

## CHECKLIST

### For reporting according to Regulation (EU) 1233/2011

Below follows data for the two Swedish export credit organizations, EKN and SEK.

The export financing system for Sweden has two main components: The Swedish Export Credits Guarantee Board (EKN) and the Swedish Export Credit Corporation (SEK). EKN and SEK have similar mandates to promote Swedish exports but differ in organizational structure and services offered. EKN insures the credit risk and SEK refinances the export credits. EKN cover political and commercial risks in connection with export transactions and political risks in connection with investments abroad. The purpose of SEK is to finance exports of Swedish capital goods and services. EKN is a government agency and SEK is a state owned company with limited liability incorporated under Swedish laws.

#### **I. Reporting country information**

Reporting Country	Sweden
Submission Date	2015-xx-xx
Reporting Institution (Government Department, ECA)	EKN (the Swedish Export Credits Guarantee Board)  SEK (Swedish Export Credit Corporation)

#### **II. Reporting country legal and policy information**

Mandate/Legal status of ECA	EKN is a government agency that supports Swedish exports and the internationalisation of Swedish industry.  SEK is a wholly state owned corporation.
Officially supported export credit programs(in the sense of Article 5 of the OECD Arrangement) during reporting period	EKN offers guarantees (pure cover).  SEK provides refinancing.
Annual reports available on reporting year	EKN's Annual report 2014 is published and is also available on EKN's website, <a href="http://www.ekn.se">www.ekn.se</a> .  SEK's annual report including sustainability report is available on <a href="http://www.sek.se">www.sek.se</a> .

#### **III. Information on the reporting Member State's Export Credit policies:**

General presentation of the reporting MS' policies on export credits, including all information that can help the Commission in carrying out its evaluation regarding the compliance of the Export Credit Agencies with EU objectives and obligations <sup>1</sup> (in the sense of Article 3, Annex 1 of EU	<b>EKN's policy and guidelines for corporate responsibility in the issuing of guarantees</b>  <b>Policy</b> <i>"EKN shall promote corporate responsibility in export transactions and investments. In all of its activities EKN shall consider the</i>
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<sup>1</sup> EP side suggested to use such a phrase (to ensure that it is not forgotten that the Regulation's official reference is to "EU objectives and obligations").

