	21,068,262.88	16,478
More than 3 months up to 1 year	66,445,079.84	46,649
More than 1 year up to 5 years	294,444,276.87	240,656
More than 5 years	175,150,430.22	104,188
Subtotal	557,108,049.81	407,971
Less impairment charge under § 57 BWG	0.00	(85)
Total	557,108,049.81	407,886

Accrued interest of € 4,966,015.37 (2021: € 2,240 thousand) was recognised within the maturity band of up to three months.

Securities

For the purposes of § 64(1)10 and 11 Austrian Banking Act, the analysis of securities holdings is as follows:

Other variable-income securities

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	141,119,626.56	108,900
Denominated in USD	168,634,072.51	161,783
Total	309,753,699.07	270,683

Bonds and other fixed-income securities

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Listed	15,177,342.49	9,088
Total	15,177,342.49	9,088

No bonds or other fixed-income securities will be redeemed in the subsequent financial year, i.e., in 2023 (previous year's projection for the year under review: no redemptions). Interest in the amount of € 37,397.28 for 2022 will come due in the subsequent year (previous year's projection for the year under review: € 27 thousand).

The bonds contained in the item "bonds and other fixed-income securities" (net book value as at 31 Dec 2021: € 9,087,741.66) were classified as current assets as at 31 December 2021. The investment strategy was changed in the 2022 financial year. For this reason, the bonds were assessed and reclassified from current financial assets to fixed financial assets. At the time of reclassification, the value of the bonds and other fixed-income securities amounted to € 15,072,509.73. The reclassification from current to fixed financial assets was completed at the book values that applied at the time of reclassification (30 Sep 2022) and represented neither a realisation nor a purchase. At this time, measurement was performed according to the principles for the current financial assets. The differences to the repayment amount totalling € 1,933,299.11 that result from this measurement at the time of reclassification will be carried forward in accordance with the principles for fixed financial assets.

These securities classified as non-current assets contain the following hidden liabilities:

Determination of hidden liabilities

€ (2021: € thousand)	2022	2021
Net book value	15,177,342.49	0
Fair value	14,934,867.28	-
Hidden liabilities	(242,475.21)	0

The hidden liabilities result from fixed-income bonds whose fair value has declined due to the higher interest rate level. Securities with hidden liabilities are regularly analysed and measured in terms of their credit risk.

According to these analyses, no impairments needed to be recognised because the decrease in value is not likely to be permanent.

Disclosures under § 56 BWG

§ 56(2) BWG: The difference between cost and repayable amount of securities admitted to trading and listed on an exchange that were held as non-current assets was € 19,460.00 (2021: € 88 thousand).

The fund shares reported within “other variable-income securities” are classified as non-current assets; in an amount of € 304,103,031.01, these shares were acquired for the purpose of investment financing (2021: € 266,668 thousand).

In a further amount of € 5,650,668.06 (2021: € 4,014 thousand), they represented investments in private equity funds made under the 17 November 2016 agreement between the Ministry of Finance and OeEB for the purposes of the Equity Investments segment. These projects internally funded by OeEB are to be implemented in its own name and for its own account using available free reserves.

In 2022 and 2021, none of the securities reported under “other variable-income securities” were admitted to trading on an exchange.

Interests in affiliated companies

At the end of the financial year, OeEB held a 7.63% equity interest in European Financing Partners S.A and a 7.69% equity interest in Interact Climate Change Facility S.A. Both these affiliated companies are based in Luxembourg. In addition, a 10% equity interest in EDFI Management Company S.A., based in Belgium, was acquired in the financial year 2021.

Since 2018, OeEB holds an equity interest of 0.1942% in Einlagensicherung AUSTRIA Ges.m.b.H., a deposit insurance entity.

Interests in subsidiaries

In January 2019, OeEB founded a wholly owned subsidiary, OeEB Impact GmbH. The subsidiary's equity at 31 Dec 2022 was € 364,832.56 (2021: € 326 thousand), and the profit for the year of € 38,419.55 in the financial year (2021: € 231 thousand).

Property, equipment, and intangibles

Non-current assets in 2022 - Cost

€	1 Jan 2022	Currency translation differences	Additions	Disposals	31 Dec 2022
Bonds and other fixed-income securities	0.00	0.00	15,166,799.76	26,014.52	15,140,785.24
Shares and other variable-income securities	284,901,335.12	10,435,048.98	68,061,835.54	38,315,587.89	325,082,631.75
Bonds, shares and securities	284,901,335.12	10,435,048.98	83,228,635.30	38,341,602.41	340,223,416.99
Interests in affiliated companies	80,798.02	0.00	0.00	0.00	80,798.02
Interests in subsidiaries	35,000.00	0.00	0.00	0.00	35,000.00
Affiliated companies and interests in subsidiaries	115,798.02	0.00	0.00	0.00	115,798.02
Software	127,000.00	0.00	0.00	0.00	127,000.00
Non-current intangible assets	127,000.00	0.00	0.00	0.00	127,000.00
Fixtures, fittings, and equipment	460.00	0.00	0.00	0.00	460.00
Fleet vehicles	40,854.00	0.00	0.00	0.00	40,854.00
Low-value assets	0.00	0.00	0.00	0.00	0.00
Property and equipment	41,314.00	0.00	0.00	0.00	41,314.00
Total	285,185,447.14	10,435,048.98	83,228,635.30	38,341,602.41	340,507,529.01

