

# Nordic Investment Bank





# Disclaimer

Certain of the statements contained in this Presentation may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. In addition to statements that are forward-looking by reason of context, the words "may, will, should, plans, intends, anticipates, believes, estimates, potential, or continue" and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those in such statements, due to, without limitation, general economic conditions, including in particular economic conditions and markets, performance of financial markets, interest rates, currency exchange rates, changing levels of competition, changes in laws and regulations, changes in the policies of central banks and/or foreign governments, and general competitive factors, in each case on a local, regional, national and/or global basis. NIB assumes no obligation to update any forward-looking information contained in this Presentation.

THIS PRESENTATION DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY SECURITIES. NOR IS THIS DOCUMENT OR THE INFORMATION CONTAINED HEREIN MEANT TO SERVE AS A BASIS FOR ANY KIND OF OBLIGATION, CONTRACTUAL OR OTHERWISE. THIS PRESENTATION HAS BEEN FURNISHED ON A CONFIDENTIAL BASIS SOLELY FOR THE INFORMATION OF THE PERSON TO WHOM IT HAS BEEN DELIVERED AND MAY NOT BE REPRODUCED OR USED FOR ANY OTHER PURPOSES.

Other than in respect of the securities registered under the U.S. Securities Act of 1933 as amended ( the "Securities Act") pursuant to Nordic Investment Bank's registration statement on file with the U.S. Securities and Exchange Commission the securities described in this presentation, have not been and will not be registered under the Securities Act of 1933, or with any regulatory authority of any state or other jurisdiction in the United States of America and may not be offered or sold in the United States except in a transaction pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Nordic Investment Bank does not intend to register these securities under the Securities Act or to conduct a public offering thereof in the United States.

This Presentation may not be brought into or transferred to the United States of America or distributed to staff members of or companies associated with the recipient in the United States. In other legal systems, this Presentation may only be distributed in compliance with the respective applicable law, and persons obtaining possession should familiarise themselves with and adhere to the relevant applicable legal provisions. Any breach of these restrictions may constitute a violation of United States securities law or of the law applicable in other legal systems. Each person accepting this Presentation hereby agrees not to reproduce this Presentation or any information contained herein or to divulge the contents hereof to any person and to return this Presentation to NIB promptly following any request therefore by NIB. 11-Mar-25

01

## This is NIB

AAA/Aaa\*-rated supranational institution with strong owners and solid financial performance

02

## Vision and Mandate

Supporting sustainable growth

03

## Lending

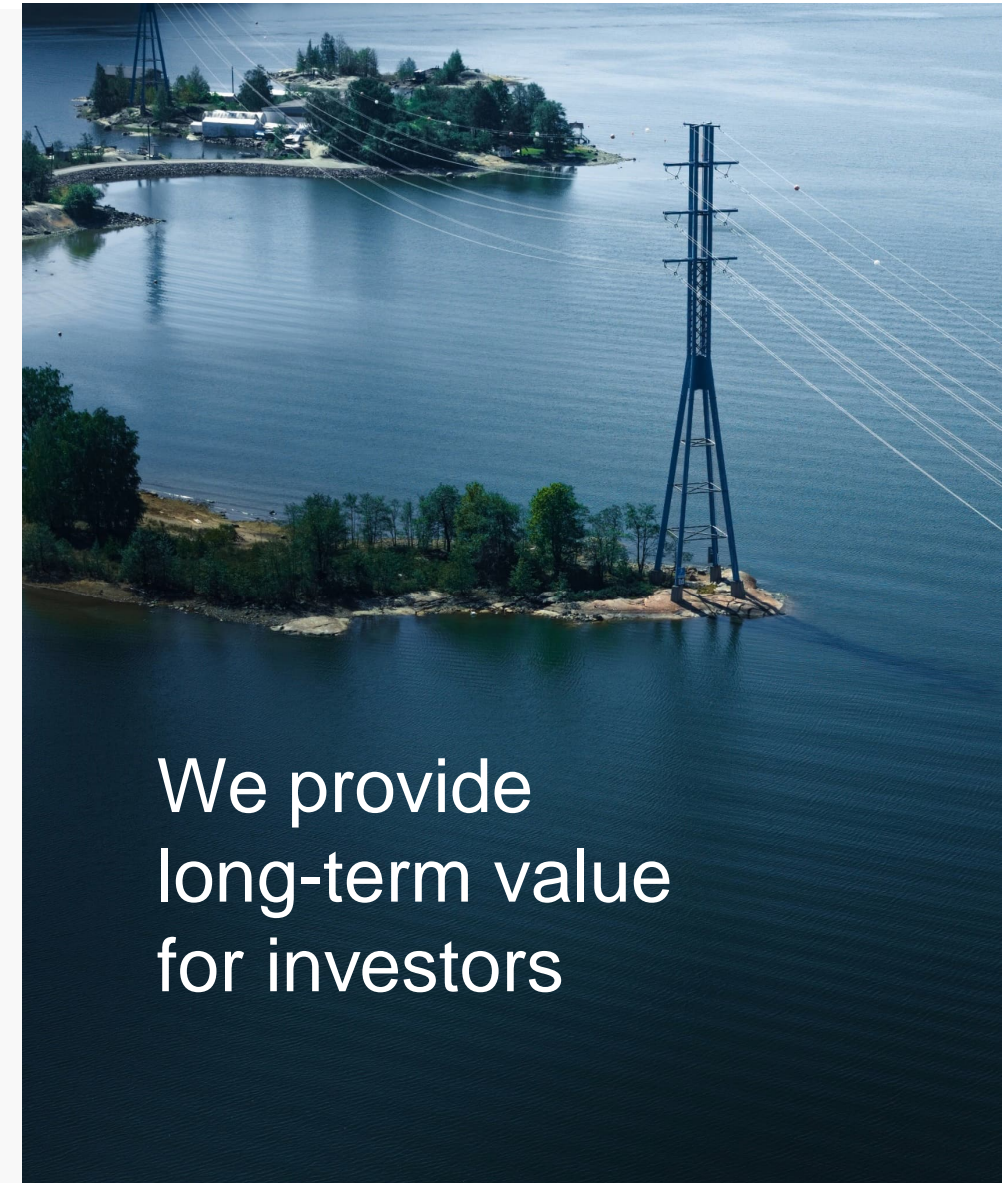
Turning the mandate into high quality assets

04

## Funding

Successful capital market transactions

\* Rating as published 29 April 2024 by Standard & Poor's and 23 May 2024 by Moody's



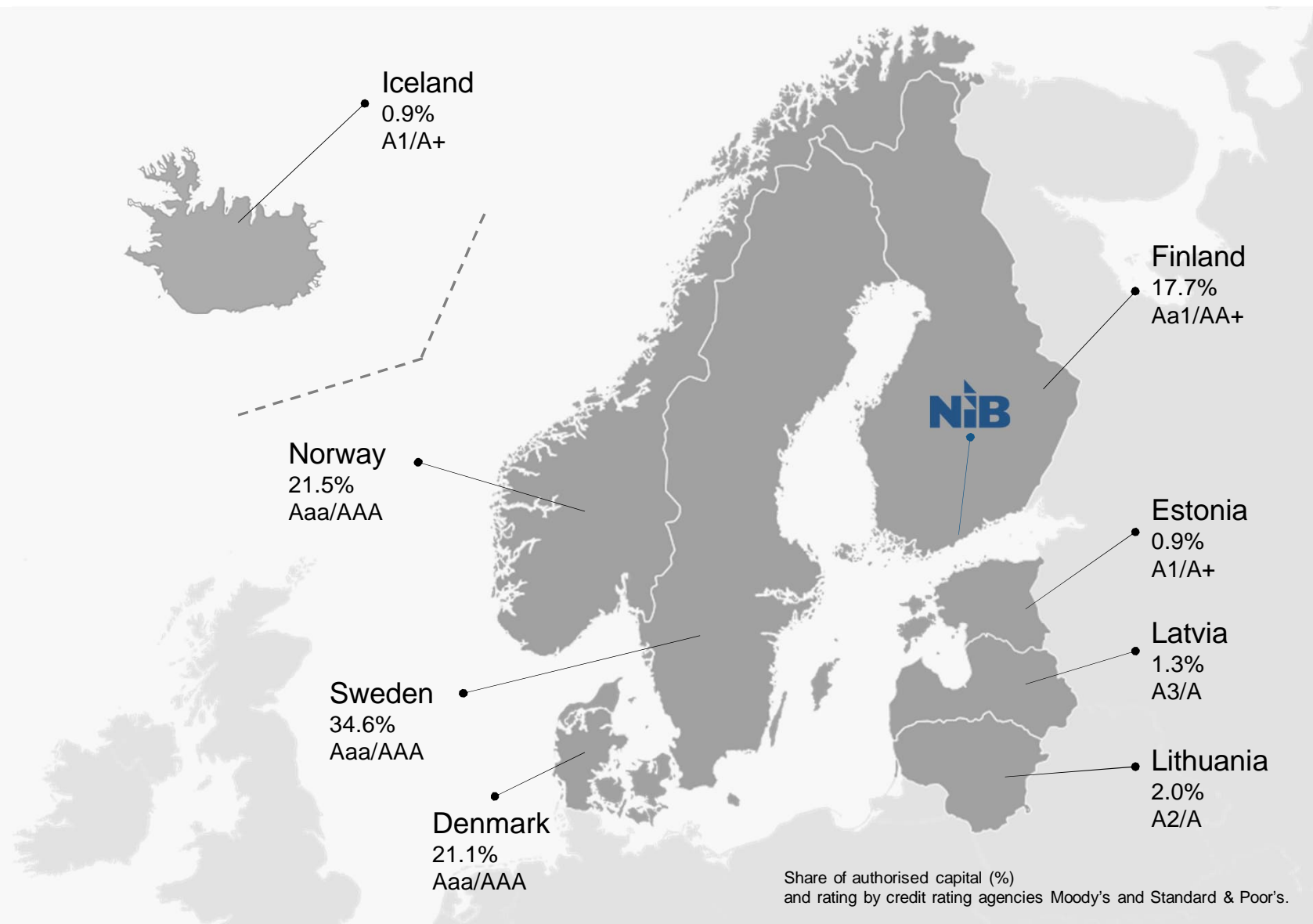
Based in Northern Europe

# Solid Ownership Basis

Share of owner rating

	AAA	Invest. grade
NIB	77%	100%
EIB	30%	99%
EBRD	39%	88%
IBRD	32%	80%
ADB	36%	90%

Source: Crédit Agricole-CIB Research, 2022



This is NIB – economic background

# Macroeconomic indicators

## 2025 forecast comparison (%)

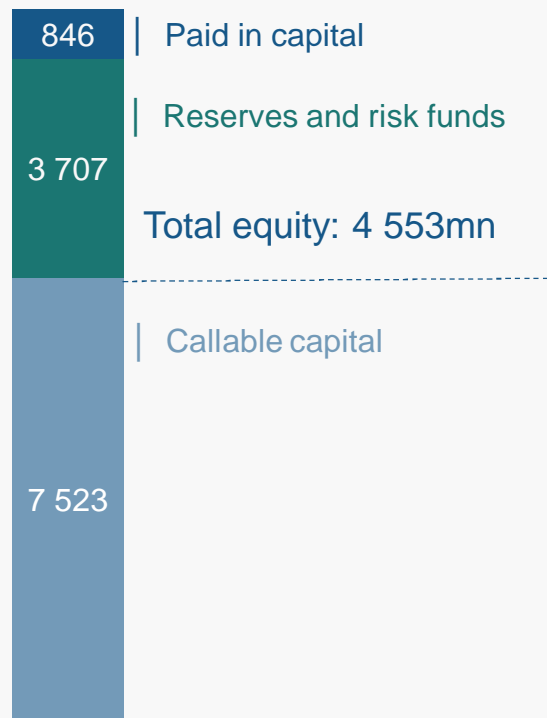
	Real GDP Growth	Inflation	Unemployment	Public Budget / GDP	Public Debt / GDP
NIB-area	1.8	2.0	6.7	2.2	43.2
Euro-area	1.3	2.1	6.3	-2.9	89.6
USA	2.1	2.0	4.4	-7.4	126.2
Japan	1.2	1.9	2.5	-5.4	249.5

Source: European Commission. European Economic Forecast Autumn 2024

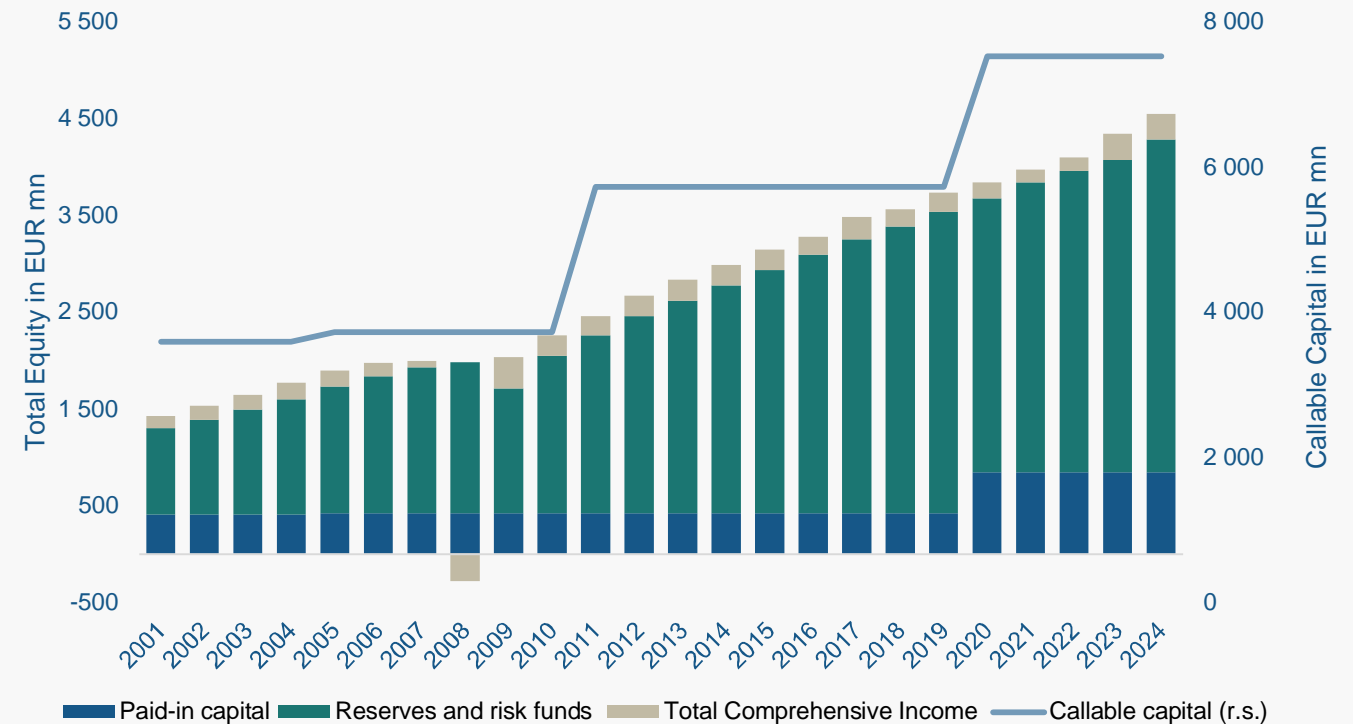
This is NIB - capitalisation

# Strong capital base

Composition of capital base: EUR 12 076mn



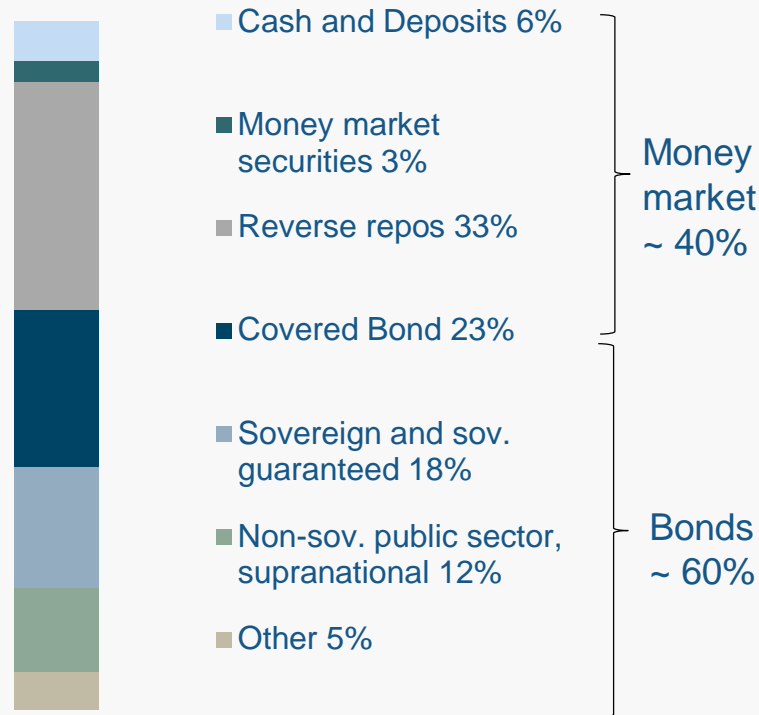
Source: NIB Annual Report 2024



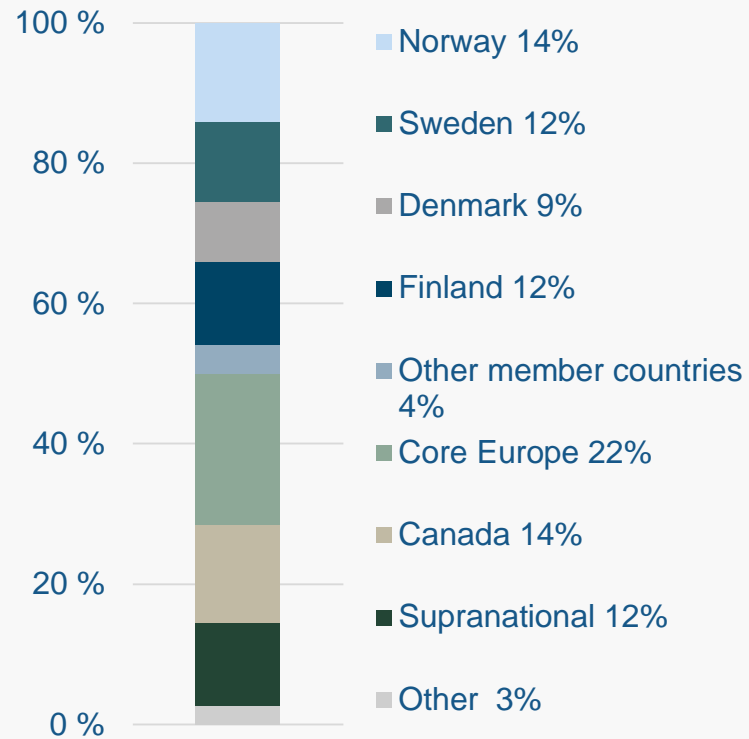
This is NIB – liquidity

# Strong liquidity buffer (supporting >1 year survival under stress)

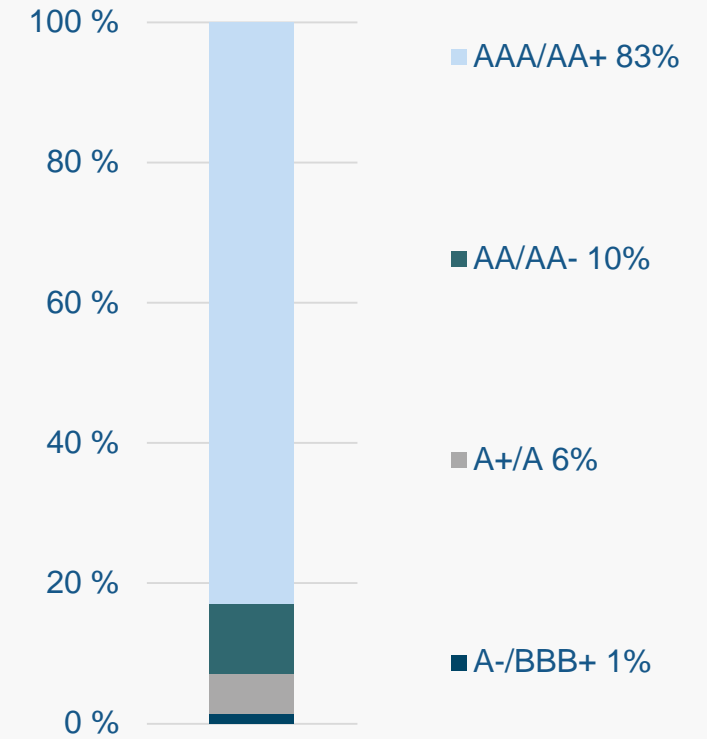
## Liquidity buffer EUR 17.2bn



## Location of bonds



## Rating of bonds



Source: NIB; Figures as of December 2024, based on market values, includes collateral portfolio, rating based on internal ratings