Regulation1233/2011)	<p><i>environment, human rights and working conditions. EKN shall also promote sustainable lending to poor countries and prevent corruption. ”</i></p> <p>EKN only supports transactions with an acceptable environmental and social impact, which are free of corruption and that do not impede poor countries’ social and economic development. EKN refrains from taking part in transactions for which the conditions are not acceptable, or if the necessary information is not received or expected to be received. EKN undertakes continuous dialogue with customers, the Swedish Ministry for Foreign Affairs and other stakeholders concerning corporate responsibility in order to share experience, gain a deeper understanding of how others work in this area, and contribute to sustainable global development. EKN adheres to the principles of the UN's Global Compact, the OECD's Guidelines for Multinational Enterprises and the UN's Guiding Principles on business and human rights. EKN encourages all companies to apply the aforementioned principles. EKN cooperates closely with customers and other stakeholders to ensure that relevant principles are applied to EKN's transactions. EKN regularly follows up its corporate responsibility work. The results are communicated both externally and internally.</p> <p>EKN’s work on corporate responsibility is based on structured systems, tools and training of staff in each of the technical areas. EKN has a whistleblower mechanism to reveal non-conformance with the policy.</p> <p><b>Environment, human rights and working conditions</b></p> <p>EKN's guidelines for the environment, human rights and working conditions are based on the Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence but go far beyond what is required in the 2012 Recommendation, in particular with regard to the types of transactions that are screened for environment and human rights risks. EKN assess the risk of, and the opportunities to prevent, any adverse impact on the environment, human rights and working conditions in individual projects, in buyer companies and in their surroundings. For transactions with a high</p>
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	<p>potential risk of adverse impact EKN will perform a deeper assessment and, as required, follow up during the lifetime of the transaction, according to specific guidelines. The scope and design of the investigation will be matched to the extent of financing, the level of identified risks and EKN's opportunities to influence the situation. EKN applies IFC Performance Standards as well as the World Bank's and IFC's guidelines for the environment, health and safety to assess acceptable impact.</p> <p>In EKN's guidelines, environmental impacts are impacts on the climate, air, water, soil, resource efficiency, biodiversity, sensitive natural habitats and cultural areas, as well as the influence of environmental impacts on people and society.</p> <p>EKN takes all human rights into consideration. There is special emphasis on the rights that are linked to business impacts. This concerns, for example, business impact on health and safety in the surroundings, as well as on involuntary displacement, indigenous people, cultural heritage areas and freedom on the Internet. EKN pays special attention to transactions in conflict areas and in countries and sectors with a high risk of human rights violations. Working conditions are primarily assessed in terms of the risk of child labour, forced labour, discrimination, occupational health and safety, and the right to freedom of association and to collective bargaining.</p> <p><b>Anti-corruption</b></p> <p>EKN's anti-corruption guidelines are based on the OECD Recommendation on Bribery and Officially Supported Export Credits, as well as Swedish legislation. The guidelines go beyond the OECD 2006 recommendation on bribery.</p> <p>Swedish anti-bribery legislation must be followed in EKN's transactions. EKN shall actively manage corruption risk and have a system to identify transactions with a risk of corruption. Transactions with a risk of corruption must be subject to more detailed control. Guarantee applicants must undertake not to be involved in any form of bribery in the transaction, and to provide information on remuneration to agents. For transactions where the exporter is the guarantee holder, EKN will</p>
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	<p>declare the guarantee to be non-binding if an exporter is convicted of bribery. Irrespective of whether the exporter is the guarantee holder or not, if indemnification is paid, EKN will require compensation from the exporter for an equivalent amount, as well as compensation for any other costs and expenses incurred by EKN due to the exporter's conviction of bribery. If there is reason to suspect bribery or other misconduct in a transaction where EKN is involved, the National Anti-corruption Unit of the Swedish Prosecution Authority must be informed of the suspicions. The application must be suspended, pending the prosecutor's decision, or alternatively rejected. EKN does not undertake transactions whereby obviously corrupt structures have given the buyer clear advantages over its competitors.</p> <p><b>Sustainable lending</b></p> <p>EKN's guidelines for sustainable lending are based on the OECD Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low Income Countries. The OECD agreement stipulates that in their lending and guarantee business, the members shall observe the principles for sustainable lending. This means that EKN take into account any restrictions concerning concessionary lending on which the low-income country in question has reached agreement with the IMF and/or World Bank. The transactions shall also be productive and contribute to the country's social and economic development, for EKN to be able to support them. The scope of the policy comprises the provision of guarantees that increases the low-income country's public indebtedness, either directly or indirectly.</p> <p><b>SEK</b> is a signatory of UN Global Compact and discloses its sustainability work in a sustainability report in accordance with the GRI G4 - Core and in a yearly Communication on Progress.</p> <p>SEK's policy for sustainable financing includes due diligence with respect to environment, social (including human rights), business ethics and anti-corruption. The policy is aligned with OECD Common Approaches.</p> <p>SEK has guidelines, routines and relevant tools for evaluating the above risks which is described</p>
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	in detail in the annual report.
<p>Special information on the following policies:</p> <p><i>1) Environment:</i></p> <p>a) Do you apply the OECD Recommendation on Common Approaches to the Environment and Officially Supported Export Credits? (its successor instrument the OECD Recommendation on Common Approaches on Officially Supported Export Credits and Environmental and Social Due Diligence?)</p> <p>b) any other relevant information</p>	<p>a) Yes, EKN and SEK apply the Common Approaches.</p> <p>b) EKN and SEK also carry out environmental screening of transactions not covered by the Common Approaches, i. e. these are applied beyond the scope defined by the OECD. Transactions with environmental risk are further assessed.</p>
<p><i>2) Human rights:</i></p> <p>a) Do you apply the Human Rights related aspects of the Recommendation on Common Approaches, on Officially Supported Export Credits and Environmental and Social Due Diligence?</p> <p>b) Any other relevant information?</p>	<p>a) Yes, EKN and SEK apply the Human Rights aspects of the Common Approaches.</p> <p>b) In addition to Common Approaches EKN, in accordance with EKN's policy for Corporate responsibility screens both projects and existing operations irrespective of the transaction size. Transactions with inherent labour and human rights risks are further assessed.</p> <p>In addition to Common Approaches, SEK screens all transactions with respect human rights. Transactions in high risk countries/sectors are further assessed.</p>
<p><i>3) Anti-Bribery measures:</i></p> <p>a) Do you apply the OECD Recommendation on Bribery and Officially Supported Export Credits?</p> <p>b) Any other relevant information?</p>	<p>a) Yes, EKN and SEK apply the Recommendation on Bribery.</p> <p>b) EKN goes beyond the recommendation and applies it on both the public and private sector, identifies high risk transactions for further assessments and acts also in situations where the buyer is exposed to corruption allegations. For transactions where the exporter is the guarantee holder, EKN will declare the guarantee to be non-binding if an exporter is convicted of bribery. Irrespective of whether the exporter is the guarantee holder or not, if indemnification is paid, EKN will require compensation from the exporter for an equivalent amount, as well as compensation for any other costs and expenses incurred by EKN due to the exporter's conviction of bribery.</p> <p>SEK has the right to cancel the credit if</p>

	corruption is revealed in the export transaction. SEK is a member of Transparency International Sweden Business group and has an anti-corruption program in place since 2012. The program includes an external whistleblower system which could be used both internally and externally.
4) <i>Sustainable Lending Practices:</i> a) Do you apply the OECD Principles and Guidelines to Promote Sustainable Lending Practices in the Provision of Official Export Credits to Low Income Countries?  b) Any other relevant information?	a) Yes, EKN and SEK apply the OECD Principles and Guidelines on Sustainable Lending.
5) Other policies	For EKN's policy on Corporate Responsibility, please see above. EKN also has policies to assess the owners of the company.  SEK has policies, analytical system support and routines to combat money laundry and financing of terrorism.