Non-current assets in 2022 - Depreciation and amortisation

€	1 Jan 2022	Currency translation differences	Additions	Transfers	Disposals	31 Dec 2022
Bonds and other fixed-income securities	0.00	0.00	0.00	95,423.19	0.00	(95,423.19)
Shares and other variable-income securities	811,752.23	33,511.94	101,588.35	0.00	116,034.13	830,818.39
Bonds, shares and securities	811,752.23	33,511.94	101,588.35	95,423.19	116,034.13	735,395.20
Interests in affiliated companies	19,536.28	0.00	0.00	3,885.37	0.00	15,650.91
Interests in subsidiaries	0.00	0.00	0.00	0.00	0.00	0.00
Interests in affiliated companies	19,536.28	0.00	0.00	3,885.37	0.00	15,650.91
Software	124,900.00	0.00	1,400.00	0.00	0.00	126,300.00
Non-current intangible assets	124,900.00	0.00	1,400.00	0.00	0.00	126,300.00
Fixtures, fittings, and equipment	253.00	0.00	46.00	0.00	0.00	299.00
Fleet vehicles	11,575.30	0.00	8,170.80	0.00	0.00	19,746.10
Low-value assets	0.00	0.00	140.95	0.00	140.95	0.00
Property and equipment	11,828.30	0.00	8,357.75	0.00	140.95	20,045.10
Total	968,016.81	33,511.94	111,346.10	99,308.56	116,175.08	897,391.21

Non-current assets in 2022 - Net book value

€	1 Jan 2022	31 Dec 2022
Bonds and other fixed-income securities	0.00	15,236,208.43
# Shares and other variable-income securities	284,089,582.89	324,251,813.36
Bonds, shares and securities	284,089,582.89	339,488,021.79
Interests in affiliated companies	61,261.74	65,147.11
Interests in subsidiaries	35,000.00	35,000.00
Affiliated companies and interests in subsidiaries	96,261.74	100,147.11
Software	2,100.00	700.00
Non-current intangible assets	2,100.00	700.00
Fixtures, fittings, and equipment	207.00	161.00
Fleet vehicles	29,278.70	21,107.90
Low-value assets	0.00	0.00
Property and equipment	29,485.70	21,268.90
Total	284,217,430.33	339,610,137.80

Other assets

2022 in €	Remaining maturity		Carrying amount
	Up to 1 year	More than 1 year	
Other assets outside Austria	229,202.44	50,000.00	279,202.44
Receivables from tax authority	933,515.62	0.00	933,515.62
Sundry assets	46,325.29	0.00	46,325.29
Total	1,209,043.35	50,000.00	1,259,043.35

2021 in € thousand	Remaining maturity		Carrying amount
	Up to 1 year	More than 1 year	
Other assets outside Austria	290	50	340
Receivables from tax authority	1,424	0	1,424
Sundry assets	576	0	576
Total	2,289	50	2,339

“Other assets” included accrued income of € 241,107.73 for 2022 (2021: € 711 thousand) to be received after the balance sheet date.

Deferred tax assets

The deferred taxes at the balance sheet date consisted only of deferred tax assets and were recognised for temporary differences between the carrying amounts in the financial statements and their tax base, for the following items:

Deferred taxes in € (2021: € thousand)	31 Dec 2022	31 Dec 2021
Impairment purs. to § 57 BWG	0.00	43
Non-current provisions for employee benefits	75,855.70	101
Interests in affiliated companies	2,405.68	4
Provision for structuring fee for investment fund	67,178.34	121
Private equity funds	42,583.93	0
Total	188,023.65	269

The movement in deferred taxes was as follows:

Deferred taxes in € (2021: € thousand)	2022	2021
As at 1 Jan	268,968.07	342
Change recognised in profit or loss	(80,944.42)	(73)
As at 31 Dec	188,023.65	269

The dividend payout restriction under § 235(2) Austrian Commercial Code (concerning deferred tax assets) does not apply, thanks to sufficient free reserves.

Deposits from banks and customers and other financial liabilities

Deposits from banks

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	494,183,119.62	357,860
Denominated in USD	776,040,039.39	706,398
Total	1,270,223,159.01	1,064,258

Deposits from banks not repayable on demand purs. to § 64(1)4 BWG

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Up to 3 months	40,280,451.96	53,128
More than 3 months up to 1 year	185,905,363.52	121,514
More than 1 year up to 5 years	672,989,063.19	634,623
More than 5 years	371,048,280.34	254,994
Total	1,270,223,159.01	1,064,258

Accrued interest of € 7,742,377.05 (2021: € 1,234 thousand) was recognised within the maturity band of up to three months.