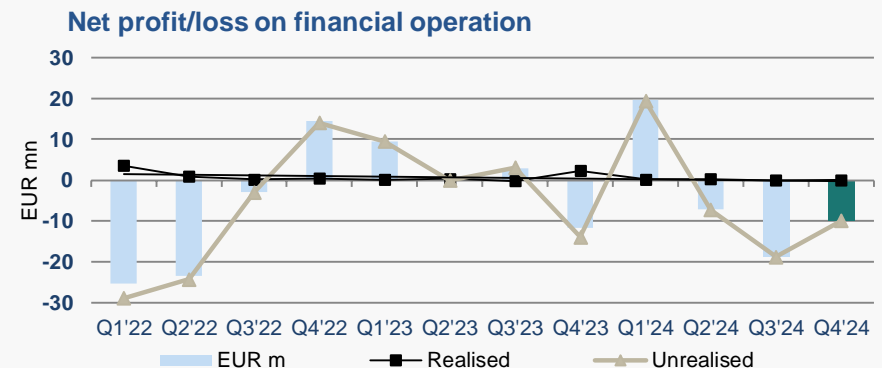
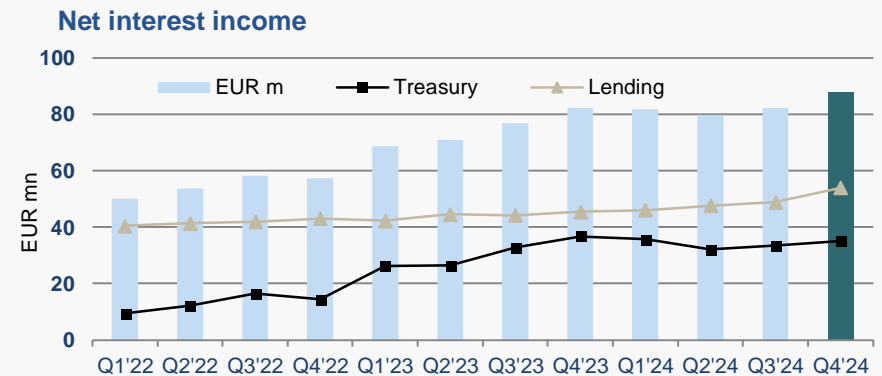
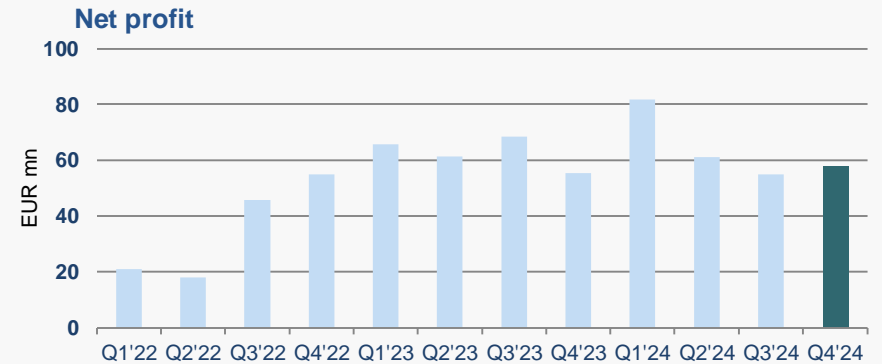
This is NIB – earnings and balance sheet

# Key financial figures

EUR million	2024	2023	2022	2021
<b>Income Statement</b>				
<b>Net interest income</b>	<b>332</b>	<b>299</b>	<b>219</b>	<b>201</b>
Operating income <sup>1</sup>	318	306	188	185
Operating expenses	-59	-58	-53	-51
Net loan losses <sup>2</sup>	-3	3	4	26
<b>Profit (Net)</b>	<b>256</b>	<b>251</b>	<b>139</b>	<b>159</b>
<b>Assets</b>				
<b>Loans outstanding</b>	<b>22 891</b>	<b>21 456</b>	<b>22 195</b>	<b>22 313</b>
Loans disbursed <sup>3</sup>	4 216	3 383	3 527	2 271
Cash and Fin. placements	18 052	16 175	15 320	11 946
<b>Total Assets</b>	<b>43 104</b>	<b>39 593</b>	<b>39 280</b>	<b>37 553</b>
<b>Liabilities</b>				
Issued debt certificates	35 836	32 190	31 595	31 526
<b>Total liabilities</b>	<b>38 551</b>	<b>35 243</b>	<b>35 179</b>	<b>33 555</b>
<b>Capital Base</b>				
Total Equity	4 553	4 350	4 101	3 999
Callable Capital	7 532	7 532	7 532	7 532

Source: NIB Annual Report 2024, all numbers in EUR millions

<sup>1</sup> Includes net profit/loss on financial operations <sup>2</sup> Change of ECL on performing and non-performing loans, recoveries on fully impaired loans <sup>3</sup> Loan disbursement excludes lending labelled bonds, MREL and Baltic CP







NORDIC  
INVESTMENT  
BANK

FINANCING  
THE  
FUTURE

# Vision and mandate

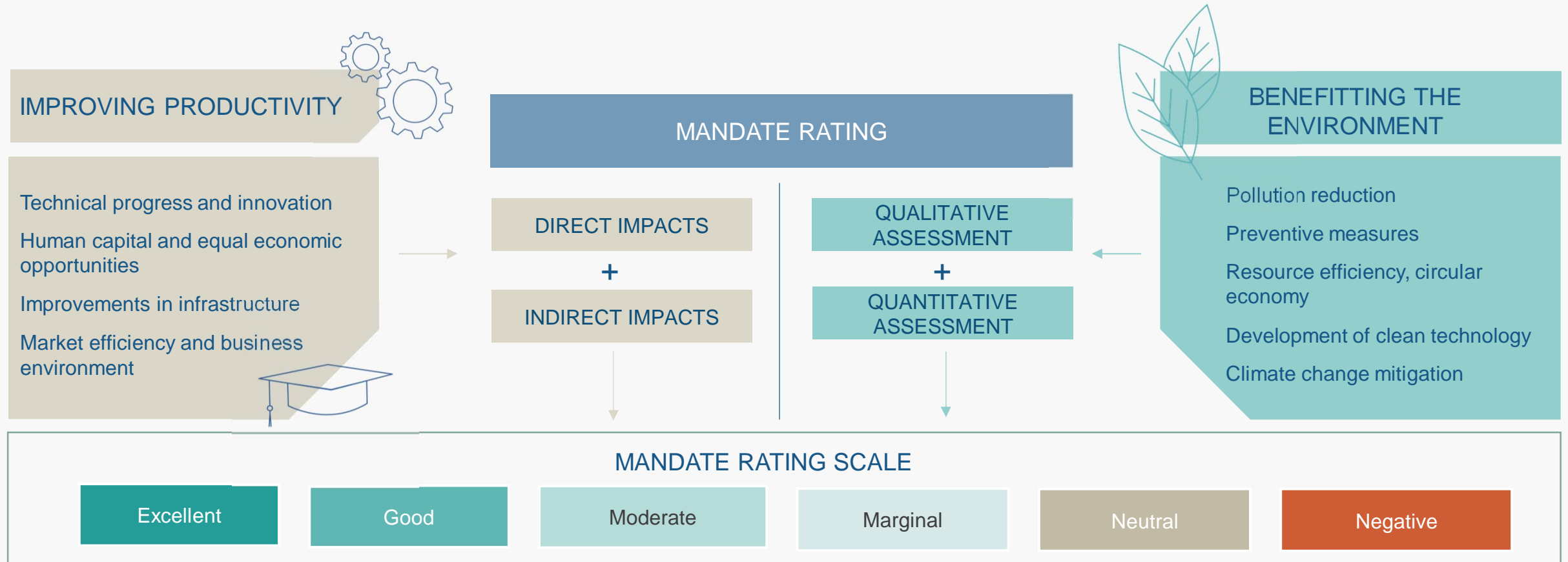
NIB has financed the upgrade of Varanger Ring grid in Northern Norway. The upgrading enhances the security of electricity supply, increases the voltage and enables new renewable energy generation to be connected.

Image: Varanger Kraft



## Vision &amp; Mandate – Mandate Rating

# How do we measure mandate?

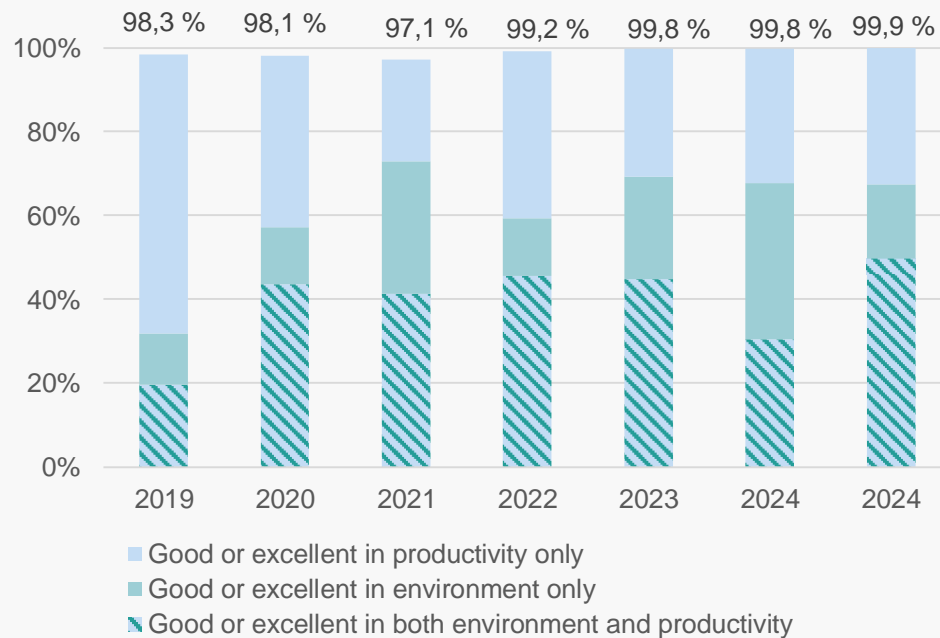




## Vision &amp; Mandate – Mandate Rating

# Mandate – overview of distribution ?

## Mandate rating distribution disbursements



Source: NIB Annual Report 2024, BoD Report, share of lending disbursement by mandate category and rating, excludes Response loans

## Mandate rating distribution outstanding lending



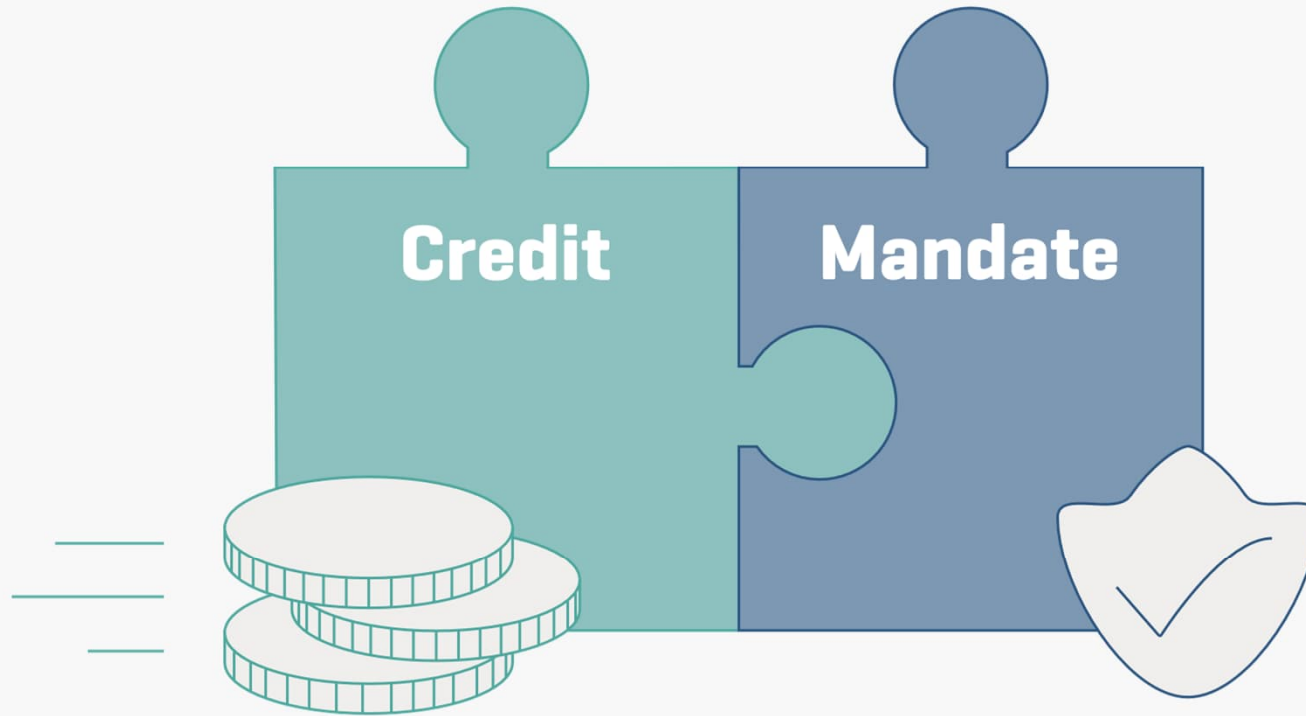
Not rated / outside mandate is mainly lending during the COVID crises (Response loans) :



**more than  
99%**  
of loans have a  
good or excellent  
mandate rating  
in 2024

Vision & Mandate – Connecting the pieces

...and how are we doing our lending?



Putting the pieces together

## Vision & Mandate

# We are not a commercial bank...

International Financial Institution:  
no national legislation or supervision

Different scale of operations:  
no retail, no branch network, lean  
organisation of 257 employees

Transparent about our business, very  
strong governance and management  
principles



# ...but we

Originate loans like commercial banks  
apply "sound banking principles"

Aim for profit and dividends payments

Monitoring banking regulations,  
supervisory standards and industry  
practices

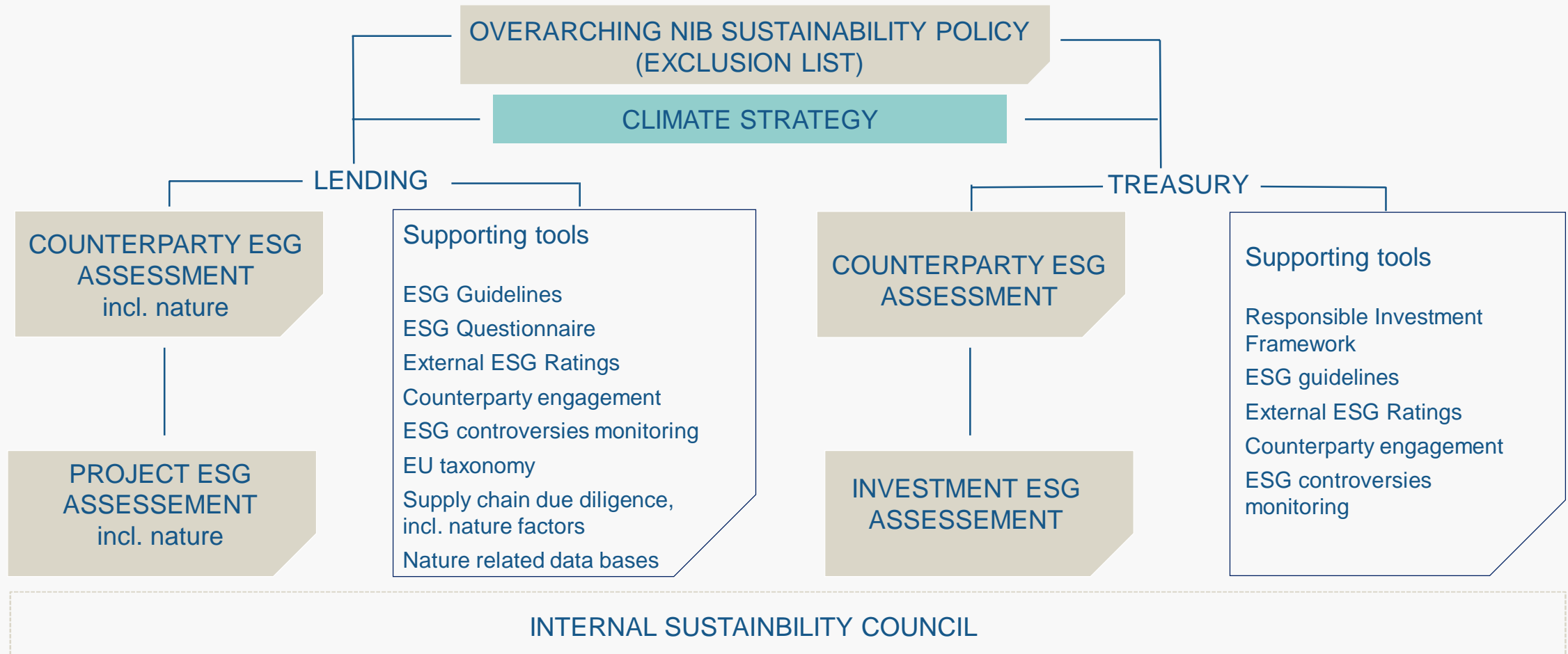
Manage capital based on statutory  
requirements, risk-based approaches  
and ICAAP

Apply IFRS accounting



## Vision &amp; Mandate – Sustainability Policy

# Sustainability at NIB

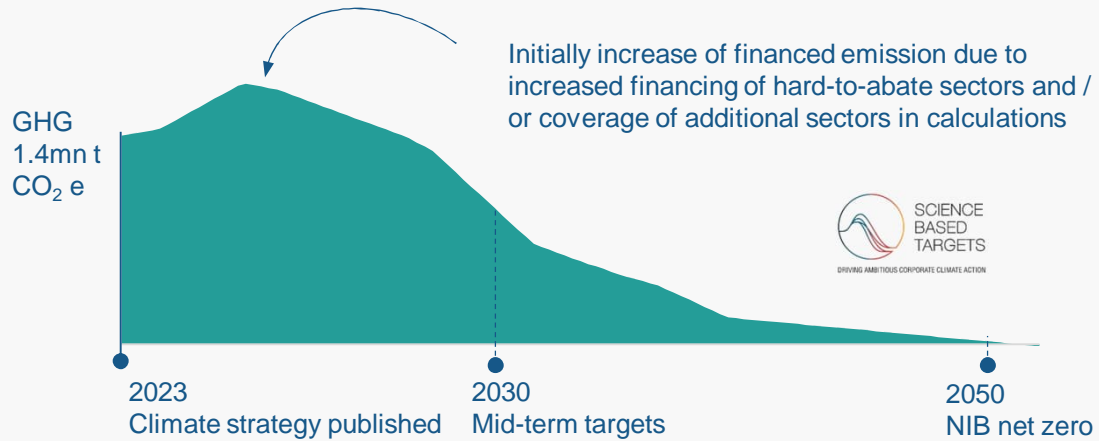




## Vision & Mandate – Climate Strategy

# Push for green and tackle hard to abate sectors

## Climate Strategy



Targets and methods validated by Science Based Target Initiative (SBTi) to be aligned with Paris Agreement and EU neutrality goals

Targets are focused on carbon intense sectors and those with high decarbonisation potential (hard to abate or transition sectors) and NIB's own operations

Sector specific decarbonisation pathways (SBTi), for sectors without pathway: NIB's own targets