#### IV. Annual Activity Report data:

Explanatory note:

*"MS shall report, in accordance with their national legislative framework, on assets and liabilities, claims paid and recoveries, new commitments, exposures and premium charges."*  
From Regulation 1233/2011, Annex 1.

Member States that have more than one ECA should do one single integrated report (reporting obligation is on the Member State as such, not the ECA). Where a MS offers at the same time different types of products (pure cover and direct lending), the reporting under chapter IV should however differentiate.

<b>A) In case of official support is provided in the form of export credit guarantee or insurance ("pure cover") in the sense of Art 5 a 1) OECD Arrangement:<sup>2</sup></b>	
Overview of assets	EKN: 31,721 SEK million (EUR 3,336 million)
Overview of liabilities	EKN: Capital 25,075 SEK million (EUR 2,636 million) Provisions 4,996 SEK million (EUR 525 million) Other 941 SEK million (EUR 99 million) Accruals and deferrals 67 SEK million (EUR 7 million)

<sup>2</sup> Member States not using EUR should report the figures in their national currency and in EUR.

	million) Total: 31,721 SEK million (EUR 3,336million)
Aggregate nominal risk exposure <ul style="list-style-type: none"> <li>01-01-2014</li> <li>31-12-2014</li> </ul>	EKN: 312,284 SEK million (EUR 32,837 million) and 300,059 SEK million (EUR 31,552 million)
a.) nominal risk exposure under insurance policies issued <ul style="list-style-type: none"> <li>01-01-2014</li> <li>31-12-2014</li> </ul>	EKN: 194,713 SEK million (EUR 20,475 million) and 174,245 SEK million (EUR 18,322 million)
b.) nominal risk exposure under promises and notices of cover <ul style="list-style-type: none"> <li>01-01-2014</li> <li>31-12-2014</li> </ul>	EKN: 117,571 SEK million (EUR 12,363 million) and 125,814 SEK million (EUR 13,230 million)
Premium Income	EKN: 1,064 SEK million (EUR 112 million)
Recoveries	EKN: 165 SEK million (EUR 17 million)
Claims paid	EKN: 537 SEK million (EUR 57 million)
<b>B) In case official support is provided in the form of Official Financing Support in the sense of Article 5a2) OECD Arrangement:</b>	
Overview of assets	SEK: 49,911 SEK million (EUR 5,245 million)
Overview of liabilities:	SEK: 49,911 SEK million (EUR 5,245 million)
a) nominal value of officially supported loan portfolio <ul style="list-style-type: none"> <li>01-01-2014</li> <li>31-12-2014</li> </ul>	SEK: 42,419 SEK million (EUR 4,743 million) and 47,377 SEK million (EUR 4,979 million)
b) total value of off balance commitments <sup>3</sup> <ul style="list-style-type: none"> <li>01-01-2014</li> <li>31-12-2014</li> </ul>	SEK: 39,539 SEK million (EUR 4,421 million) including binding offers of 31,002 SEK million (EUR 3,466 million) 57,361 SEK million (EUR 6,028 million) including binding offers of 49,833 SEK million (EUR 5,237 million)
Interest received	SEK: 1,112 SEK million (EUR 117 million)
Annual profit/loss	SEK: 100 SEK million (profit) (EUR 11 million)

## V. Contingent liabilities

Where contingent liabilities might arise from officially supported export credit activities, those activities shall be reported:	EKN: None  SEK: None
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## V. Evaluation and incorporation of environmental risks

Environmental risks:	
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<sup>3</sup> Interpreted as approved but not yet completed transactions.

<p>a) Number/exposure of transactions Category A</p>	<p>In 2014 EKN had 3 Category A projects based on the OECD Common Approaches definition and reported to the OECD. In addition, 11 transactions beyond the scope of Common Approaches were classified as Category A.</p> <p>In 2014 SEK financed 5 Category A projects based on the OECD Common Approaches definition.</p>
<p>b) Number/exposure of transactions Category B</p>	<p>In 2014 EKN had 4 Category B projects based on the OECD Common Approaches definition and reported to the OECD.</p> <p>In 2014 SEK financed 5 Category B projects based on the OECD Common Approaches definition.</p>
<p>How are environmental risks, which can carry other relevant risks, taken into account in the officially supported export credit activities?</p>	<p>At EKN environmental, social and human rights risk screening and review is part of the total assessment of a transaction/project. These risks must be acceptable and manageable before EKN offers a guarantee.</p> <p>At SEK, ethical, environmental, social and human rights risk screening and review is part of all lending transactions. These risks are important parts of a credit decision at SEK's Credit Committee and must be acceptable and manageable before SEK accepts a credit.</p>