Deposits from customers

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Denominated in EUR	6,536,540.42	12,102
Total	6,536,540.42	12,102

Deposits from customers not repayable on demand purs. to § 64(1)4 BWG

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Up to 3 months	89,567.20	144
More than 3 months up to 1 year	236,305.17	5,432
More than 1 year up to 5 years	6,210,668.05	6,526
Total	6,536,540.42	12,102

Accrued interest of € 10,798.81 (2021: € 0.5 thousand) was recognised within the maturity band of up to three months.

Other financial liabilities

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Other financial liabilities in Austria	952,686.00	167
Liabilities to Ministry of Finance for guarantee fees	6,289,767.00	5,745
Liabilities to Ministry of Finance from Advisory Programmes	5,119.12	5
Sundry liabilities	263,682.48	143
Total	7,511,254.60	6,060

Other financial liabilities included accrued expenses of € 7,274,779.14 (2021: € 5,995 thousand) that will be paid after the balance sheet date.

Other financial liabilities were current in nature.

Provisions

Termination benefit provisions changed by € 51 thousand in the financial year from € 381 thousand to a new total of € 329,430.00. Termination benefit provisions include the provisions for the 3-month period after the death of pension plan participants.

The item "other provisions" had the following composition:

Other provisions in €	1 Jan 2022	Added	Used	Released	31 Dec 2022
Provision for vacation pay	318,971.13	331,497.94	318,971.13	0.00	331,497.94
Provision for legal, audit and consulting expenses	73,000.00	53,900.00	73,000.00	0.00	53,900.00
Provision for structuring fees	484,432.03	0.00	198,019.80	0.00	286,412.23
Other provisions	749,983.48	570,719.00	624,096.34	5,357.26	691,248.88
Total	1,626,386.64	956,116.94	1,214,087.27	5,357.26	1,363,059.05

Equity

The **share capital** of OeEB of € 5 million is divided into 50,000 no-par value registered shares, each representing an equal portion of the share capital. The proposed dividend to be paid in the subsequent year for the 2022 financial year is € 185,500.00 in total, or € 3.71 per share. The **return on assets** in 2022 was 0.27% (2021: 0.44%).

The composition and movements in **retained earnings** in the 2022 financial year are shown in the following table:

Retained earnings in €	Statutory reserve	Other reserves		Total
		For technical assistance (TA)	Non-TA	
1 Jan 2022	500,000.00	1,542,727.84	48,153,372.16	50,196,100.00
Released	0.00	(572,205.19)	0.00	(572,205.19)
Added	0.00	364,801.26	3,669,403.93	4,034,205.19
31 Dec 2022	500,000.00	1,335,323.91	51,822,776.09	53,658,100.00

Since 1 January 2017, under an agreement between the Austrian Ministry of Finance and OeEB of 17 November 2016, the funding for Business Advisory Services is provided by OeEB itself. Annually, under the agreement, 10% of OeEB's respective previous year's profit for the year is to be newly made available for Business Advisory Services projects. In this financial statement, a portion of other (free, i.e., uncommitted) retained earnings was thus set aside as a reserve for technical assistance activities offered under BAS, in the amount of € 364,801.26 (2021: € 499 thousand).

If the budgeted amount for new Business Advisory Services projects is not fully utilised in a given year, the unused amount remains available for the subsequent years.

Conversely, the release of € 572,205.19 in 2022 from the reserve for Technical Assistance (2021: release of € 669 thousand) represents the Technical Assistance expenses for the financial year, which are reported in other administrative expenses. These expenses serve to enhance development effectiveness through project preparation, project support and studies.

As well, out of 2022 profit for the year, € 3,669,403.93 (2021: € 5,053 thousand) was transferred to the other free reserves. Under § 8 item 2 of the contract concluded on the basis of § 9(1) Export Guarantees Act, the other free reserves shall be used for OeEB's purposes in subsequent years.

Retained earnings also include the statutory reserve, which at € 500,000.00 (2021: € 500 thousand) fulfils the requirement under § 229(6) Austrian Commercial Code that the statutory reserve, when fully accumulated, shall amount to at least 10% of share capital.

No **liability reserve purs. to § 57(5) BWG** was allocated during the financial year.

Fiduciary assets

The following table presents the fiduciary assets held in connection with Business Advisory Services and with federally funded Equity Investments, which are undertaken pursuant to § 3 of the contract concluded on the basis of § 9(1) Export Guarantees Act. In addition, the federal government acquired equity interests and loans in connection with restructuring events in the Investment Financing segment; these are also held in trust by OeEB. Since the 2020 financial year, OeEB, on behalf of the Ministry of Finance and using funds under § 7(3) Export Guarantees Act, invests in a new facility, the African-Austrian SME Investment Facility.