## Climate target progress

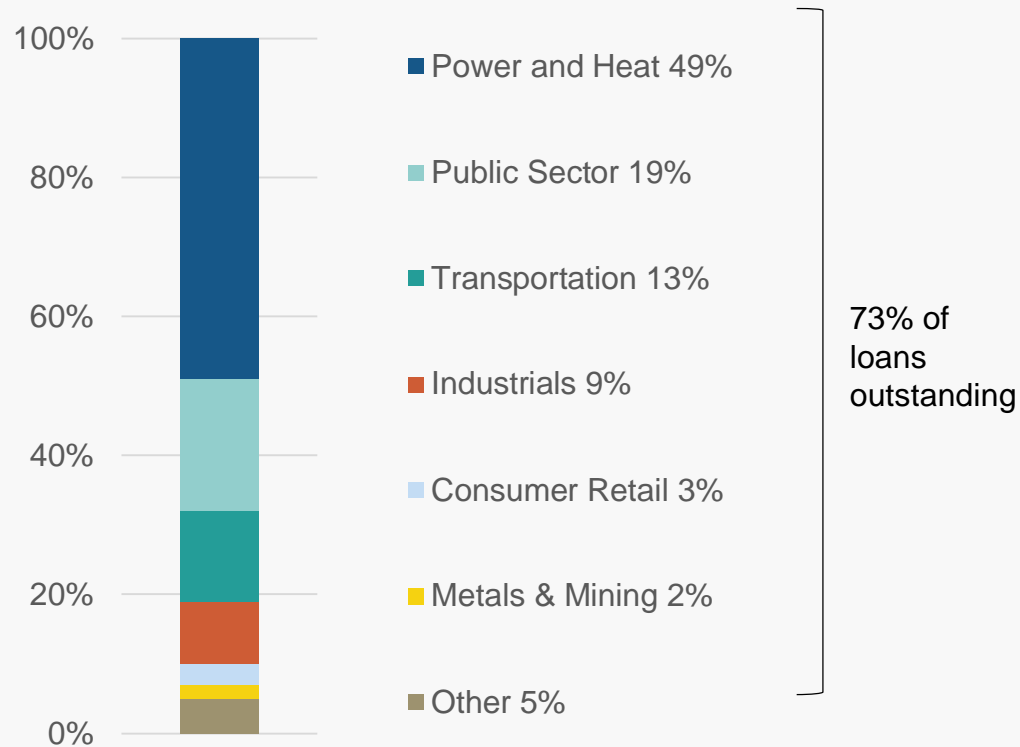
	Sector	2022 Financed emissions in lending portfolio	Baseline (2022)	2024	Target (2030)	Progress
	Oil and Gas	1%	N/A	N/A	No exposure	On track
	Power and Heat generation	53%	64g CO <sub>2</sub> /KWh	33.7g CO <sub>2</sub> /KWh	30 g CO <sub>2</sub> /KWh	On track
	Cement	0%	No exposure	N/A	0.46t CO <sub>2</sub> /t	On track
	Steel	2%	N/A	N/A		On track
	Aluminium	0%	No exposure	N/A	2.99t CO <sub>2</sub> /t	On track
	Capital Goods	3%	62% of lending with SBTi targets	86%	80%	On track
	Consumer retail	7%	69% of lending with SBTi targets	82%	83%	On track
	Real Estate	1%	9.0kg CO <sub>2</sub> /m <sup>2</sup>	8.5kg CO <sub>2</sub> /m <sup>2</sup>	6.2kg CO <sub>2</sub> /m <sup>2</sup>	Delayed
	Treasury – corporate bond portfolio		20% of issuers with SBTi targets	14%	56%	Delayed



## Vision &amp; Mandate – Climate Strategy

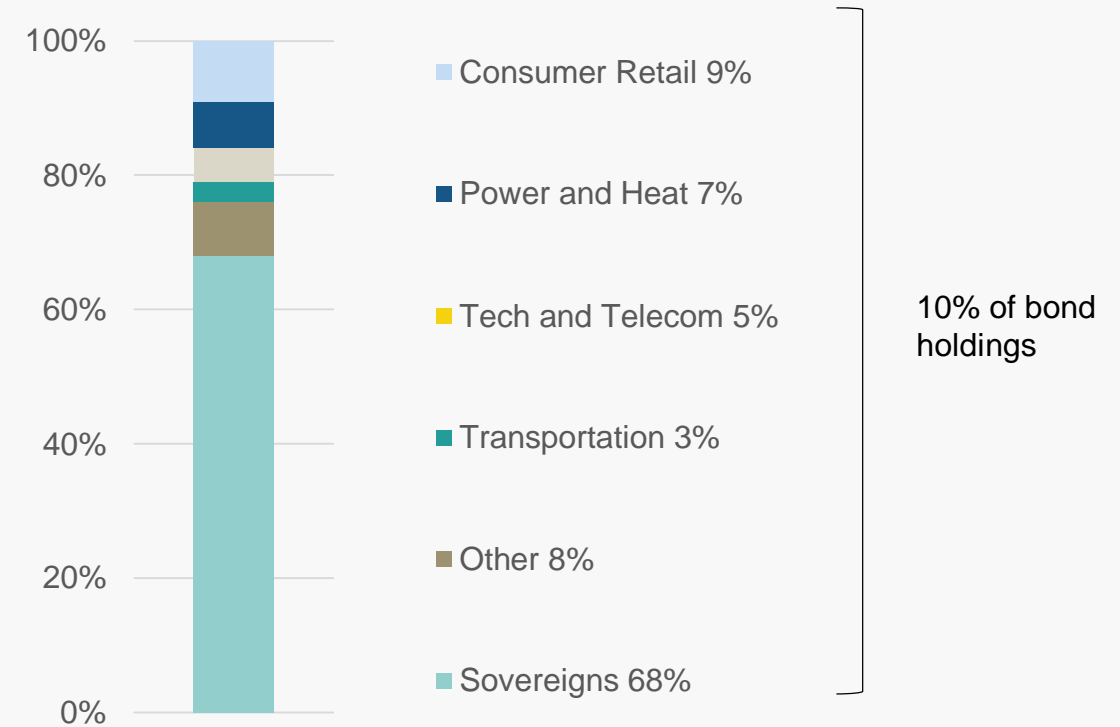
# Financed emissions

Financed emissions loan portfolio 2024: 1.1 mt CO<sub>2</sub>e



Source: NIB Annual Report 2024, Impact & Sustainability, loan portfolio, excludes bond holdings, Scope 1+2

Financed emissions treasury corporate and sovereign bond portfolio 2024: 108 kt CO<sub>2</sub>e



Calculation according to PCAF methodology, only for holdings which are covered by PCAF (Partnership for Carbon Accounting Financials)



## Vision &amp; Mandate – Sustainability management

# Commitments



**The Paris Agreement**



**The UN Sustainable Development Goals**



**The UN supported Principles for Responsible Investments (PRI)**  
Signatory since 2019 .



**Climate Strategy and SBTi**  
Climate Strategy launched in 2023, targets validated Feb. 25.



**InvestEU**  
Implementing partner since 2022.



**Baltic Marine Environment Protection Commission (HELCOM)**



**The Coalition of Finance Ministers for Climate Action**  
Partner since 2021.



**European Principles for the Environment (EPE)**  
Signatory since 2006



**The Principles on sustainable finance instruments**  
Member of Executive Committee



**Network of Central Banks and Supervisors for Greening the Financial System (NGFS)**  
Member since 2019.

## Vision &amp; Mandate – Sustainability management

# Bank-wide Reporting

**GRI Global Reporting Initiative**

NIB follows GRI since 2007



**IFRS Sustainability Disclosure Standards**  
IFRS S1 and S2  
adopted by NIB in 2024 (ISSB)



**The Partnership for Carbon Accounting Financials (PCAF)**  
Joined in 2022.



**International Financial Institution Framework for a Harmonised Approach to GHG Accounting**  
Signed in 2015.

## ESG ratings



**ISS ESG Corporate Rating**  
Prime C  
as per March 2024



**Sustainalytics ESG Risk Rating**  
7.0 / Negligible risk  
as per December 2024



**MSCI\* ESG Rating**  
AAA  
as per June 2024

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





NORDIC  
INVESTMENT  
BANK

FINANCING  
THE  
FUTURE

# Lending

NIB has funded the construction of a 186MW onshore windfarm in Ostrobothnia, Finland. It will consist of 30 wind turbines delivered by Vestas Wind Systems A/S. The wind farm does not benefit from any public support scheme.

The loan is eligible for financing from NIB Environmental Bond proceeds.

Image: Pakkakosken Energia Oy





Case: Norled AS, Norway

# Investments in low and zero carbon maritime transport

The loan co-finance Norled AS investments in low carbon ferries and express boats in Norway

Disbursement Year: 2024

Amount agreed: NOK 500mn

Maturity: 7 years

NEB - eligible share: 100%

NEB category: Clean transport solutions

EU taxonomy: Climate mitigation



The loan co-finance Norled AS investments in low carbon ferries and express boats, that include electric and green hydrogen vessels and related land-based infra-structure in Norway during 2024-2030. Norled aims to increase the share of low-and zero emission vessels to 65% in 2030.

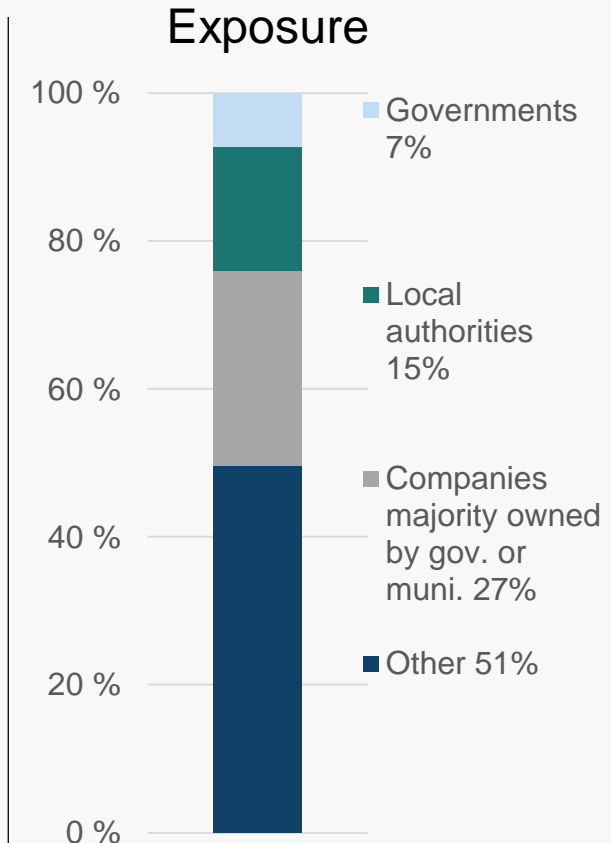
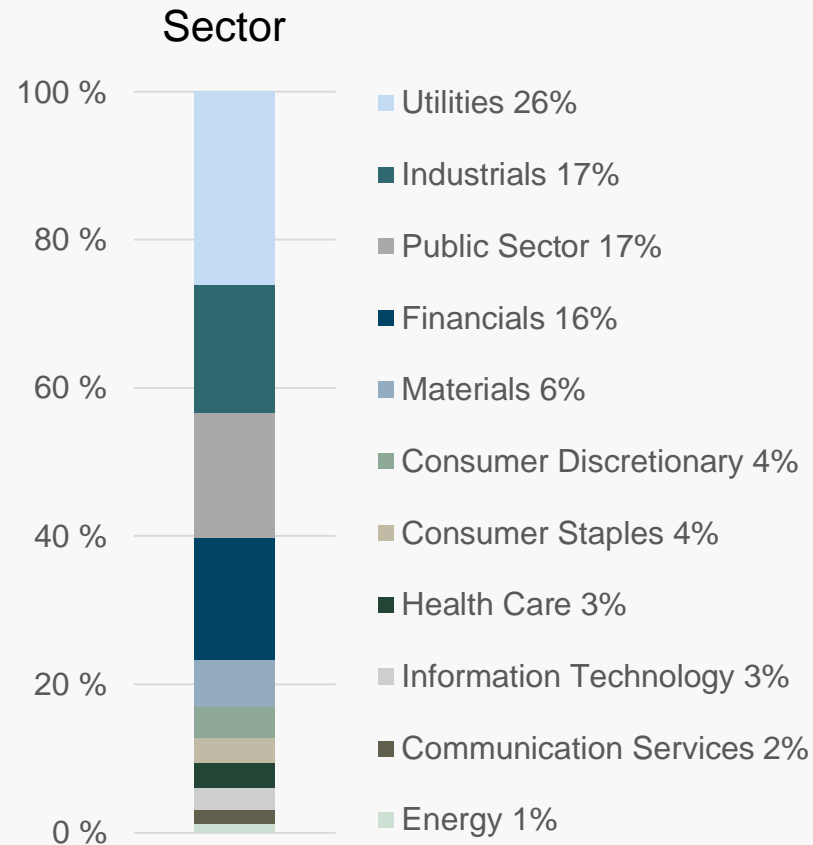
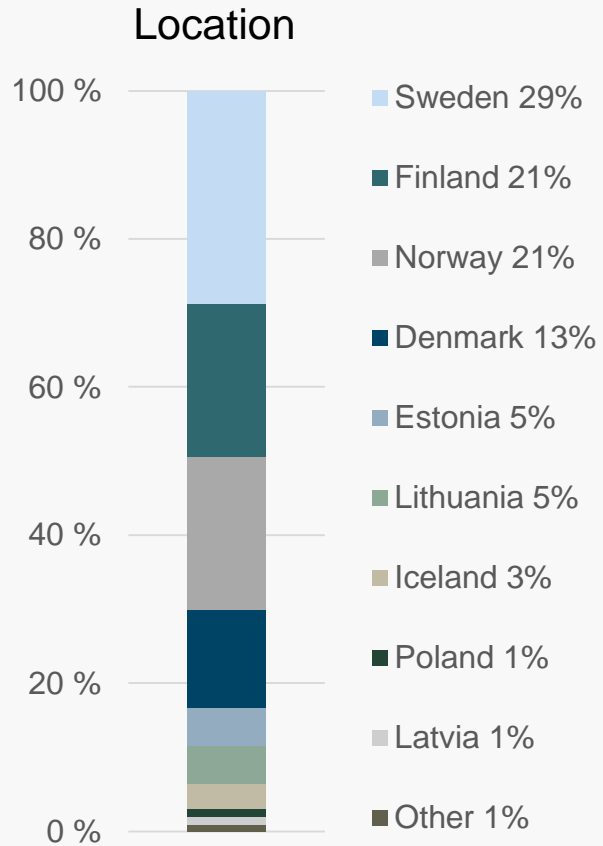
The loan is supported by the InvestEU programme under NIB's Framework Operation Green Mobility and Transport.





## Lending overview

# Outstanding lending EUR 23.4bn



**EUR 81bn**  
disbursed loans

**EUR 292mn**  
credit losses

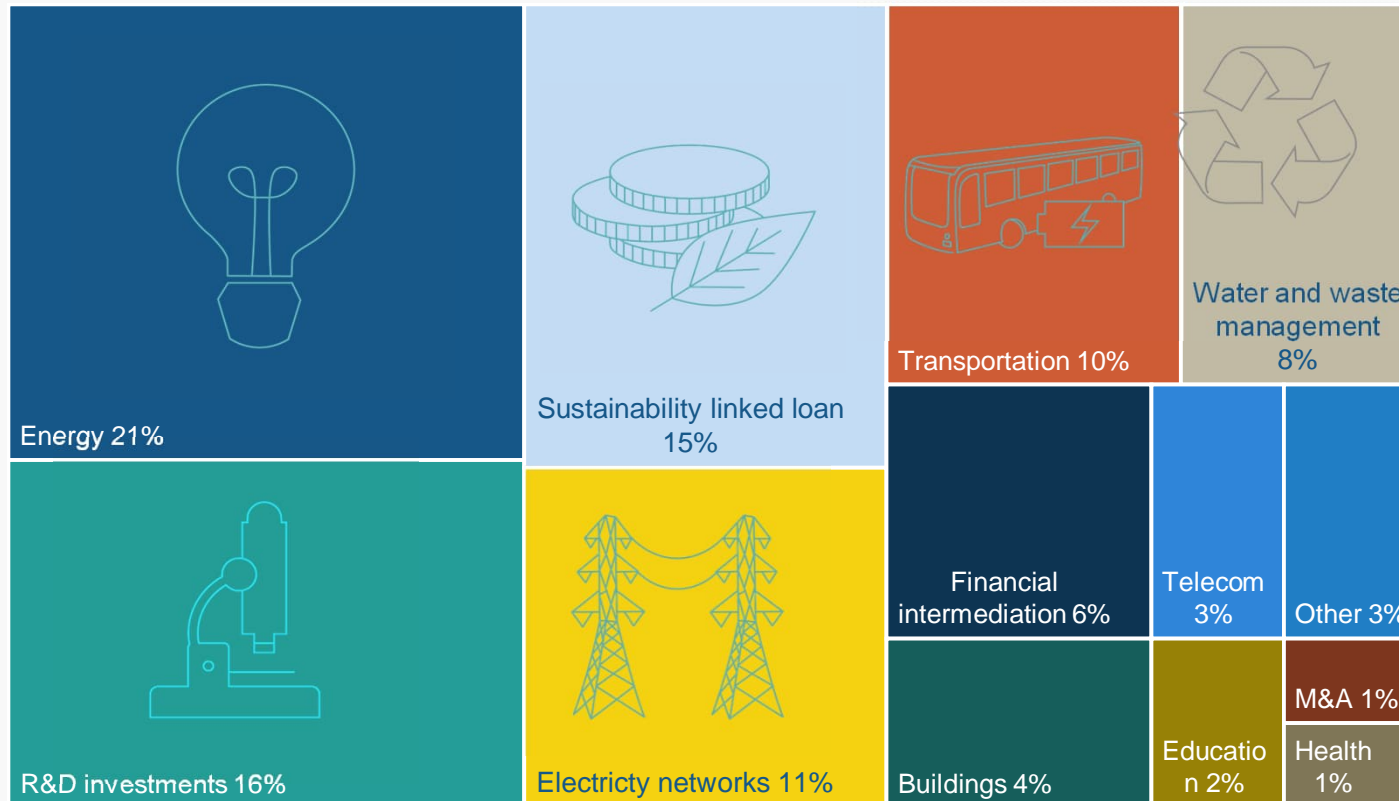
since 1975

Source: NIB December 2024, location by risk, includes 542mn lending green bonds, corporate CPs and MREL financial bonds, sectors by GICS

## Lending Overview

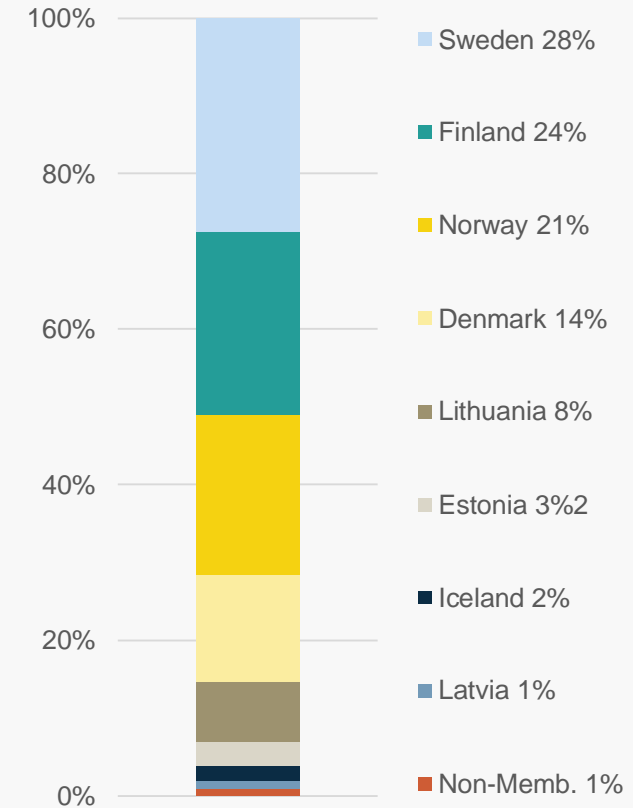
# Loans disbursed in 2024

Loan disbursements EUR 4 216mn



Source: NIB Annual Report 2024, BoD Report, excludes lending corporate green bonds