		31 Dec 2022	31 Dec 2021
		€	€ thousand
Fiduciary assets			
CGFT Capital Pooling GmbH & Co. KG	Germany	2,260,913.22	2,418
European Fund for Southeast Europe SA, SICAV-SIF	Luxembourg	6,000,000.00	6,000
MICROFINANCE ENHANCEMENT FACILITY SA, SICAV-SIF	Luxembourg	3,000,000.00	3,000
Regional MSME Investment Fund for Sub-Saharan Africa S.A., SICAV-SIF	Luxembourg	3,000,000.00	3,000
Total under Business Advisory Services		14,260,913.22	14,418
Adenia Capital IV LP	Mauritius	6,330,609.00	5,150
Africa Renewable Energy Fund II SCSP	Luxembourg	1,791,998.88	0
Africa Renewable Energy Fund L.P.	Mauritius	7,155,916.36	7,074
AFRICINVEST FUND IV LLC	Mauritius	1,110,802.85	556
Ascent Rift Valley Fund Ltd.	Mauritius	3,872,412.10	3,823
Cambodia Laos Myanmar Development Fund II L.P.	Singapore	6,305,432.40	5,847
Catalyst MENA Clean Energy Fund L.P.	Guernsey Island	2,987,607.53	3,180
Caucasus Clean Energy Fund I	Guernsey Island	4,495,869.21	3,704
CEE Special Situations Fund, L.P.	Jersey Island	22,336,010.40	22,117
Dolma Impact Fund I	Mauritius	3,949,377.04	3,858
DWM Funds S.C.A. SICAV-SIF	Luxembourg	4,338,495.77	4,338
European Investment Fund Central European Fund of Funds	Luxembourg	4,999,865.51	2,946
Frontier Energy II Alpha K/S	Denmark	3,239,522.49	2,605
RENDCOR GmbH in liquidation	Austria	0.00	833
SEAF Caucasus Growth Fund L.P.	Cayman Islands	1,991,807.83	2,769
ShoreCap II Limited	Mauritius	433,864.30	434
ShoreCap III, LP	Mauritius	2,018,081.82	1,172
Susi Asia Energy Transition Fund (SAETF)	Luxembourg	1,152,135.51	0
The Enterprise Expansion Fund S.A.(ENEF) SICAV-SIF	Luxembourg	2,224,846.76	2,668
Women´s World Banking Capital Partners, L.P.	USA	3,883,104.52	3,861
Total under equity investments		84,617,760.28	76,936
CJSC AccessBank	Azerbaijan	6,707,380.51	4,032
PT Sarana Majukan Ekonomi Finance Indonesia	Indonesia	2,416,428.36	0
SEKEM Holding for Investment Company S.A.E.	Egypt	4,691,583.76	0
Total restructurings of investment finance facilities		13,815,392.63	4,032
AMABO GmbH	Austria	493,979.48	333
ESME GmbH	Austria	1,718,000.63	1,742
Westa Solar GmbH	Austria	1,500,000.00	0
Total under the African Austrian SME Investment Facility		3,711,980.11	2,075
Trust account balance		42,342,793.55	44,551
Total fiduciary assets		158,748,839.79	142,012

Liabilities from fiduciary activities

This item represents the standing obligation to the Ministry of Finance to surrender the fiduciary assets (an obligation incurred by OeEB as a result of the right of segregation of these assets under § 48(1) BWG).

Derivative financial instruments

At the balance sheet dates of 31 December 2022 and 2021, OeEB did not hold derivative financial instruments.

Notes to the income statement

Interest income

Interest and similar income from lendings and investments

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
From loans and advances to banks	18,840,159.93	13,865
From loans and advances to customers	19,752,929.17	15,670
From bonds and other fixed-income securities	929,637.38	696
Total	39,522,726.48	30,230

Interest income included income reductions of € 89,650.87 (2021: € 160 thousand) resulting from negative interest rates on loans and advances to banks repayable on demand.

The following table shows an analysis of interest income by geographic market, in accordance with § 64(1)9 BWG:

Interest and similar income from lendings and investments

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Africa	5,395,199.91	3,132
Central America and Caribbean	10,444,999.38	8,003
Asia	12,345,399.08	9,613
Southeastern and Eastern Europe	7,608,139.20	7,223
Supra regional	3,728,988.91	2,259
Total	39,522,726.48	30,230

Interest expenses

Interest and similar expenses

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
For deposits from banks	18,671,087.39	6,505
For deposits from customers	23,120.88	11
Total	18,694,208.27	6,516

Interest expense included expense reductions of € 307,707.07 (2021: € 634 thousand) resulting from negative interest rates on deposits from banks.

Income from securities and affiliated companies

This item in the amount of € 10,679,460.84 (2021: € 6,088 thousand) consisted primarily of the income from securities classified as non-current assets that is collected on an accrual basis up to the maximum guaranteed amount, as a result of the guarantees for political and commercial risks based on § 9 Export Guarantees Act.

The following table shows an analysis of the item "income from securities and affiliated companies" by geographic market, in accordance with § 64(1)9 BWG:

Income from securities and investments and affiliated companies

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Africa	763,985.05	857
Central America and Caribbean	1,898,394.23	1,149
Supra regional	8,017,081.56	4,082
Total	10,679,460.84	6,088

Fee and commission income and expenses

Fee and commission income

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Guarantee commissions	1,474,403.83	1,484
Commitment and monitoring fees	1,227,695.83	1,066
Management fees	2,019,655.82	2,023
Administration fee for equity investments in funds and federal equity investments	1,304,574.33	1,446
Total	6,026,329.81	6,020

Fee and commission income was related principally to fees and guarantee commissions received in connection with credit commitments for investment financing as well as the reimbursement of expenses incurred in the course of (partly fiduciary) services provided by OeEB for the Austrian Ministry of Finance for equity investments.

The following table presents an analysis of **fee and commission income by geographic market**, in accordance with § 64(1)9 BWG:

Fee and commission income

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Africa	612,524.05	641
Central America and Caribbean	1,049,242.46	865
Asia	1,496,096.54	1,590
Southeastern and Eastern Europe	2,764,049.54	2,808
Supra regional	104,417.22	116
Total	6,026,329.81	6,020

Fee and commission expenses

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Guarantee fees (§ 9 Export Guarantees Act)	17,591,851.00	16,266
Other fees and commissions	112,458.46	48
Total	17,704,309.46	16,314

The fee and commission expense consisted largely of the accrued guarantee fees payable to the Austrian Ministry of Finance for the guarantees for political and commercial risks (§ 9 Export Guarantees Act).

Other operating income

Other operating income amounted to € 530,953.52 (2021: € 309 thousand) and had two main sources: the pass-through of expenses, and services rendered and billed by OeEB.

Other administrative expenses

Other administrative expenses (property and equipment) consisted largely of costs for leases, travel, purchased services, and auditing and consulting.

The expenses for the auditor and affiliated companies include costs for the audit of the annual financial statements in the amount of € 53,900.00. Due to the change in the auditor starting in the 2022 financial year, there are no 2021 comparison figures for the costs.

No costs were incurred for the auditing of the annual financial statements with the auditor of the previous year in 2022 (2021: € 70 thousand).

Impairment losses and write-downs on loans and advances and on securities classified as current assets

This item largely represented write-downs on receivables, and additions to impairment charges for overdue credit-related receivables, totalling € 154,941.03 in the financial year (2021: € 263 thousand). Impairment of overdue receivables is recognised where these are not covered by the federal government guarantees, such as arrears interest and various fees in connection with lending. The item also included price losses of € 1,933,299.11 on securities (2021: € 29 thousand) due to the reclassification.

Gains on reversal of impairment losses on loans and advances and gains on write-ups on and disposal of securities classified as current assets

This item mainly included the reversal of € 170,000.00 of impairment losses under § 57(1) BWG (2021: reversal of € 170 thousand) and gains of € 132,782.89 (2021: € 110 thousand) from the reversal of individually recognised impairment.

Impairment and disposal losses on securities measured as non-current financial assets and impairment losses on interests in affiliated companies

Impairment and disposal losses on securities measured as non-current financial assets and impairment losses on interests in affiliated companies were as follows:

€ (2021: € thousand)	2022	2021
Disposal loss for structuring fees (at fund redemption)	0.45	0
Impairment loss for structuring fees (at inception of fund investment)	56,043.35	235
Impairment loss on securities	0.00	16
Impairment loss on interests in affiliated companies	0.00	9
Total	56,043.80	260

As the federal government guarantee no longer covers the full amount paid on subscription of fund shares (the subscription amount and the structuring fee), the structuring fee is written off at the time of acquisition. In 2022 the impairment charge for this was € 56,043.35 (2021: € 235 thousand).

Analysis of income tax

The item "income tax" can be analysed as follows:

€ (2021: € thousand)	2022	2021
Current tax	1,126,765.90	1,667
Increase (+) or decrease (-) in deferred taxes	80,944.42	73
Total	1,207,710.32	1,740

Supplementary disclosures

Information on off-balance sheet transactions

The item “contingent liabilities” related entirely to risk participations of OeEB in loans issued by Kreditanstalt für Wiederaufbau (KfW), Frankfurt am Main, and Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), Cologne. Through these facilities, OeEB shares risk internally with KfW and DEG to the extent of its contractual portion of the exposure by guaranteeing the respective outstanding loan principal and interest.