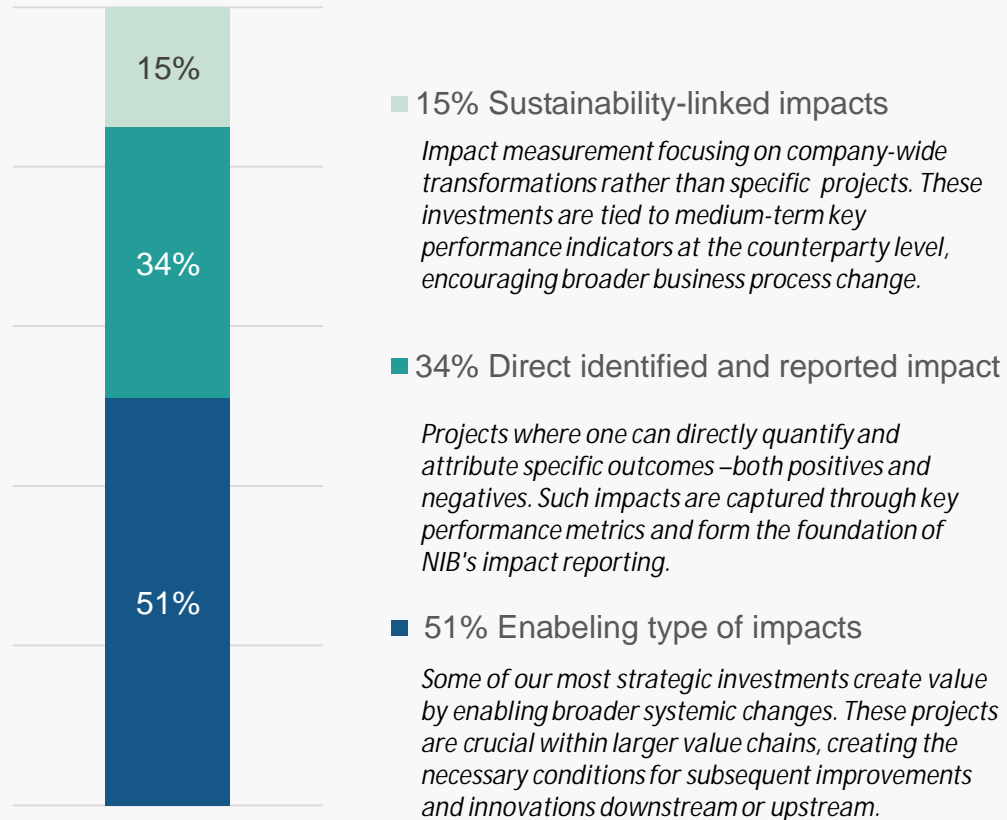
## Disbursement by location



## Purpose driven lending

# Impact of loans disbursed in 2024

## In per cent mandate rated and disbursed loans



Source: NIB Annual Report 2024, Impact &amp; Sustainability

## Impact – examples

**Sustainability linked loans**

EUR 615mn of loans with credible, material and ambitious key performance indicators and targets, 36% of disbursements to sectors in high need of decarbonisation

**CO<sub>2</sub> reduction**

annual net reduction of 292 000t CO<sub>2</sub> equivalent to the annual carbon footprint of 37,000 people in the member country region

**Renewable energy generation**

1TWh annual increase of generated renewable electricity and thermal heat, equivalent to 58,000 households

**Electricity networks**

EUR 428mn across nine network projects in Norway, Sweden, Denmark, Iceland and Finland

**R&D investments**

R&D loans for EUR 643mn supported high value workplaces

## Lending - Sustainability-linked loans (SLL)

## Accelerating corporate transition



Sustainability linked loan to Finnish grocery chain Kesko Oyj with three KPIs covering CO<sub>2</sub> emissions (Scope1 and 2), supply chain SBTi alignment and food waste. EUR 150mn 7Y

NIB offers tailor-made SLLs to companies in various sectors:

**Targets:** *credible, ambitious and material*

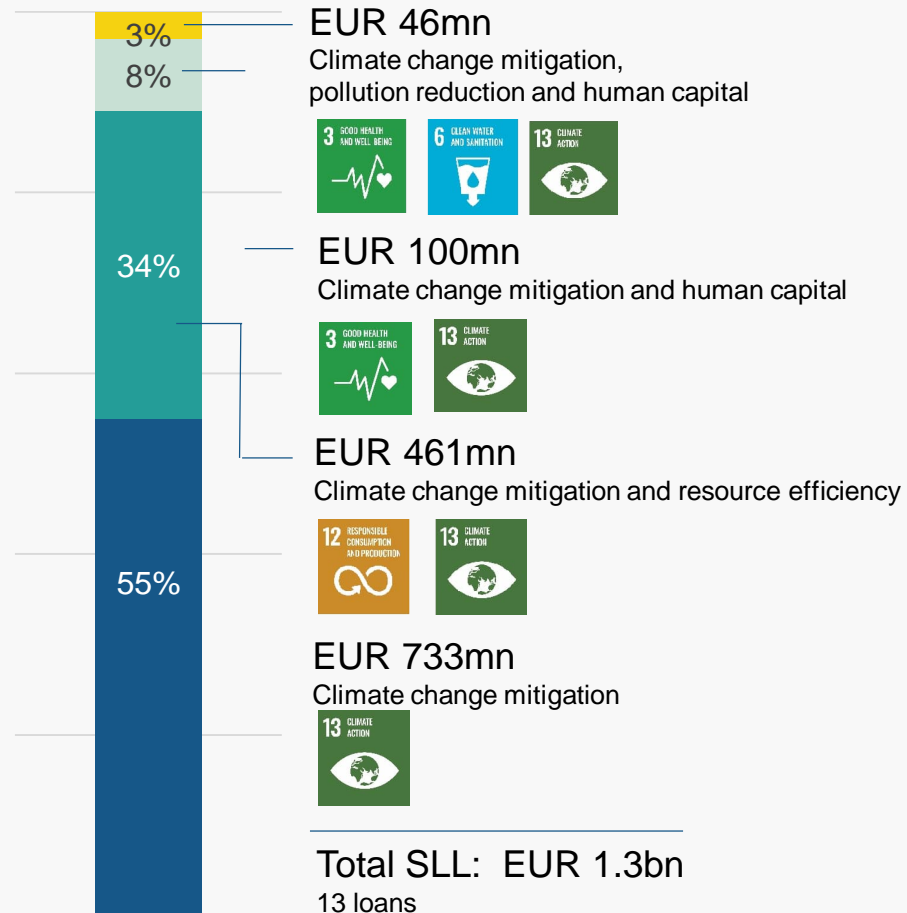
**KPI:** *linked to SBTi or non-climate based*

**Reporting:** *regular performance reporting*

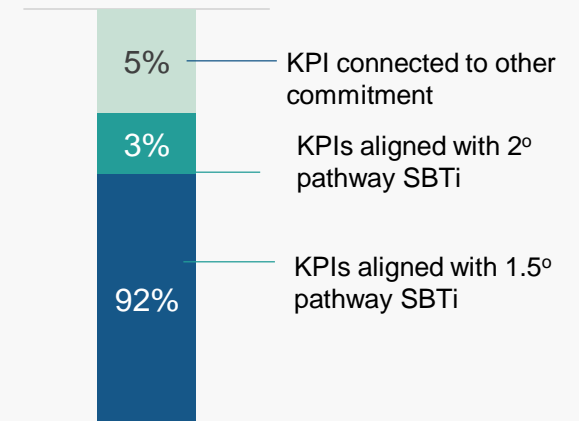
**Verification:** *third party*



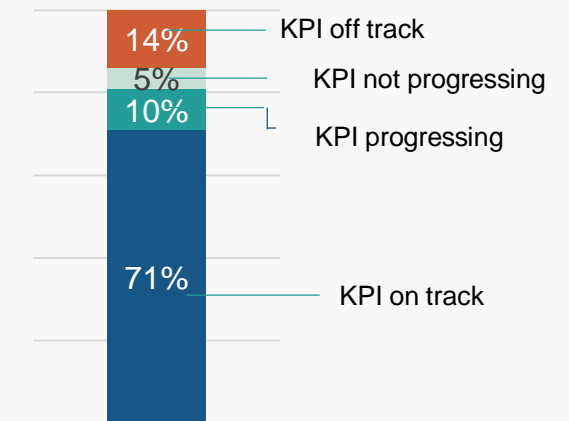
Source: NIB Annual Report 2024, Impact & Sustainability



## Type of KPI



## Performance





**NIB**

NORDIC  
INVESTMENT  
BANK


FINANCING  
THE  
FUTURE



# Funding

NASDAQ WELCOMES  
NORDIC INVESTMENT BANK  
TO THE SUSTAINABLE  
BOND MARKET

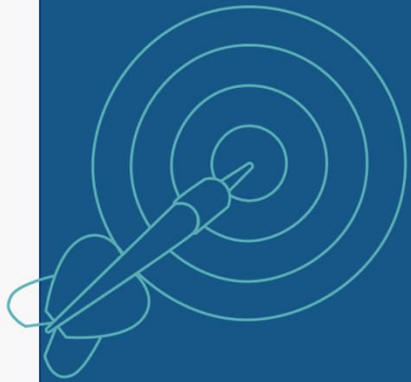
**NIB**

 Nasdaq



# Funding – What's our strategy?

## Objectives



Diversified funding sources

Benchmark issuance

360 days minimum liquidity requirement

0% risk weight, LCR Level 1, Solvency II 0%

Eligibility: ECB, BoE, US Fed



EUR 7-10bn

### Benchmark

USD global benchmark

EUR benchmark

NIB Environmental Bond

~ 35-45%

### Other public markets

Nordic currency markets

Major local markets: GBP, AUD, NZD

~25-35%

### Private placements

Flexible: amount, maturity, currency, structure, documentation format

Wide variety of pay offs

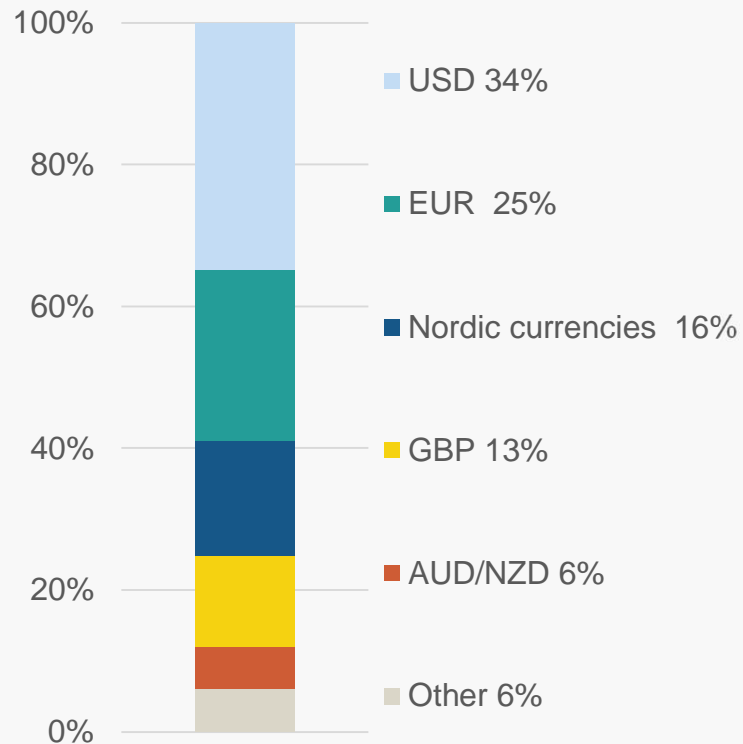
~25-35%

NIB Environmental Bond ~10-20%

## Funding – Currencies

# Managing currency and interest rate risk

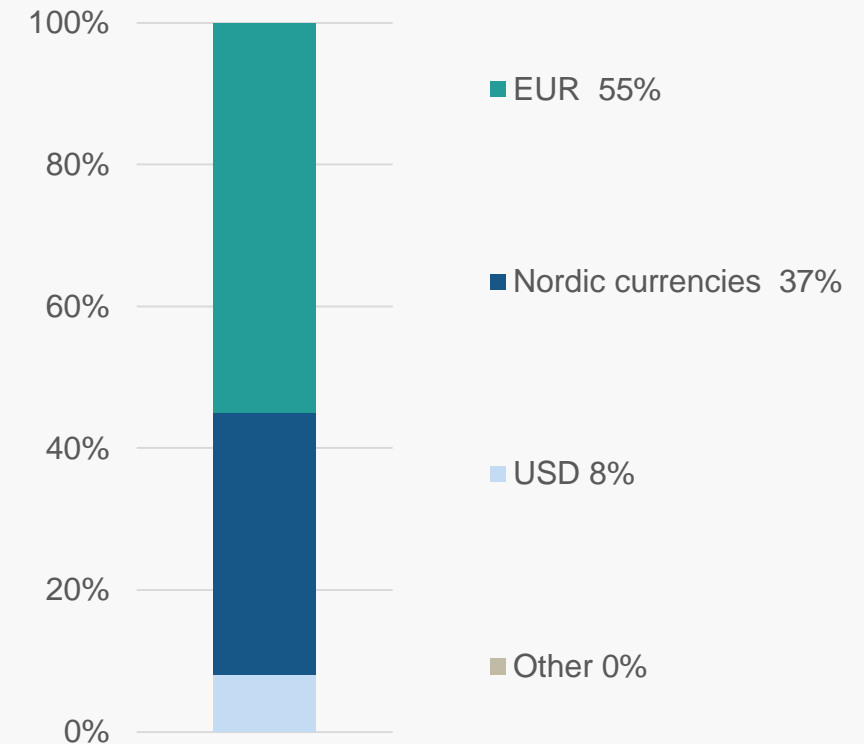
Funding outstanding



"Other": CHF, CNH, HKD, INR, JPY, PLN, RON, TRY, ZAR

Source: NIB, December 2024, Annual report 2024, note 23

Assets by currency



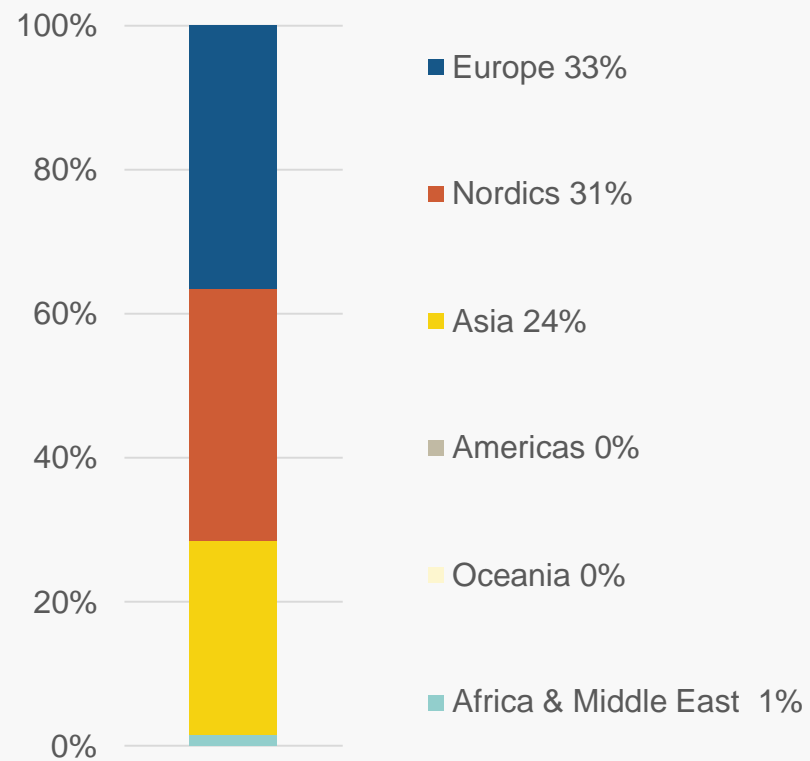
Excludes money market placements, fair value hedge adjustments, lending and treasury assets by currency and market value



## Funding

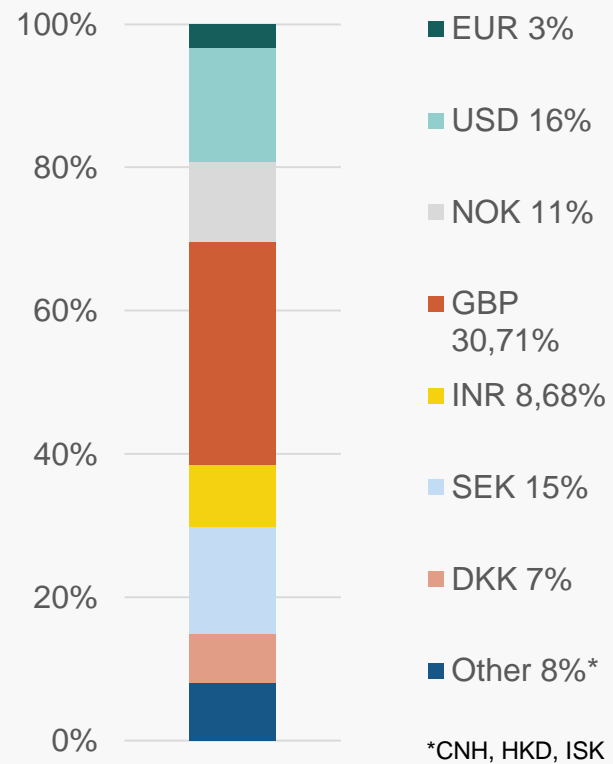
# Funding in 2025

## Investor geographical distribution



Source: NIB, March 2025

## Currency distribution



\*CNH, HKD, ISK



Funding plan  
**EUR 7.5-8.5bn**

Funding raised  
**EUR1.95bn**

Number of trades  
**23**

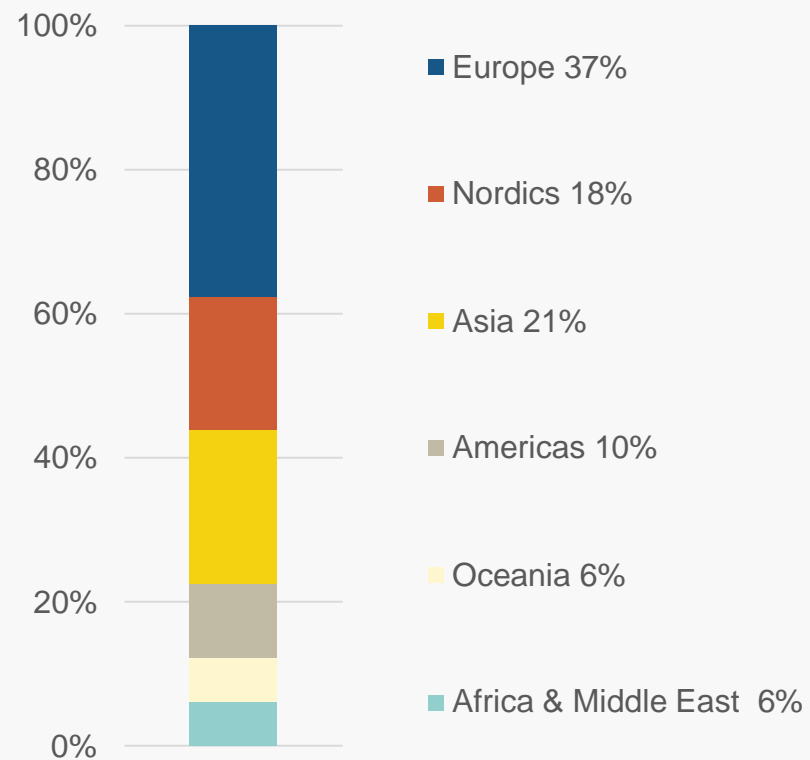
Average maturity of  
new funding  
**4.15 years**



## Funding

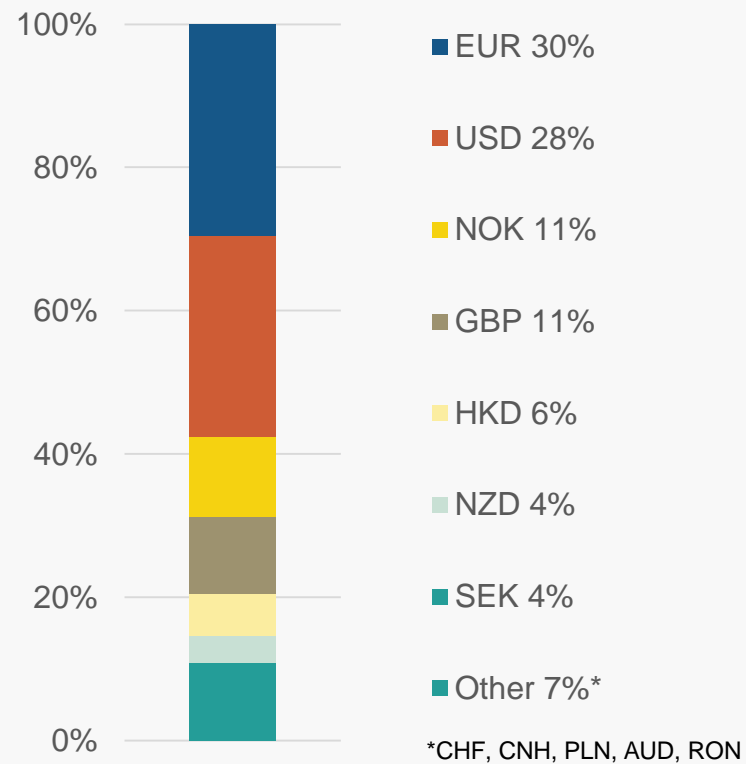
# Funding in 2024

## Investor geographical distribution



Source: NIB, December 2024

## Currency distribution



Funding plan  
**EUR 8.5-9.5bn**

Funding raised  
**EUR 9.10bn**

Number of trades  
**95**

Average maturity of  
new funding  
**4.6 years**

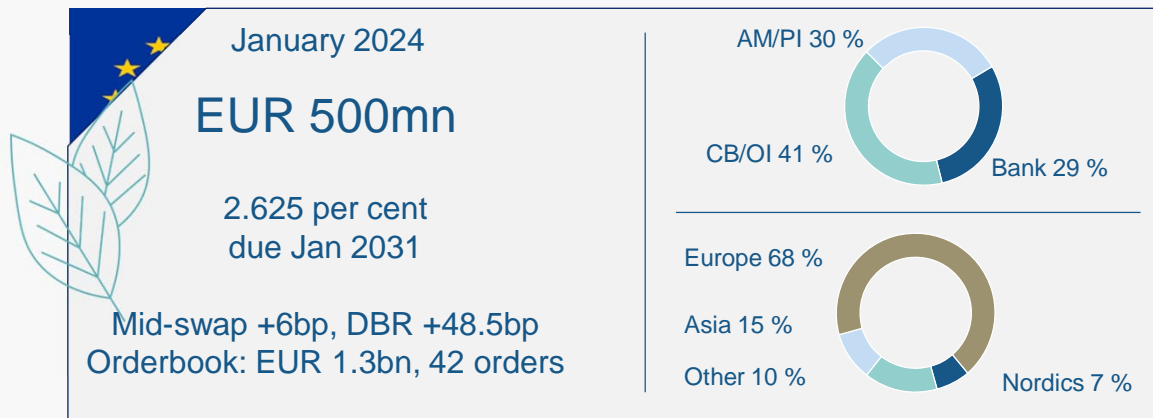
## Funding - Transactions

## Global benchmark bonds

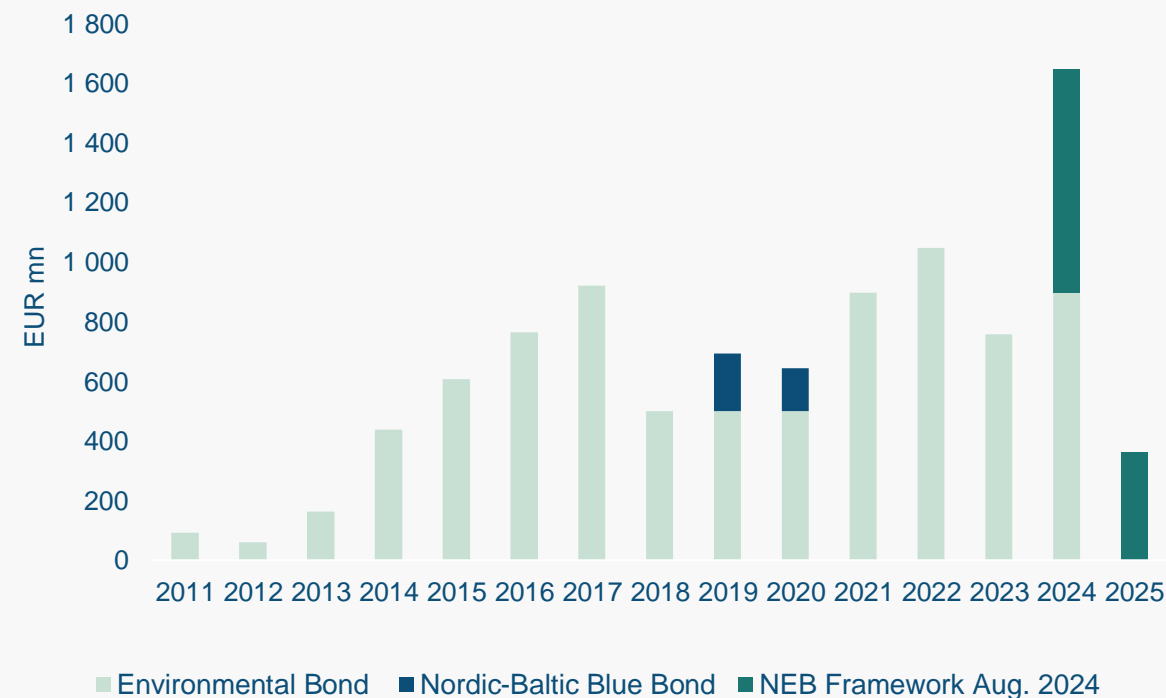


## Funding - Transactions

## NIB Environmental Bonds



## Total issuance 2011-2025: EUR 9.3bn



## Funding – Transactions

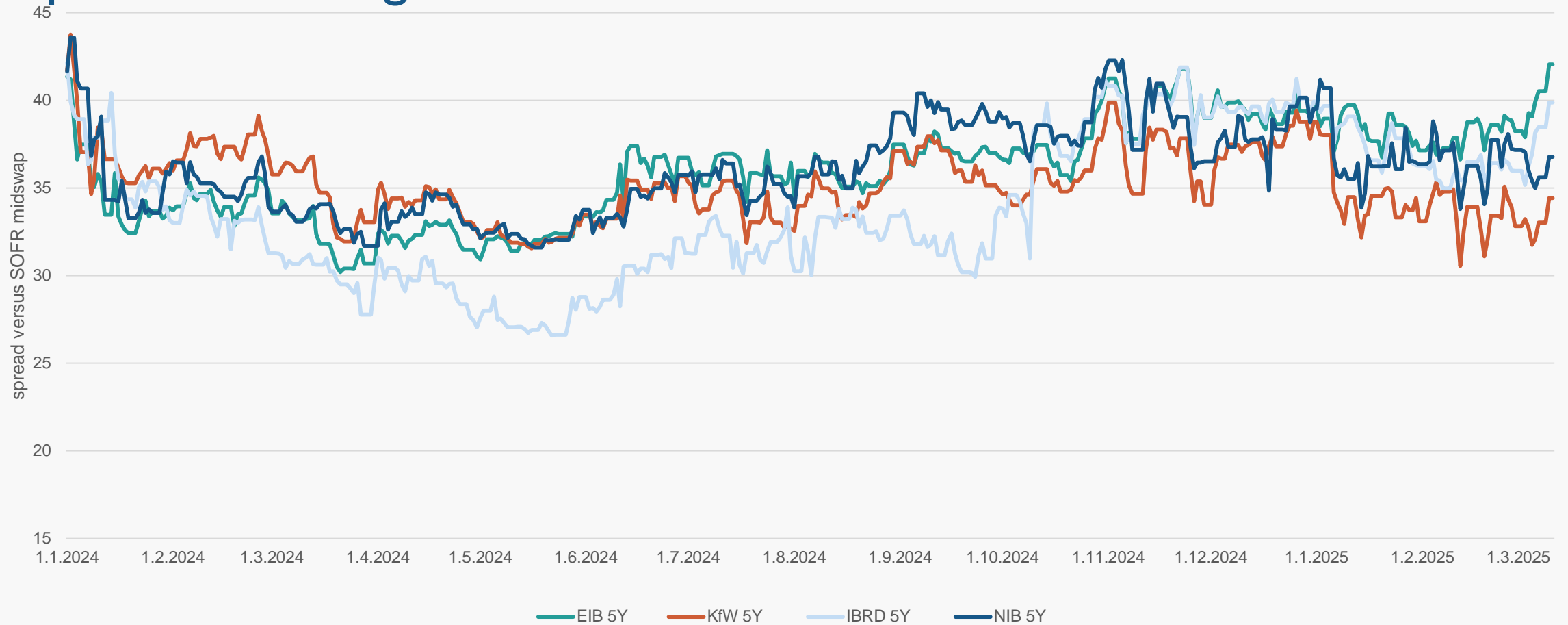
## Selected transactions





Funding – trading levels

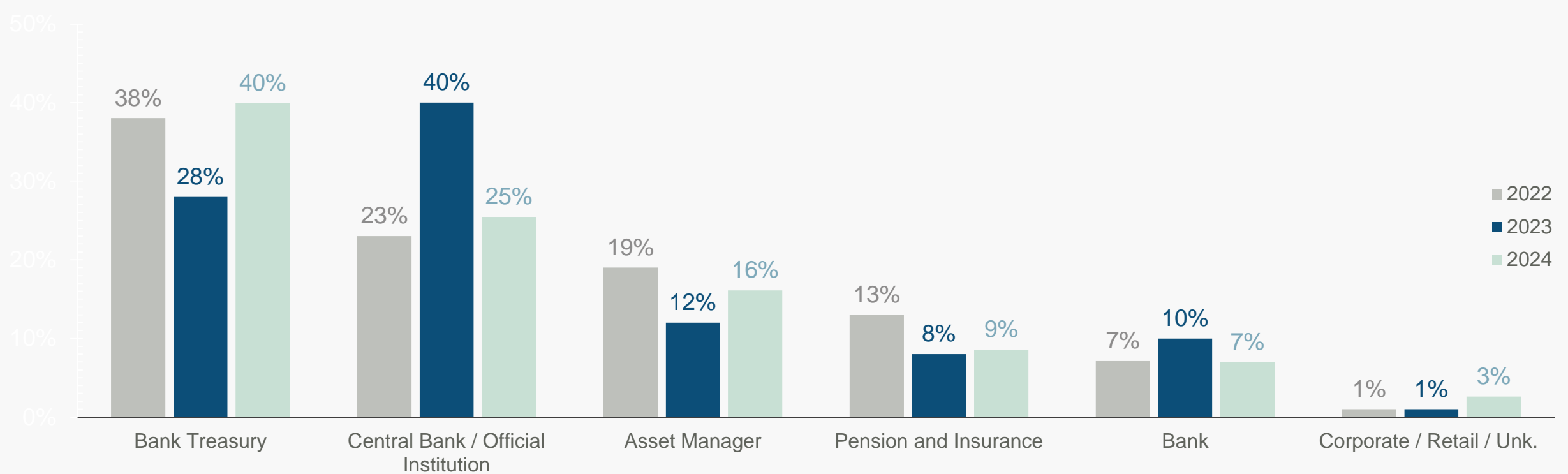
# Spreads USD global benchmark



Source: Bloomberg, 11 March 2025

Funding - who invests in NIB?

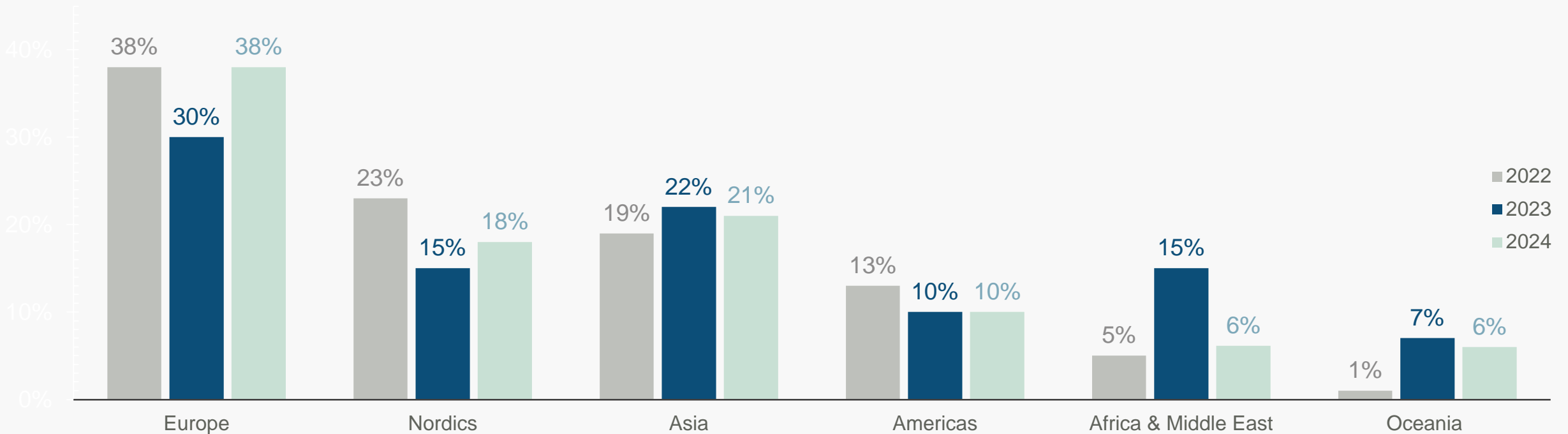
## Investor by type



Source: NIB, December 2024

Funding – who invests in NIB?

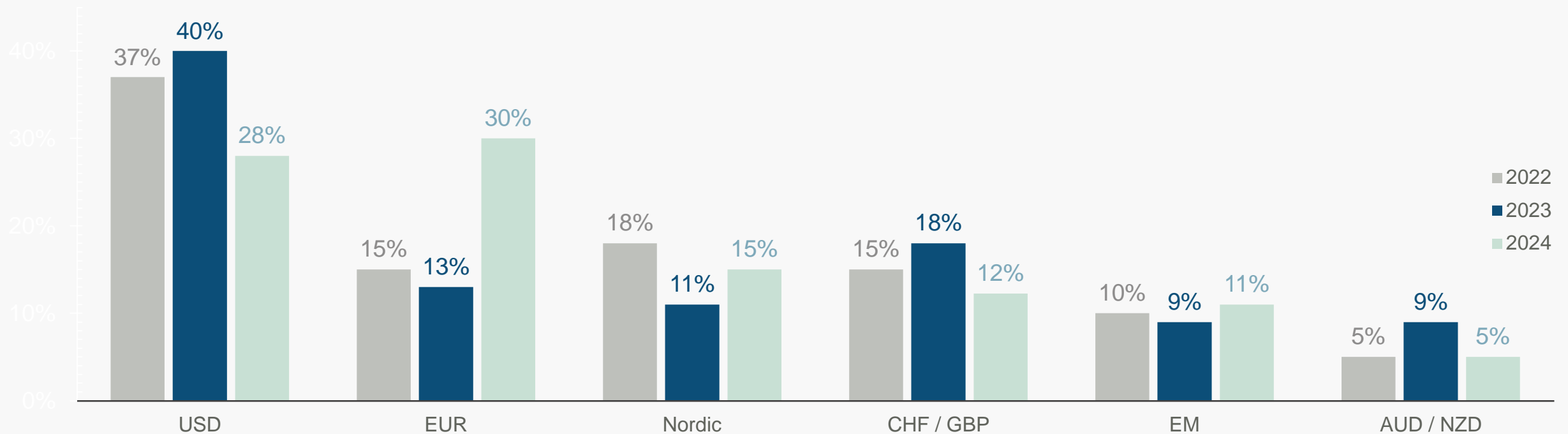
## Investor by location



Source: NIB, December 2024

Funding – who invests in NIB?

## Issuance by currency



Source: NIB, December 2024, EM: CNH, HKD, PLN, RON



# NIB in a nutshell

## Support from strong owners

NIB is a supranational institution owned by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden.



AAA / Aaa rated



## High asset quality

Lending to private and public sector entities based on sound banking principles.



## Financing with a purpose: Our mandate

Financing projects that improve the productivity and benefit the environment.



## Successful capital market transactions



Jens Hellerup  
*Senior Director*  
Head of Funding & Investor Relations  
Tel: +358 9 61811401  
Email: jens.hellerup@nib.int

Alexander Ruf  
*Director*  
Funding & Investor Relations  
Tel: +358 9 61811402  
Email: alexander.ruf@nib.int

Angela Brusas  
*Director*  
Funding & Investor Relations  
Tel: +358 9 61811403  
Email: angela.brusas@nib.int

Nordic Investment Bank – [www.nib.int](http://www.nib.int)





# NIB Environmental Bonds

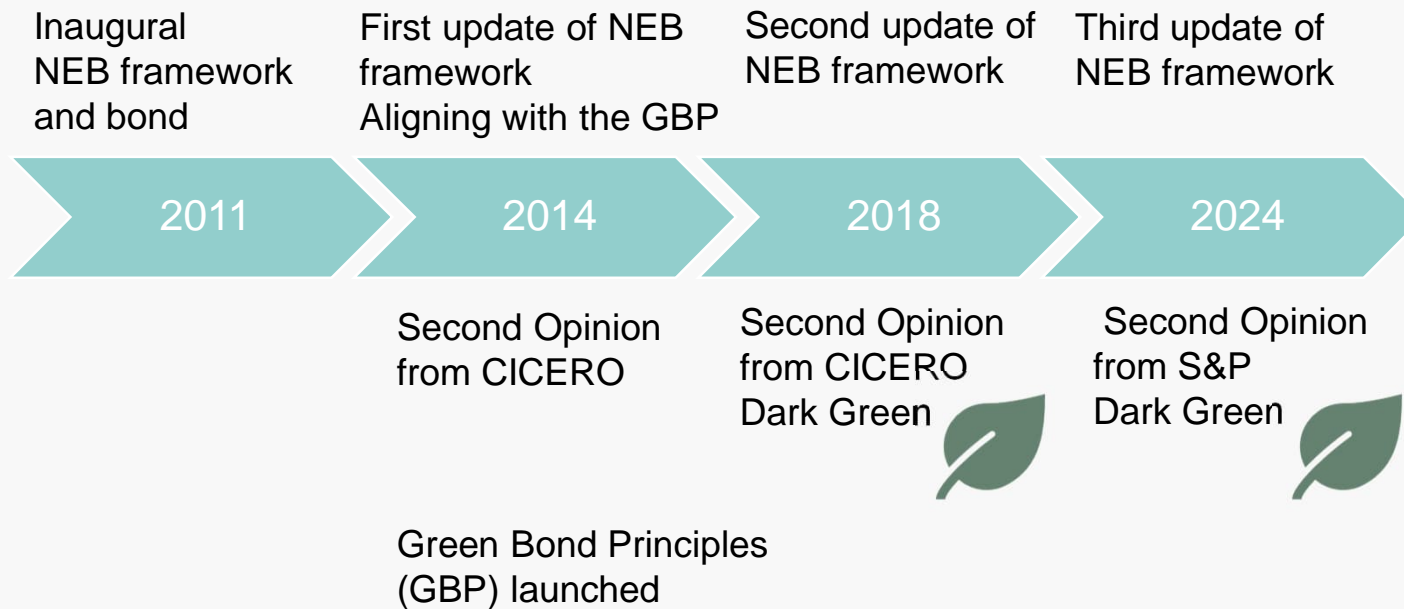
NIB has provided financing to Danish energy company Norlys for investments in new wind power capacity during 2023-2027. EUR 210mn, 3.5 years, excellent mandate rating for environment