Contingent liabilities

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Risk participation facilities of Kreditanstalt für Wiederaufbau, Frankfurt am Main	8,553,165.54	12,348
Risk participation facilities of Deutsche Investitions- und Entwicklungsgesellschaft mbH, Cologne	34,669,412.61	43,948
Total	43,222,578.15	56,296

These risk participation agreements are backed by **guarantees** for political and commercial risks (§ 9 Export Guarantees Act) that cover the contractual interest up to the contractual maturity date of the underlying loan, including OeEB’s risk compensation fee under the risk participation agreement.

The **credit risks** recognised below the balance sheet (i.e., off-balance sheet) was related to undrawn commitments to lend (unused limits on credit facilities, and securities purchase obligations). Under § 9 Export Guarantees Act, to secure the risks, OeEB receives a guarantee of the Republic of Austria for political and commercial risks on every transaction.

Credit risks

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Credit facilities	127,962,554.17	152,362
Securities purchase obligations	7,284,636.24	31,324
Total	135,247,190.41	183,685

Total amounts of assets and liabilities denominated in foreign currencies

The foreign currency positions at the balance sheet date had the following values in euros:

- Assets: € 784,634,999.96 (2021: € 712,726 thousand)
- Liabilities: € 776,082,536.97 (2021: € 706,469 thousand)

The difference in amounts between these assets and liabilities resulted in part from differences in interest rates between the project investments made and the related borrowing. These interest rate differences in turn are explained by the fact that the income guaranteed by the federal government was higher than the borrowing costs. There also were a US dollar bank account and USD-denominated receivables in connection with project investments.

Amounts due from and to Group entities

The amounts of the (uncertificated) receivables from and liabilities to intra-Group companies (i.e., companies in the OeKB Group) included in the following asset and liability items at the balance sheet date were as follows:

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Assets		
Loans and advances to banks	37,542,873.63	39,365
Other assets	0.00	548
Liabilities and equity		
Deposits from banks	1,241,575,993.57	1,037,661
Other financial liabilities	689,698.15	-

The security for deposits from banks consists of the assets recorded in loans and advances to banks and customers, and the fund shares recorded in “other variable-income securities”, totalling € 1,234,329,170.05 at the balance sheet date (2021: € 1,036,525 thousand), as well as the assignment of any relevant claims under the guarantees issued by the Ministry of Finance for political and commercial risks (§ 9 Export Guarantees Act).

Obligations from the use of off-balance sheet property and equipment

The future lease obligations from the use of off-balance sheet property and equipment are forecast at € 319,116.39 for the year 2023 (previous-year forecast for 2022: € 305 thousand) and € 1,506,469.89 for the five-year period from 2023 to 2027 (previous-year forecast for 2022 to 2026: € 1,571 thousand).

Expenses for termination benefits and contributions to termination benefit funds

The amounts reflected in this item consisted of a reversal of € 38,953.00 (2021: addition of € 3 thousand) to the termination benefit provision; the reversal of € 12,439.00 of (2021: reversal of € 12 thousand) provisions for the period of approximately three months after the death of pension plan participants, and an expense of € 97,509.97 (2021: expense of € 93 thousand) for contributions to the employer-funded termination benefit fund.

In reliance on § 242(4) Austrian Commercial Code, no analysis of the amounts in terms of salaried employees, managers and Executive Board is presented.

Staff

In the year under review, OeEB had an average of 70.33 employees (2021: 68.50).

Related party transactions

Oesterreichische Entwicklungsbank AG, which has its registered office in Vienna (OeEB, company register no. 304601v, Commercial Court Vienna), is a wholly-owned subsidiary of Oesterreichische Kontrollbank Aktiengesellschaft (OeKB, company register no. 85749b, Commercial Court Vienna) and is fully consolidated in the OeKB Group financial statements. The IFRS consolidated financial statements are published on the OeKB website (www.oekb.at/en).

OeEB Impact GmbH, with its registered office in Vienna (company register no. 505139b, Commercial Court Vienna), is a wholly owned subsidiary of OeEB and was entered in the business register on 19 January 2019.

The disclosures under part 8 of the CRR (the Capital Requirements Regulation (EU) No. 575/2013) are presented in the disclosure report prepared by OeKB, which can be found on the OeKB website (www.oekb.at/en).

Related-party transactions were effected only at arm's length.

OeKB provides services to OeEB, under a service agreement between the two institutions. The service agreement covers accounting, human resources management, information technology, internal audit and other services.

OeEB's transactions are financed largely by OeKB (at market rates) in order to ensure the availability of funding at all times.

A service agreement concluded between OeEB and OeEB Impact GmbH governs the provision of services by OeEB.

Events after the balance sheet date

There were no significant events after the balance sheet date.

Additional disclosures pursuant to BWG

Regulatory capital under Part 2 of Regulation (EU) No. 575/2013

€ (2021: € thousand)	31 Dec 2022	31 Dec 2021
Regulatory capital under Part 2 of Regulation (EU) No. 575/2013		
Share capital	5,000,000.00	5,000
Retained earnings	53,658,100.00	50,196
Less reserve for Technical Assistance (TA) ¹	(1,335,323.91)	(1,543)
Less transfer to retained earnings ²	(3,669,403.93)	(5,053)
Liability reserve	22,555.72	23
Total reserves	48,675,927.88	43,623
Intangible assets	(700.00)	(2)
Tier 1 capital	53,675,227.88	48,621
Tier 2 capital (impairment under § 57 BWG in the version 2013), weighted at 0% (2021: 10%) ³	0.00	170
Total available regulatory capital	53,675,227.88	48,791
Regulatory capital requirement purs. to Art. 92 of Regulation (EU) No. 575/2013		
Risk-weighted exposure amounts for credit risk	1,662,495.81	2,095
Risk-weighted exposure amounts for market risk	1,221,579.50	0
Total regulatory capital requirement for operational risk (Basic Indicator approach)	37,336,413.75	36,936
Total exposure amount	40,220,489.06	39,031

¹ See section "Equity", in this report.

² Pursuant to Art. 26(2) CRR, earnings for the year are included in Common Equity Tier 1 capital only after the official adoption of the final annual financial results.

³ Under Art. 486(4) of Regulation (EU) No. 575/2013 in conjunction with § 20 of the Austrian CRR Companion Regulation.

At 31 December 2022 and 2021, the above values yielded the following ratios under § 92(1)(a) to (c) of Regulation (EU) No. 575/2013, which are compared with the respective minimum ratios applicable to the bank:

In %	31 Dec 2022		31 Dec 2021	
	Minimum ratio	Actual ratio	Minimum ratio	Actual ratio
Common Equity Tier 1 capital ratio	7.009	133.452	7.007	124.570
Tier 1 capital ratio	8.509	133.452	8.507	124.570
Total capital ratio	10.509	133.452	10.507	125.010

As in the past years, the minimum ratios required at 31 December 2022 were derived from Art. 92(1) of Regulation (EU) No. 575/2013, from the additional capital buffer requirements of the Austrian Banking Act and from the capital buffer regulation of the Austrian Financial Market Authority (FMA).

Pursuant to § 3(1)7 Austrian Banking Act (BWG), the following do not apply to transactions of OeEB related to export promotion under the Export Guarantees Act and the Export Financing Guarantees Act:

- Regulation (EU) No. 575/2013
- §§ 22 to 24d BWG
- § 39(2d) BWG in conjunction with § 69(3)
- § 39(3) and (4) BWG
- § 70(4a) 1, 8, 9 and 11 BWG
- § 70b to 70d BWG
- the inclusion of these transactions in the limit pursuant to § 5(4) BWG.

As well, pursuant to § 3(2)1 BWG, to such transactions, the following are not applicable:

- part 6 of Regulation (EU) No. 575/2013
- § 27a BWG
- § 39(2b)7 BWG in conjunction with § 39(4)
- § 39(3) BWG
- § 74(6)3(a) BWG in conjunction with § 74(1).

Board members and officials

Members of the Executive Board

Sabine Gaber
Michael Wancata

Both Executive Board members jointly represent the bank. In reliance on § 242(4) Austrian Commercial Code, no analysis of the Executive Board's compensation is presented.

Members of the Supervisory Board

Elected by the Annual General Meeting

Helmut Bernkopf (Chairman)
Angelika Sommer-Hemetsberger (Vice-Chairwoman)
Maria-Christine Dangl
Monika Weber-Fahr

For the financial year, the total remuneration of the shareholder representatives on the Supervisory Board (including the reimbursement of any cash expenses) amounted to € 29,403.74 (2021: € 31 thousand).

Employee representatives

Caroline Gützer
Josef Straninger

Committees

The **Audit Committee** consisted of all members of the Supervisory Board until 21 March 2022, and has consisted of the following three members of the Supervisory Board since 21 March 2022:

Elected by the Annual General Meeting

Angelika Sommer-Hemetsberger (Chairwoman)
Helmut Bernkopf (Vice-Chairman)

Employee representative

Caroline Gützer

The **Nomination and Remuneration Committee** had the following members:

Elected by the Annual General Meeting

Helmut Bernkopf (Chairman)

Maria-Christine Dangl (Vice-Chairwoman since 21 Mar 2022)

Angelika Sommer-Hemetsberger (Vice-Chairwoman until 21 Mar 2022)

Employee representative

Josef Straninger

Government commissioners

Elisabeth Gruber (Commissioner)

Johann Kinast (Deputy Commissioner)

These government commissioners under § 76 BWG are also representatives of the Austrian Minister of Finance under § 9 Export Guarantees Act.