Image: [via.ritzau.dk](https://via.ritzau.dk/) / Norlys



## NIB Environmental Bonds (NEBs)

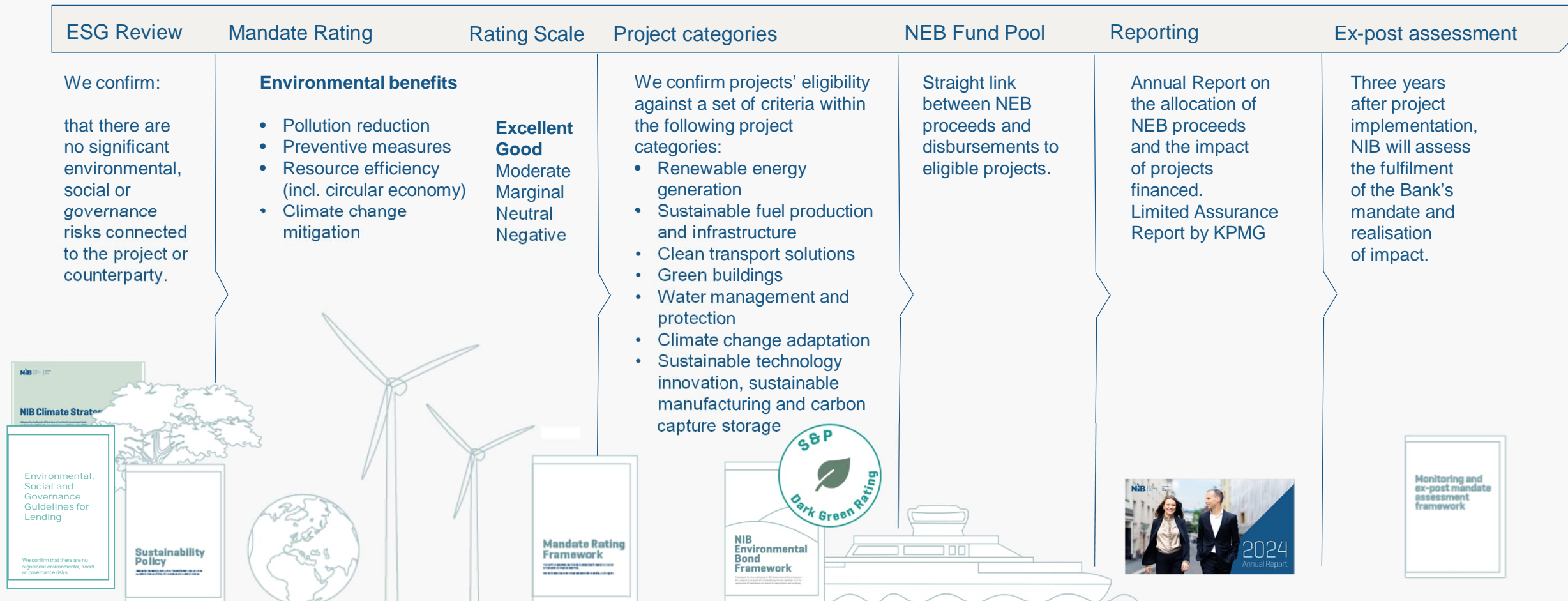
# The NEB Journey





## NIB Environmental bonds – process

# Project evaluation and selection



## NIB Environmental Bonds – process

## Mandate rating

## 1) Qualitative sector assessment

Contribution of the sector towards the environmental objectives for:

- Pollution reduction
- Preventive measures (inc. adaptation)
- Resource efficiency (inc. circular economy)
- Climate change mitigation

**Gradual alignment with EU Taxonomy**



+

## 2) Quantitative impact assessment

Local/Regional impact: -10...10

- Pollution: air, water, other
- Transformative industry
- Closure of material loops
- Green building standards

Global impact: -10...10

- Renewable energy
- Energy use and efficiency
- Greenhouse gas emissions



Sector score

+

Impact score








Total score	Sectoral score
> 20	Excellent
16 - 20	Good
11 - 15	Moderate
6 - 10	Marginal
-5 - 5	Neutral
< -5	Negative

**Realisation risk assessment**  
Technological, ecological, social, governance, legal  
realization risks

## NIB Environmental Bonds – framework







## Eligible categories

1. RENEWABLE ENERGY	GBP category	EU TSC alignment objective	Sector covered by NIB climate strategy	Main SDGs
a. Electricity generation from wind turbines, solar, ocean energy, and hydropower plants. b. Electricity or heat generation from geothermal installations. c. Electricity or heat generation based on advanced bioenergy feedstock. <sup>1</sup> d. Heat generation based on green or waste heat. e. Electricity transmission, distribution and storage, expansion or upgrades. f. District heating and cooling networks, including storages.	Renewable Energy	Climate change mitigation	Yes	 
2. SUSTAINABLE FUEL PRODUCTION AND INFRASTRUCTURE				
a. Production of green hydrogen and green anhydrous ammonia and its infrastructure. b. Production or processing of biofuels and biogas based on advanced feedstock. <sup>1</sup>	Renewable Energy	Climate change mitigation	No	 
3. CLEAN TRANSPORT				
Zero carbon emission vehicles and supporting infrastructure	Clean transport	Climate change mitigation	Yes	

<sup>1</sup> As defined in Part A of Annex IX of the EU Renewable Energy Directive, including feedstock from (a) to (p) but excluding (g) related to palm oil, ([DIRECTIVE \(EU\) 2018/ 2001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL - of 11 December 2018 - on the promotion of the use of energy from renewable sources \(europa.eu\)](#))

## NIB Environmental Bonds – framework

## Eligible categories

4. GREEN BUILDINGS	GBP category	EU TSC alignment objective	Sector covered by NIB climate strategy	Main SDGs
a. Construction of new buildings: Green buildings certified according to LEED Platinum or BREEAM Excellent or Outstanding and aligned with EU Taxonomy TSC and DNSH criteria (including LCA analysis) and passive houses. b. Major renovations: Refurbishment of buildings leading to an improvement of two Energy Performance Certificate levels (EPC) at least to EPC B. <sup>2</sup>	Green buildings	Climate change mitigation	Yes	
5. WATER MANAGEMENT AND PROTECTION				
a. Wastewater collection and treatment to reduce discharges <sup>3</sup> b. Protection of water resources with the aim of minimising groundwater extraction and contamination and improving the replenishment of aquifers.	Sustainable water and wastewater management	Sustainable use and protection of water and marine resources	No	  
6. CLIMATE CHANGE ADAPTATION				
a. Improvements of stormwater and flood protection systems b. Projects that strengthen resilience and adaptation to climate change	Climate change adaptation	Climate change adaptation	No	
7. SUSTAINABLE TECHNOLOGY INNOVATION, MANUFACTURING AND CCS				
a. Investment in R&D to meet objects of this framework and NIB's climate policy b. Carbon capture and storage (CCS) (permanent geological storage) and infrastructure <sup>4</sup>	Pollution prevention and control	Climate change mitigation	Partly	

<sup>2</sup> Improvements of two EPC classes indicate 40–60% energy improvement. <sup>3</sup> This is intended only for public applications (no industrial applications or fossil-fuel transport infrastructure). <sup>4</sup> CCS directly from fossil fuel- based energy installations excluded



## NIB Environmental Bonds – framework

## Update to the framework in August 2024

- ✓ Climate Strategy
- ✓ Allocation criteria to include counterparty ESG performance
- ✓ EU taxonomy assessment and alignment
- ✓ Category mapping versus GBP<sup>1</sup>, SDGs<sup>2</sup>, EU taxonomy and NIB Climate Strategy

OLD FRAMEWORK	NEW FRAMEWORK	MODIFICATIONS
Renewable Energy	Renewable Energy	Transmission, distribution and storage systems are included in the category
Transmission, distribution and storage systems	Sustainable fuel production and infrastructure	New category
Clean transport solutions	Clean transportation	No major modifications
Water management and protection	Water management and protection	Split in "water management and protection" and "climate change adaptation"
Green buildings	Green buildings	New buildings aligned with EU taxonomy's SC and DNSH and major renovations
Resources and Waste management	Climate change adaptation	Old framework category discontinued, new category
Energy efficiency	Sustainable technology innovation, sustainable manufacturing and carbon capture storage	Old framework category discontinued, new category

<sup>1</sup>Green Bond Principles (ICMA), Sustainable Development Goals

## NIB Environmental Bonds – framework

# Governance

## Sustainability and Mandate Rating Unit

Identifies and pre-selects eligible loans

Sustainability Review

Mandate Rating



## Mandate and Credit Committee

Approves eligibility of pre-selected loans for NIB Environmental Bonds (NEB) loan pool



## Treasury

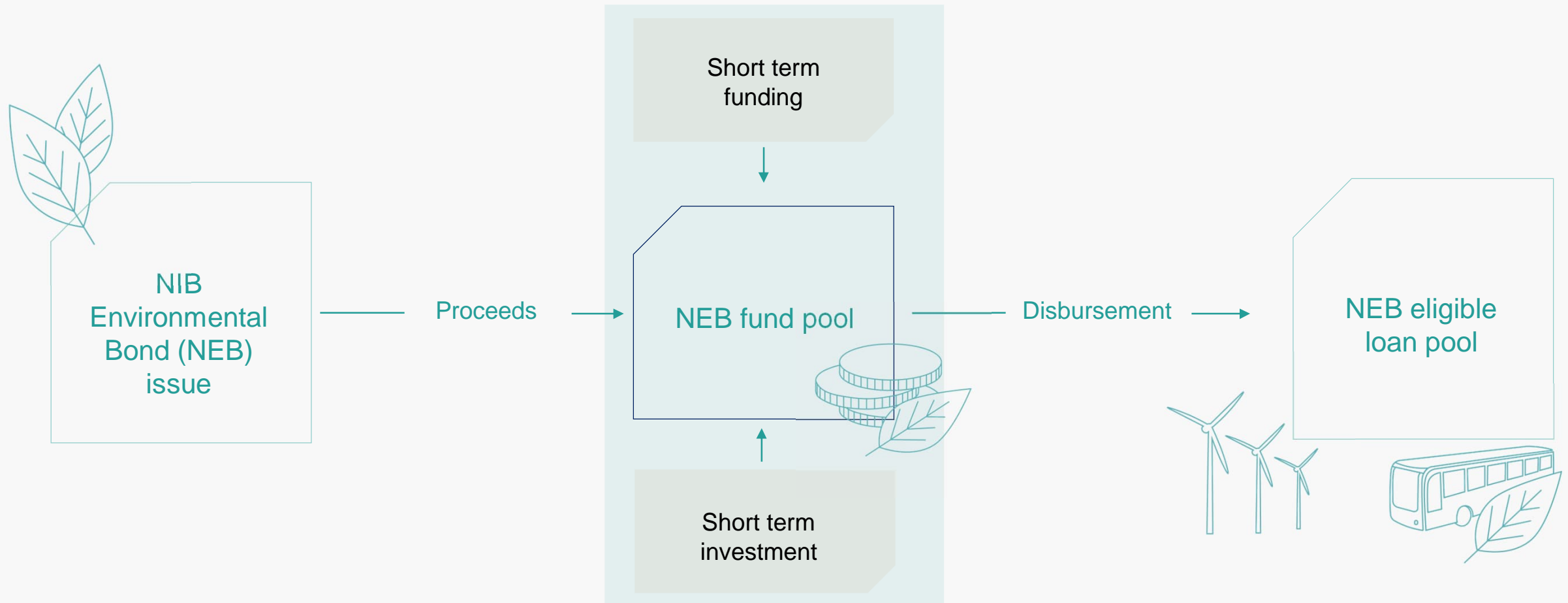
Issues NIB Environmental Bonds

Manages NEB liquidity pool



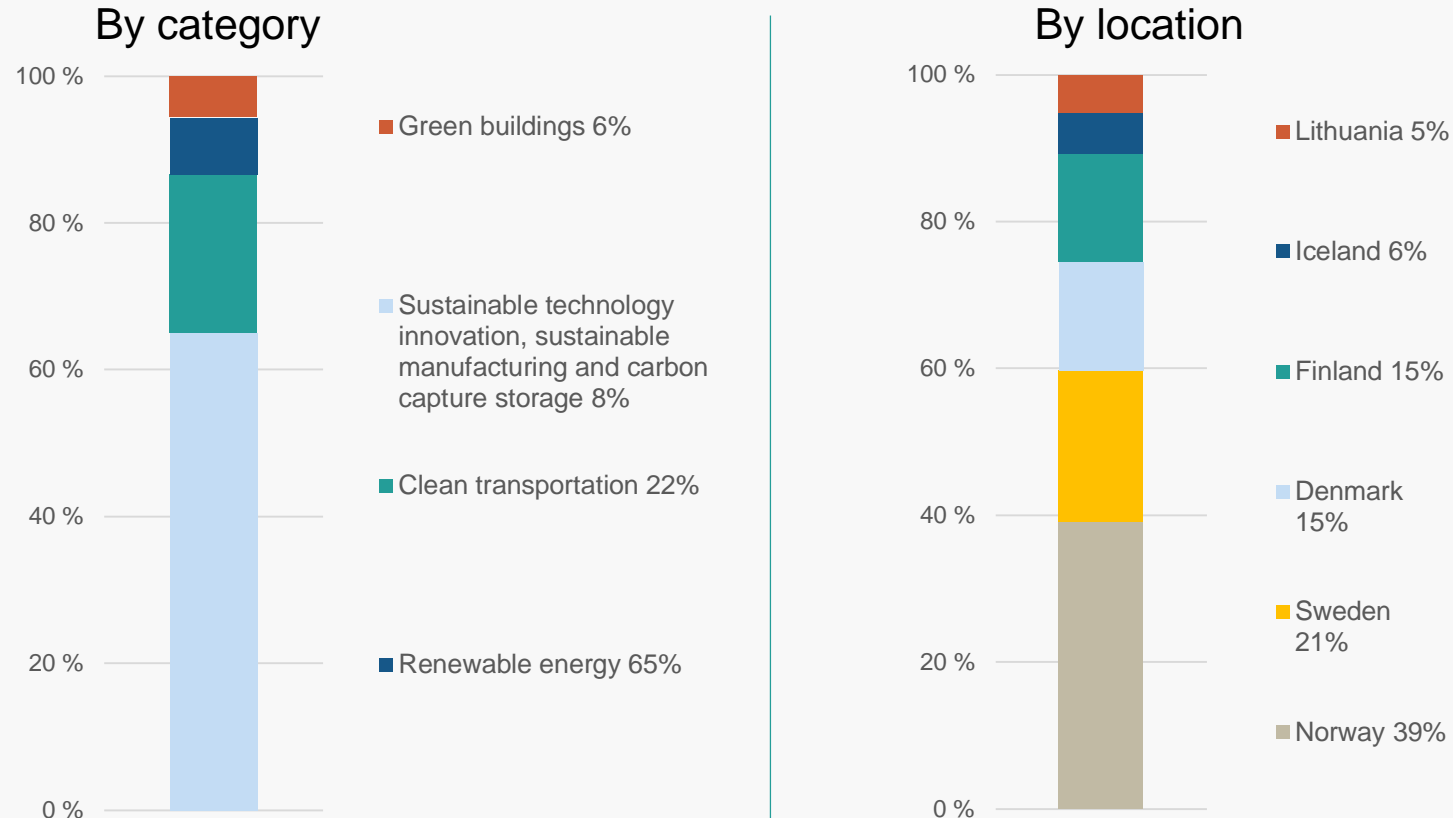
## NIB Environmental Bonds – framework

# Flow of separated funds



## NIB Environmental Bonds – disbursements new framework

## Financed projects overview - new



Source: NIB, February 2025, project categories based on new NEB Framework Aug 2024

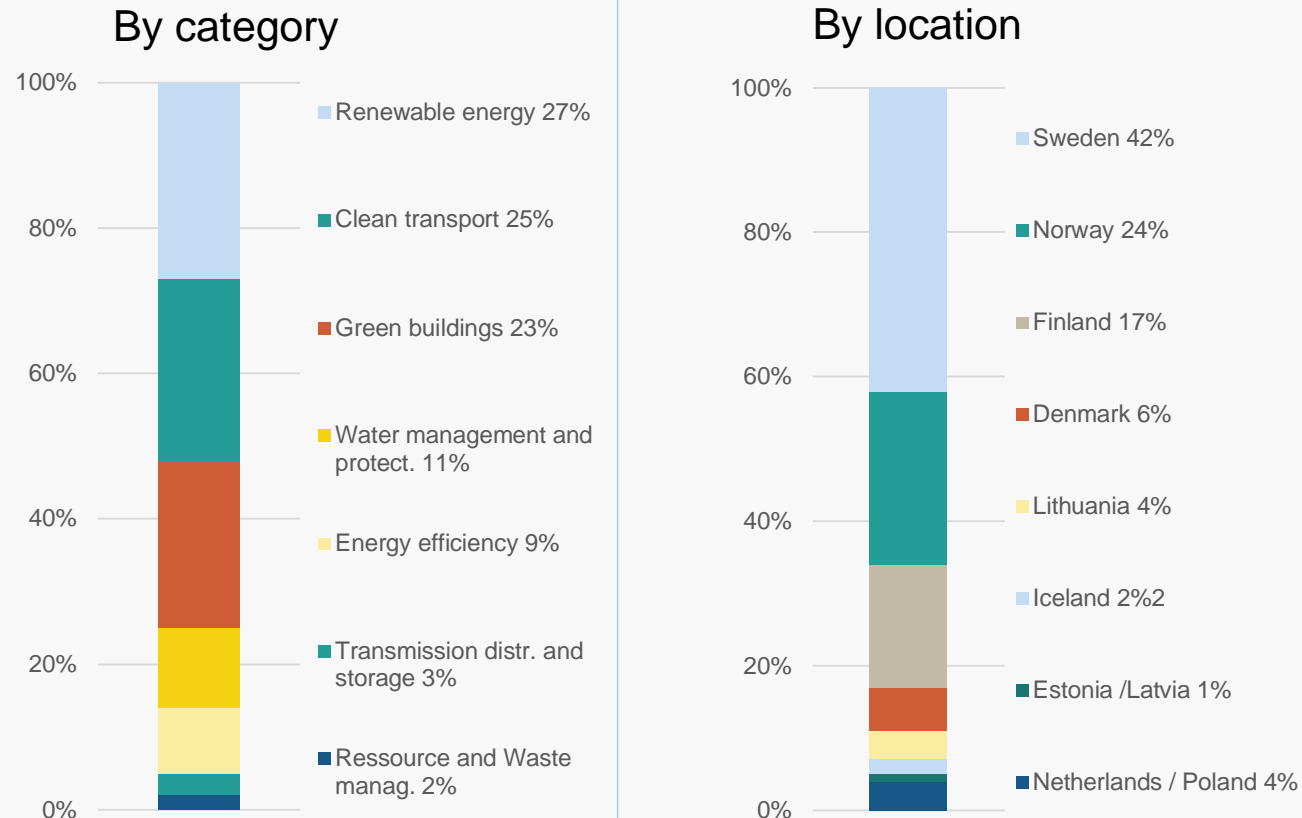
NIB provides a financing for the City of Oslo for the acquisition of 20 metro trains for the Fornebu Metro Line expansion project. The loan is NEB bond eligible.





## NIB Environmental Bonds – disbursements old framework 2011-2024

## Financed projects overview – old











Source: NIB, project categories based on old NEB Framework February 2025







## NIB Environmental Bonds – impact reporting (new framework)

# Impact of NEB-financed projects 2024

Pro-rated to NIB's share of financing. Shows the share of impact for each category from disbursements allocated to the NEB pool during 2024.

<b>Green buildings</b> 	m <sup>2</sup> certifies gross floor area	6 210
	Number of buildings	1
	Number of projects	1
<b>Renewable energy</b>  	tCO <sub>2</sub> e/a avoided	191 360
	MW renewable energy capacity	220
	MWh/a increased energy generation	627 070
	MWh increased storage	0
	Number of projects	12
<b>Clean transportation</b>  	Passenger km or tonne km	0
	Projects	3
<b>Water management and protection</b>   	Wastewater collected and treated, PE	0
	Projects	0

<b>Sustainable fuel production and infrastructure</b>  	tCO <sub>2</sub> e/a avoided	0
	GWh/a energy content	0
<b>Climate change adaptation</b> 	Number of projects	0
<b>Sustainable technology innovation, manufacturing and carbon capture storage</b> 	tCO <sub>2</sub> e/a avoided	0
	Projects	4











Source: NIB Annual Report 2024, Impact & Sustainability

Project-specific impact data and NIB's methodology for assessing impact is published on our [NEB website](#), based on outstanding loans

## NIB Environmental Bonds – impact reporting (old framework)

# Impact of NEB-financed projects 2011-24 (1)

Pro-rated to NIB's share of financing. Shows the share of impact for each category from disbursements allocated to the NEB pool during 2024.

		2011-24 total	2024	2024 in per cent of total
<b>Green buildings</b>   	m <sup>2</sup> gross floor area	406 400	0	0%
	MWh/a own carbon neutral energy generation	1 220	0	0%
<b>Renewable energy generation</b>  	tCO <sub>2</sub> e/a avoided	1 054 420	104 620	10%
	MW added capacity	1 080	100	9%
	MWh/a added generation	2 851 180	304 430	11%
<b>Clean transport solutions</b>  	tCO <sub>2</sub> e/a avoided	70 790	0	0%
<b>Water management and protection</b>   	PE added wastewater treatment capacity	580 050	0	0%
	t/a reduced nitrogen discharges	250	0	0%











Source: NIB Annual Report 2024, Impact & Sustainability

Project-specific impact data and NIB's methodology for assessing impact is published on our [NEB website](#), based on outstanding loans

## NIB Environmental Bonds – impact reporting (old framework)

# Impact of NEB-financed projects 2011-24 (2)

Pro-rated to NIB's share of financing. Shows the share of impact for each category from disbursements allocated to the NEB pool during 2024.

		2011-24 total	2024	2024 in per cent of total
<b>Transmission, distribution and storage systems</b>  	MW connected renewable transmission capacity	2 930	0	0%
<b>Energy efficiency</b>   	MWh/a energy savings	117 795	990	1%
	tCO <sub>2</sub> e/a avoided	29 280	0	0%
<b>Resources and waste management systems</b>  	t/a waste treated	97 200	0	0%
	MWh/a energy recovered from waste	597 650	0	0%
	tCO <sub>2</sub> e/a avoided			
<b>Nordic Baltic Blue Bonds</b>				
<b>Water management and protection</b>   	PE added wastewater treatment capacity	404 140	0	0%
	t/a reduced nitrogen discharges	90	0	0%

Source: NIB Annual Report 2024, Impact & Sustainability

Project-specific impact data and NIB's methodology for assessing impact is published on our [NEB website](#), based on outstanding loans



## NIB Environmental Bonds – impact reporting

# EU Taxonomy alignment assessment

## Screening of NEB project categories against EU taxonomy

### Screening on category level

EU taxonomy eligibility and alignment of projects within a category

Assessment separately for Substantial Contribution (SC) and Do No Significant Harm (DNSH)

Framework requires full SC for all categories and projects, for buildings also DNSH

### Alignment assessment on project level

Collection of information from borrowers during loan due diligence

DNSH – information challenge, but situation is improving through regulatory and voluntary reporting improvements

Minimum Social Safeguards (MSS): projects in EU countries and NIB internal policies and processes



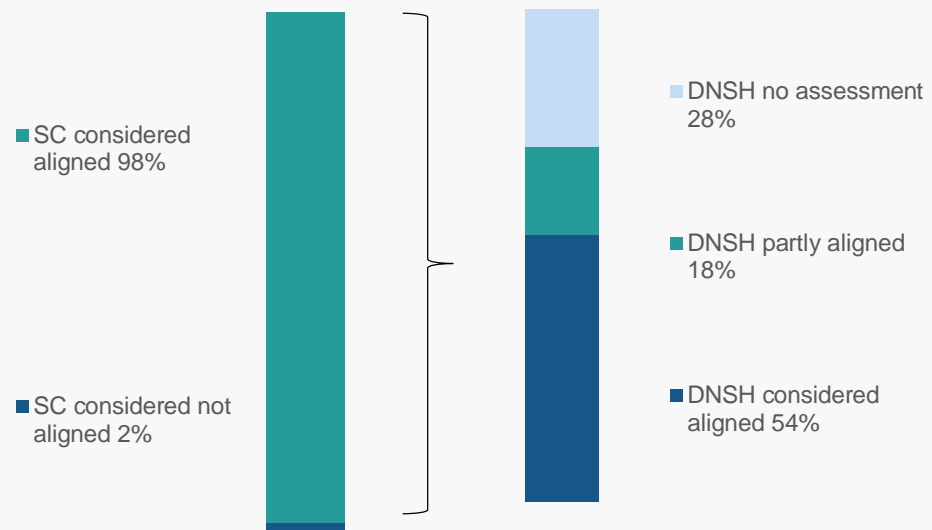
NIB provides financing for electric city buses to be operated in Greater Helsinki, Oulu and Turku areas in Finland.

The loan is NEB bond eligible.

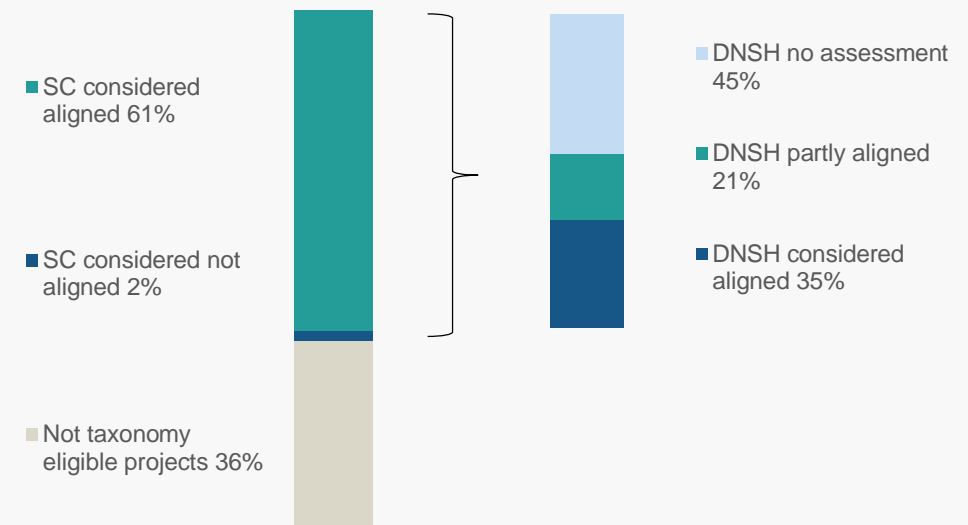
## NIB Environmental Bonds – impact reporting

# EU Taxonomy alignment

Estimated alignment against technical screening criteria for SC and DNSH of NEB projects in per cent issuances in 2024 (new framework)



Estimated alignment against technical screening criteria for SC and DNSH of NEB projects in per cent issuances in 2024 (old framework)



SC: Substantial contribution to one or more of the environmental objectives in the EU taxonomy

SC considered aligned: The project could demonstrate evidence that TSC for SC are fulfilled.

SC considered not aligned: The project could not demonstrate evidence on TSC for SC.

Project not taxonomy eligible: The economic activity is not covered by the EU taxonomy

DNSH: Do no significant harm criteria, activity doesn't significantly ham other taxonomy objectives

Source: NIB Annual Report 2024, Impact and Sustainability

## NIB Environmental Bonds – S&P Second Opinion on framework

# S&P Second Opinion: Dark green

### Second Opinion includes:

Analysis eligible green projects assessments (Shades of green)

Analysis of NIB's sustainability management and the embeddedness of the framework within its overall strategy

Alignment with Green Bond principles

Mapping of framework categories to UN SDGs

NIB Environmental Bond Framework



### Shades of green assessment

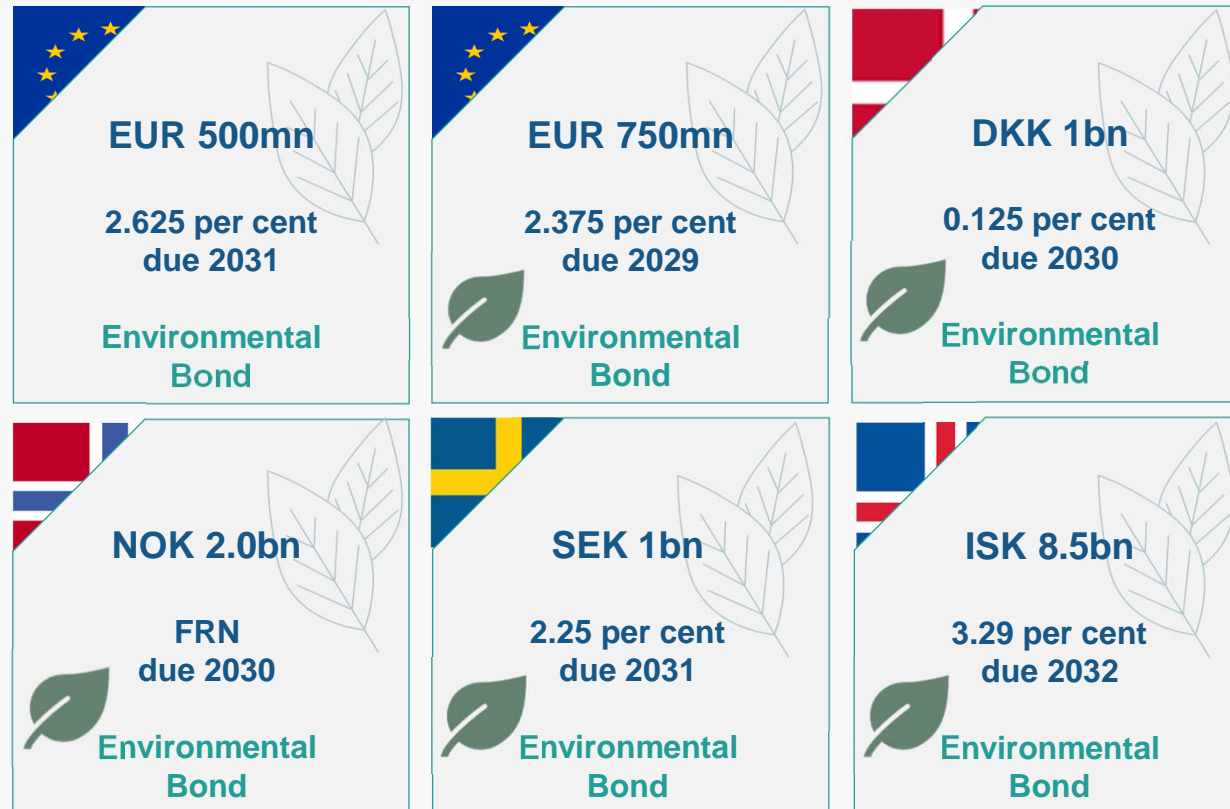
Framework Categories		
Renewable energy		Dark Green
Sustainable fuel production and infrastructure		Dark to medium green
Clean transportation		Dark green
Green buildings		Medium to light green
Water management and protection		Medium green
Climate change adaption		Dark green
Sustainable technology innovation, manufacturing and CCS		Dark to medium green

S&P Second Party Opinion , 30 August 2024

## NIB Environmental Bonds

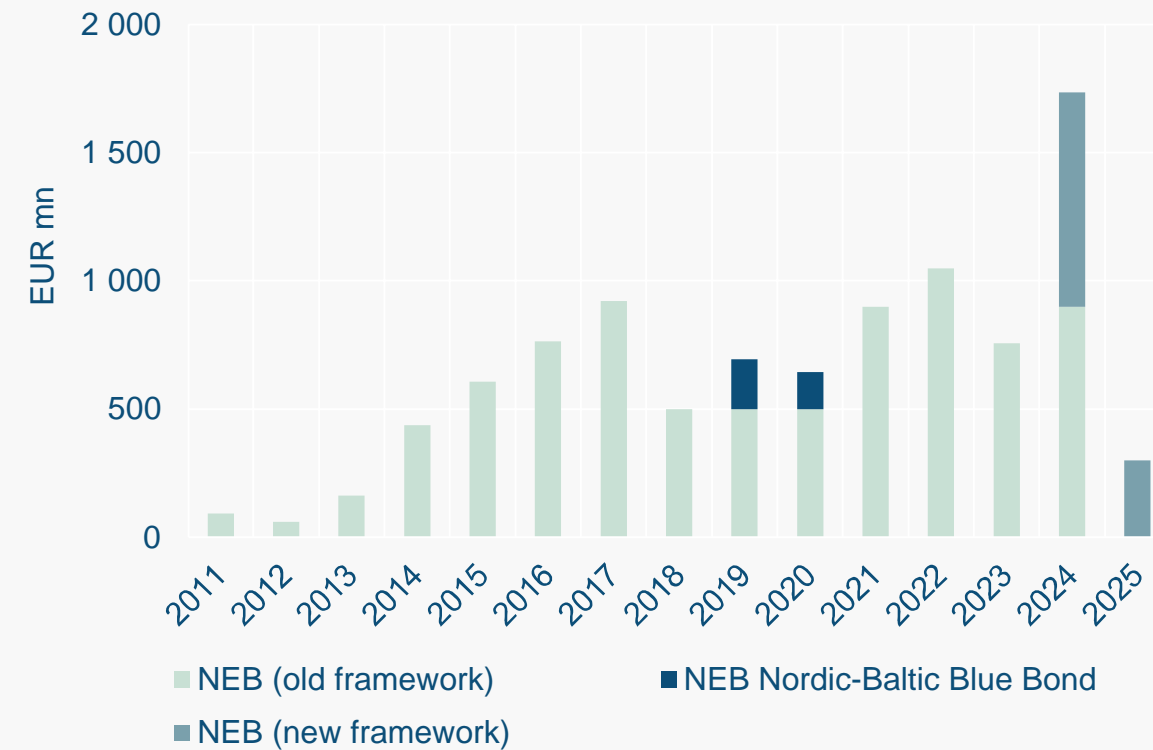
# Issuance overview

## Selected NIB Environmental Bond issues 2024-2025



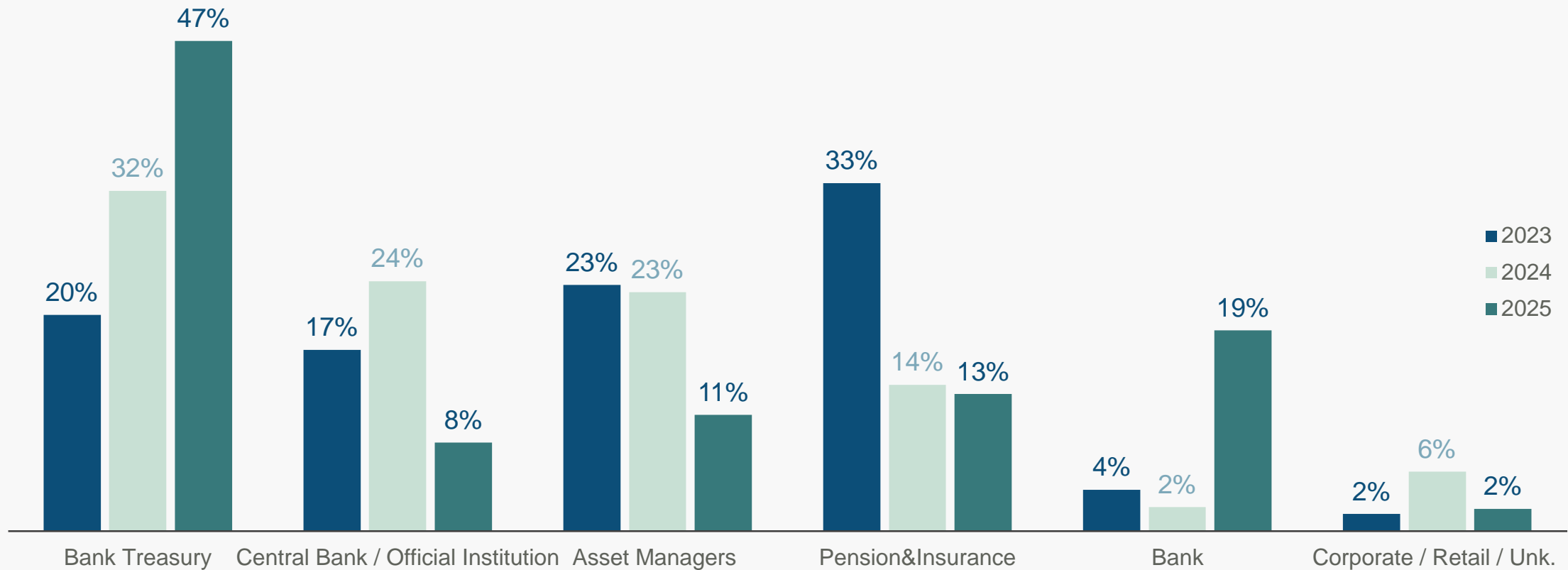
NEB issued under new framework

## Total issuance 2011- 2025: EUR 9.7bn



## NIB Environmental Bonds

## Investor type distribution

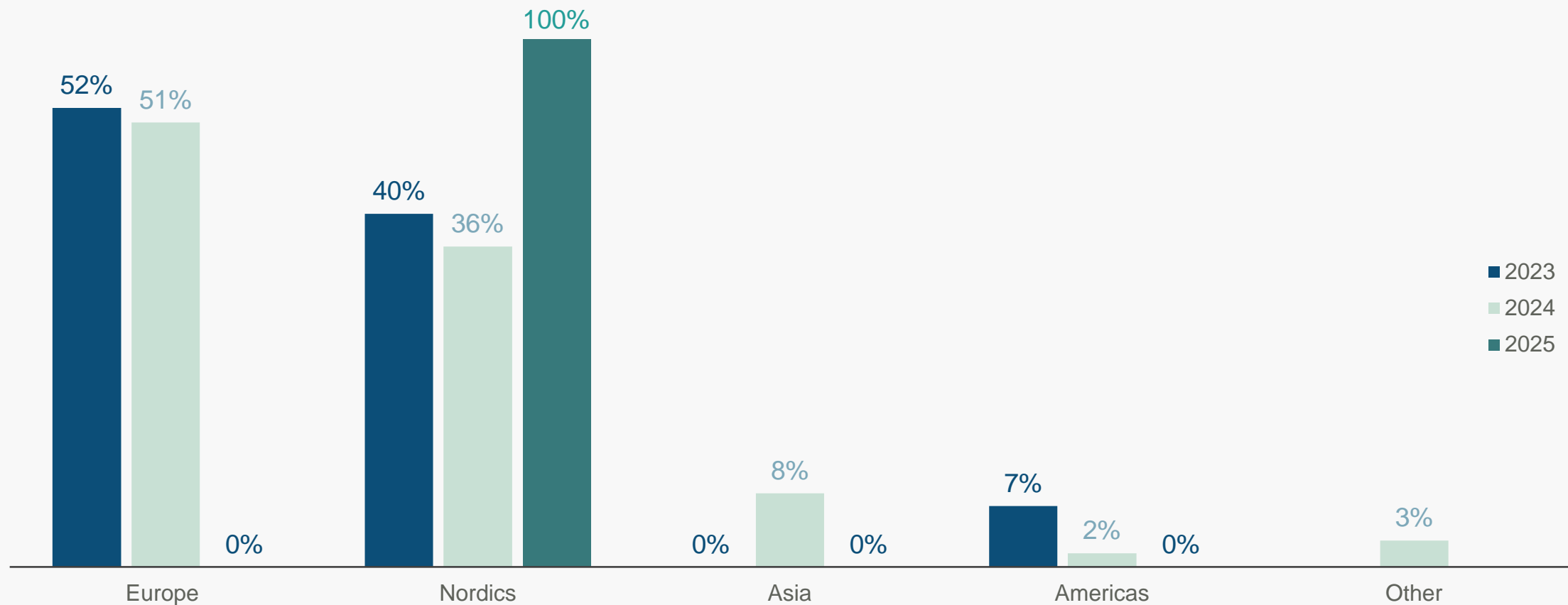


Source: NIB February 2025



## NIB Environmental Bonds

## Investor location distribution



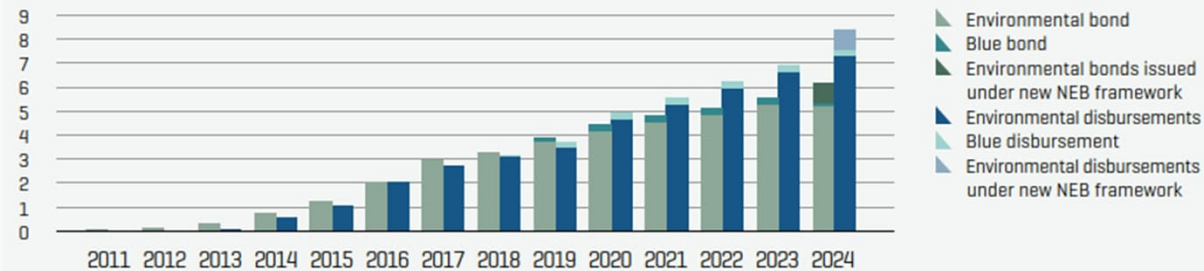
Source: NIB February 2025

## NIB Environmental Bonds – pool

# Issuance and disbursement overview

**Accumulated NEB issuance and disbursements 2011–2024<sup>1</sup>**

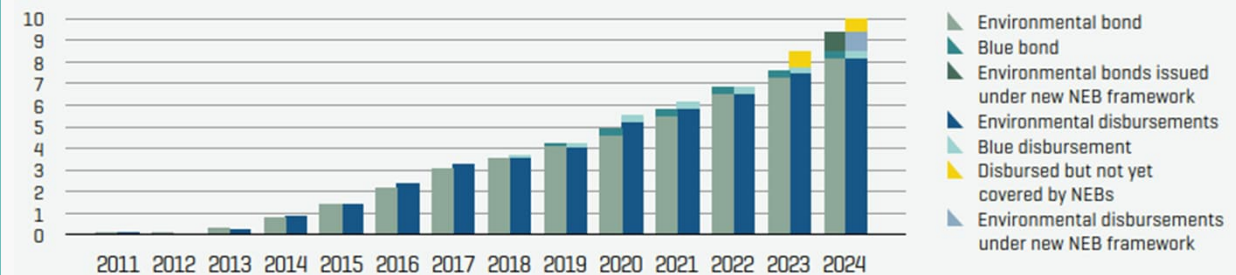
in EUR billions



<sup>1</sup> Accumulated issued bonds (excluding matured bonds) and accumulated disbursements (excluding fully repaid loans and uncovered ones). Old NEB framework Dec 2018-Aug 2024, new NEB framework valid from Aug 2024.