Vienna, 3 March 2023

Oesterreichische Entwicklungsbank AG

The Executive Board



Sabine Gaber



Michael Wancata

Independent Auditor's Report

Report on the Audit of the Annual Financial Statements

Opinion

We have audited the annual financial statements of Oesterreichische Entwicklungsbank AG, Vienna, which comprise the statement of financial position as of 31 December 2022, the income statement, and the notes to the financial statements.

In our opinion, the accompanying financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2022, and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act.

Basis for Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 and the Austrian Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with laws and regulations applicable in Austria and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of our opinion is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Processing of the assets of the business area "Investment financing"

Description and Issue

The assets of the business area "Investment financing" that are recognised in the financial statements of Oesterreichische Entwicklungsbank AG (OeEB) as of 31 December 2022 amount to EUR 1,284 million.

These assets are granted by OeEB after taking into account the objectives and principles of the Austrian development policy after the Republic of Austria has assumed liability for political and economic risks (§ 9 Export Guarantees Act).

It is essential for the recoverability of the assets of the business area "Investment financing" to ensure that a liability of the Republic of Austria with sufficient coverage is available for each transaction. If the statutory or contractually defined management criteria are not met, there is a risk that the liability of the Republic of

Austria cannot be considered in the context of the valuation. The Management Board has set up appropriate processes and controls for this purpose. Due to the complex business transactions, the extensive and partly manual process steps, and the associated high audit effort as well as the significance of the items for the annual financial statements, we have identified the management of the assets of the Investment Finance division as a particularly important audit matter.

We refer to the information in the notes (chapter “Accounting and Valuation Principles – Receivables and other assets”).

Our response

In the audit of the valuation of the assets of the business area “Investment financing”, we performed the following audit procedures in particular:

- We have evaluated the processes to ensure the existence of a liability of the Republic of Austria with sufficient coverage for political and economic risks in the respective departments. Furthermore, we analysed whether these processes and the controls provided therein are suitable to ensure the existence of sufficient coverage of the liability of the Republic of Austria, the valuation of the assets of the Investment Finance division in the financial statements of OeEB.
- We have reviewed the design and implementation of the key controls established in these areas, in particular regarding proper management and the fulfilment of the conditions for disbursement.
- We have verified on a sample basis for new financings whether corresponding guarantees of the Republic of Austria exist.

Other Matter – Previous year's financial statements

The financial statements of the Company as of 31 December 2021 were audited by another auditor who expressed an unqualified opinion on these financial statements on 21 February 2022.

Other Information

The legal representatives are responsible for the other information. The other information comprises all information in the Annual Financial Report, except for the annual financial statements, the management report, and the related auditor's reports.

Our audit opinion on the financial statements does not cover this other information, and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information mentioned above and assess whether it is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears misleading.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as of 31 December 2022, and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with EU rules and Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Regulation (EU) 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that give a true and fair view.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Management Report

Pursuant to Austrian Commercial Code, the management report is to be audited as to whether it is consistent with the financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the management report.

Opinion

In our opinion, the management report attached is prepared in accordance with the applicable legal requirements, the disclosures pursuant to section 243a UGB are appropriate, and it is consistent with the financial statements.

Statement

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

Additional Information in Accordance with Article 10 of EU Regulation (EU) 537/2014

We were elected as auditor of the Company at the annual general shareholders' meeting on 22 March 2021 for the fiscal year ending on 31 December 2022 and mandated by the chairman of the Supervisory Board on 20 April 2021. Furthermore, we were elected as auditor at the annual general shareholders' meeting on 21 March 2022 for the subsequent fiscal year and mandated by the chairman of the Supervisory Board on 29 March 2022. We are the auditor of the Company since the financial year ending 31 December 2022.

We confirm that the audit opinion in the section "Report on the Financial Statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent from the Company in conducting the audit.

Engagement Partner

The engagement partner responsible for the audit is Dr. Gottfried Spitzer.

Vienna

3 March 2023

Deloitte Audit Wirtschaftsprüfungs GmbH

(signed by:)

Dr. Gottfried Spitzer

Mag. Wolfgang Wurm

Certified Public Accountant

Certified Public Accountant

Publication or sharing with third parties of the financial statements together with our auditors' opinion is only allowed if the financial statements and the management report are identical with the audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 para 2 UGB applies to alternated versions.

This translation is for convenience purposes only.
Only the German original is legally valid and binding.

Publication information

This report is a translation of the German original and is provided solely for readers' convenience. In the event of discrepancies or dispute, only the German version of the report shall be deemed definitive.

Owner and publisher:

Oesterreichische Entwicklungsbank AG

Registered office: 1011 Vienna, Strauchgasse 3, Austria
Company register no.: FN 304601v, Commercial Court Vienna

DVR: 3003269

VAT ID: ATU 63944539

office@oe-eb.at

www.oe-eb.at/en

Translation: LanguageLink Sprachdienste GmbH, Vienna, Austria

Produced in-house with firesys.

The report is published on the internet in German and English.

The information in this report is current as of 3 March 2023.



Financing
our shared
future.