**Total NEB issuance and disbursements 2011–2024<sup>1</sup>**

in EUR billions



<sup>1</sup> All bonds and projects matured and not matured.  
Old NEB framework Dec 2018-Aug 2024, new NEB framework valid from Aug 2024.

# NIB in a nutshell

## Support from strong owners

NIB is a supranational institution owned by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway, and Sweden.



AAA / Aaa rated



## High asset quality

Lending to private and public sector entities based on sound banking principles.



## Financing with a purpose: Our mandate

Financing projects that improve the productivity and benefit the environment.



## Successful capital market transactions





Jens Hellerup  
*Senior Director*  
Head of Funding & Investor Relations  
Tel: +358 9 61811401  
Email: jens.hellerup@nib.int

Alexander Ruf  
*Director*  
Funding & Investor Relations  
Tel: +358 9 61811402  
Email: alexander.ruf@nib.int

Angela Brusas  
*Director*  
Funding & Investor Relations  
Tel: +358 9 61811403  
Email: angela.brusas@nib.int

Nordic Investment Bank – [www.nib.int](http://www.nib.int)



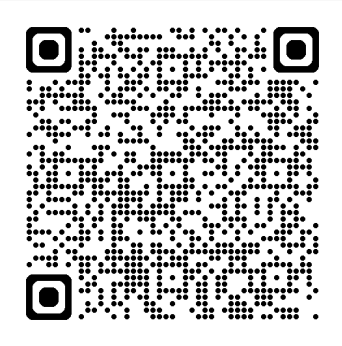


# Our publications

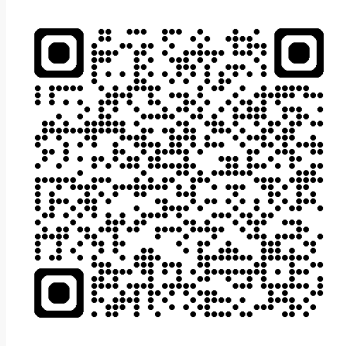
[NIB Annual Report 2024](#)



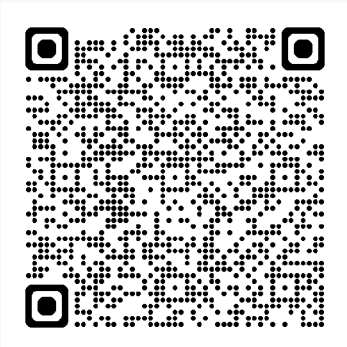
[NIB Interim Management Statement Q3/24](#)



[NIB Environmental Bond Framework](#)



[Moody's report](#)



[S&P credit report](#)



[S&P Second Opinion NEB](#)



EUR 50 million loan for R&D to Össur, a global leader in non-invasive orthopedics located in Iceland.

Image: Össur



# Annex

[Member countries](#)

[Macroeconomic statistics: 2023-2024 forecast comparison \(%\)](#)

[Macroeconomic statistics: Trade share of GDP 2023](#)

[Macroeconomic statistics: Trade partners 2023](#)

[Financial figures: Statement of comprehensive income, net loan losses](#)

[Financial figures: Statement of financial position](#)

[Financial figures: Statement of financial position \(capit...](#)

[Financial figures: Lending](#)

[Financial figures: Credit risk](#)

[Financial figures: Lending by security and currency](#)

[Financial figures: Expected credit losses, non-performing...](#)

[Climate Strategy – sector targets](#)









[Current topics: Security policy](#)

[Current topics: Real Estate in the Nordics](#)



15-year USD 50 million investment loan to Iceland's transmission system operator Landsnet hf. to finance the construction of new and upgrades of existing substations, investments in underground cabling and new overhead lines during 2023-2026.

## Member countries

								
<b>Country Name</b>	Kingdom of Sweden	Kingdom of Norway	Kingdom of Denmark	Rep. of Finland	Rep. of Lithuania	Rep. of Latvia	Rep. of Estonia	Rep. of Iceland
<b>Capital</b>	Stockholm	Oslo	Copenhagen	Helsinki	Vilnius	Riga	Tallinn	Reykjavik
<b>Area</b>	450.292 sq km	323.782 sq km	43.089 sq km	338.145 sq km	65.300 sq km	64.589 sq km	45.228 sq km	103.000 sq km
<b>Head of State</b>	King Carl Gustaf XVI	King Harald V	King Frederik X	President Stubb	President Nauseda	President Rinkevics	President Karis	President Tómasdóttir
<b>Prime Minister</b>	Ulf Kristersson	Jonas Gahr Støre	Mette Frederiksen	Petteri Orpo	Ingrida Šimonytė	Evika Silina	Kristen Michal	Kristrún Frostadóttir
<b>Population</b>	10.4 million	5.4million	5.8 million	5.6 million	2.8 million	1.9 million	1.3 million	0.3 million
<b>GDP (EUR bn 2023)</b>	548.7	448.7	376.4	273.3	73.8	39.0	38.2	29.0
<b>GDP per capita in PPS. 2023 (EU=100)</b>	114	173	127	108	86	71	81	134
<b>How happy? *</b>	4	7	2	1	19	46	34	3
<b>Rating</b>	Aaa/AAA/AAA	Aaa/AAA/AAA	Aaa/AAA/AAA	Aa1/AA+/AA+	A2/A/A	A3/A/A-	A1/A+/A+	A1/A+/A
<b>NIB Ownership</b>	34.6%	21.5%	21.1%	17.7%	2.0%	1.3%	0.9%	0.9%

Source: Eurostat, 2023, \*Ranking of Happiness, World Happiness Report, 2024

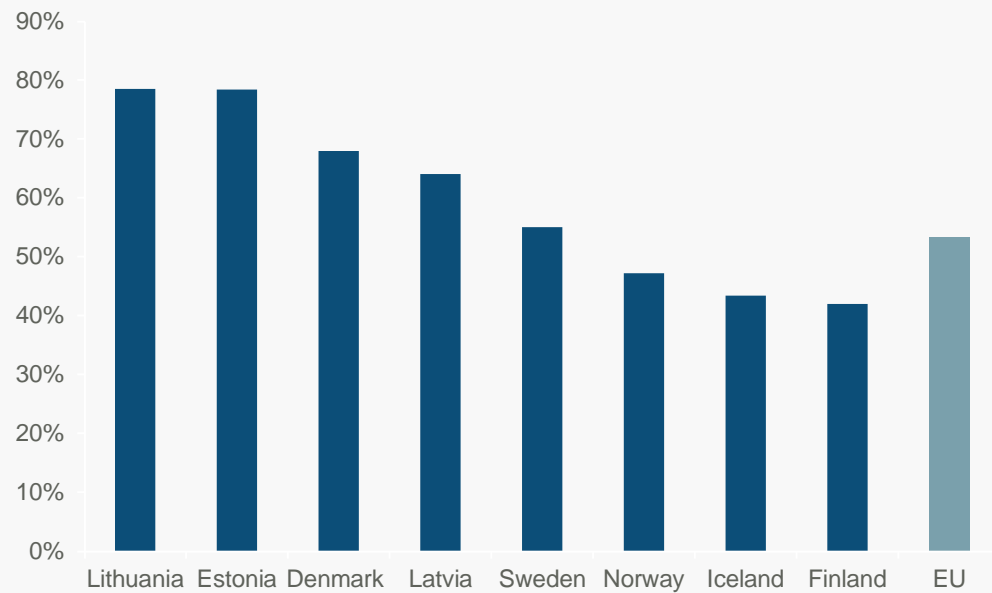
## Macroeconomic statistics: 2024-2026 forecast comparison (%)

	Real GDP growth			Inflation rate			Unemployment rate			Public budget deficit / GDP			Public debt / GDP		
%	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026	2024	2025	2026
Sweden	0,3	1,8	2,6	1,9	1,5	1,8	8,5	8,4	7,8	-1,9	-1,4	-0,3	32,8	32,7	31,7
Norway	1,0	1,5	1,8	3,4	3,0	2,6	3,9	4,0	3,8	15,5	13,9	14,0	41,6	39,6	37,4
Denmark	2,4	2,5	1,8	1,3	1,9	1,7	5,8	5,8	5,8	2,3	1,5	0,9	31,0	29,3	28,3
Finland	-0,3	1,5	1,6	1,0	2,0	1,8	8,2	7,9	7,5	-3,7	-3,0	-2,5	82,6	84,7	85,3
Lithuania	2,2	3,0	3,0	0,9	1,7	1,6	7,5	7,0	6,9	-2,0	-2,4	-2,6	38,3	41,0	44,6
Latvia	0,0	1,0	2,1	1,2	2,2	2,2	6,7	6,7	6,5	-2,8	-3,2	-3,2	48,1	50,3	51,6
Iceland	1,1	2,5	2,4	6,0	3,9	3,6	4,2	3,9	3,9	-2,1	-0,7	-0,5	62,0	59,0	56,0
Estonia	-1,0	1,1	2,6	3,6	3,6	2,4	7,5	7,7	7,2	-3,0	-3,0	-3,0	23,2	24,2	25,5
NIB	0,8	1,8	2,1	2,0	2,0	2,0	5,6	6,7	6,4	2,4	2,2	2,5	43,6	43,2	42,4
Euro-area	0,8	1,3	1,6	2,4	2,1	1,9	6,5	6,3	6,3	-3,0	-2,9	-2,8	89,1	89,6	90,0
EU	0,9	1,5	1,8	2,6	2,4	2,0	6,1	5,9	5,9	-3,1	-3,0	-2,9	82,4	83,0	83,4
USA	2,7	2,1	2,2	2,9	2,0	2,0	4,1	4,4	4,3	-7,8	-7,4	-6,9	124,1	126,2	127,7
Japan	0,2	1,2	1,0	2,5	1,9	1,6	2,6	2,5	2,5	-6,1	-5,4	-4,9	249,8	249,5	249,9

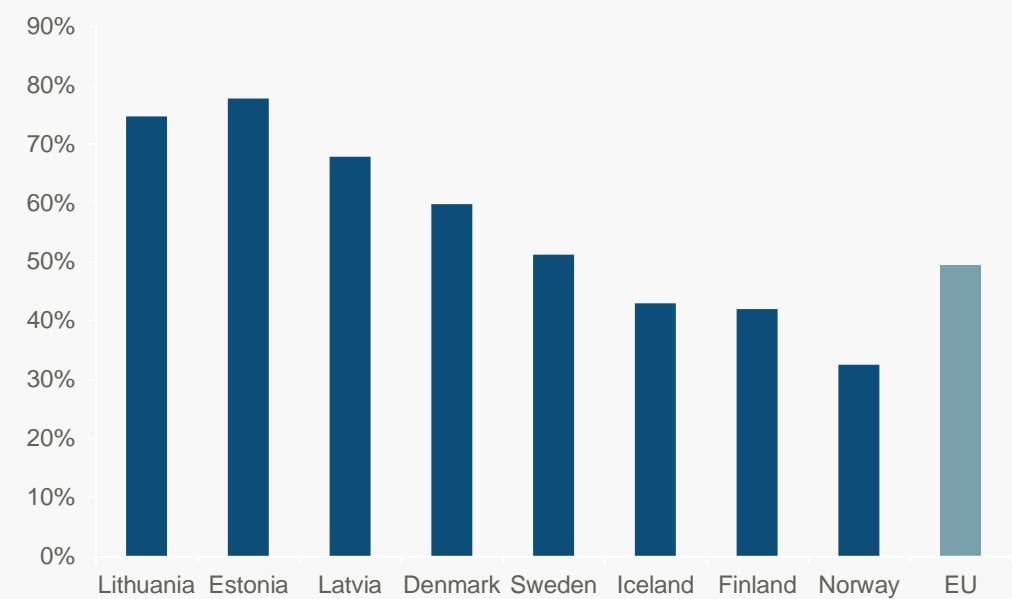
Source: European Commission. European Economic Forecast Autumn 2024

## Macroeconomic statistics: Trade share of GDP 2023

Exports % of GDP



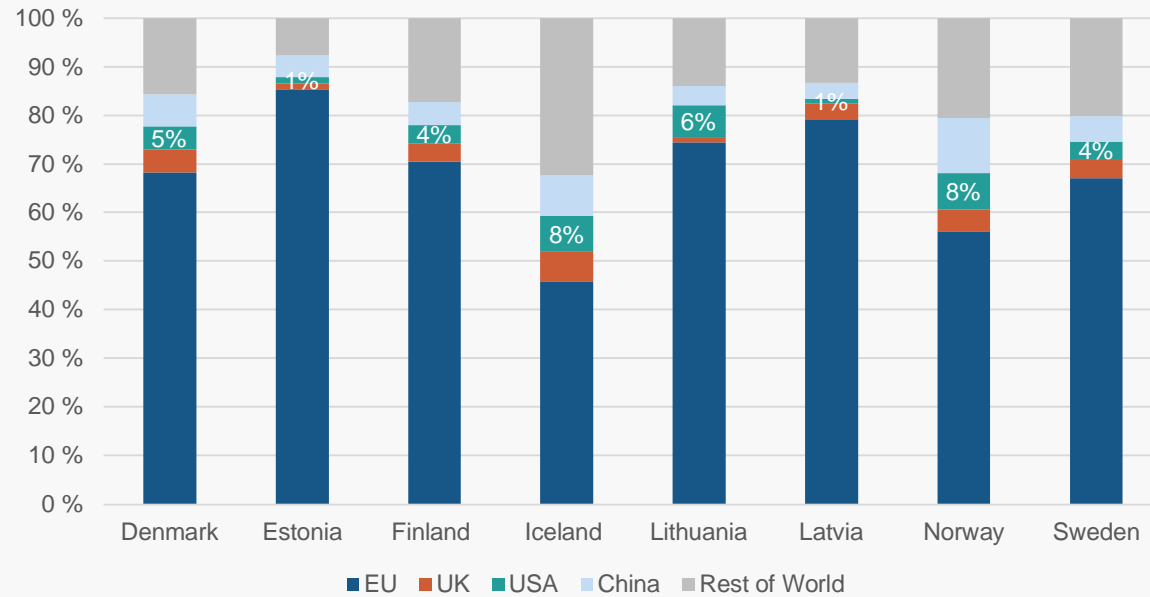
Imports % of GDP



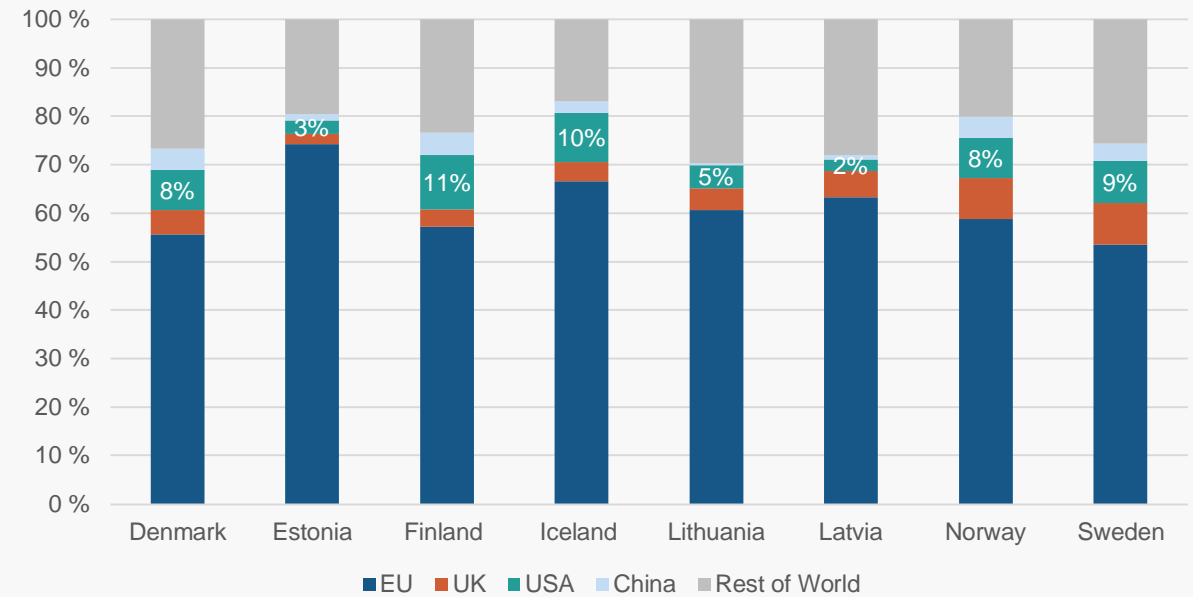
Source: Eurostat, Export and Import of Goods and Services, 2024

## Macroeconomic statistics: Trade partners 2023

Import (share of total)



Export (share of total)



Source: Eurostat, Export and Import of Goods and Services, 2024, National Statistical Offices



## Macroeconomic statistics: Possible impact and Trade partners

### Denmark:

- **Limited Direct Impact:** Most exports to the US are produced locally, especially in non-cyclical sectors such as pharmaceuticals and agriculture
- **Indirect Effects from Europe:** Denmark is a supplier to the German car industry, which could be negatively affected by tariffs, leading to lower growth in Europe and impacting Danish businesses
- **Consumer and Business Confidence:** Increased uncertainty, particularly in the context of US-Danish geopolitical tensions (e.g., Greenland), could reduce private consumption and investments

### Finland:

- **Moderate Direct Impact:** A 10% tariff could lead to a 0.2% decline in GDP due to lower exports, but currency depreciation against the dollar has offset some of this effect
- **Major Concern: Investment Uncertainty:** The biggest economic risk comes from increased uncertainty, which may lead businesses to postpone investments, weakening domestic demand
- **EU Manufacturing Exposure:** Disruptions in the EU manufacturing sector could have a larger impact on Finland than direct tariffs on Finnish exports

### Norway:

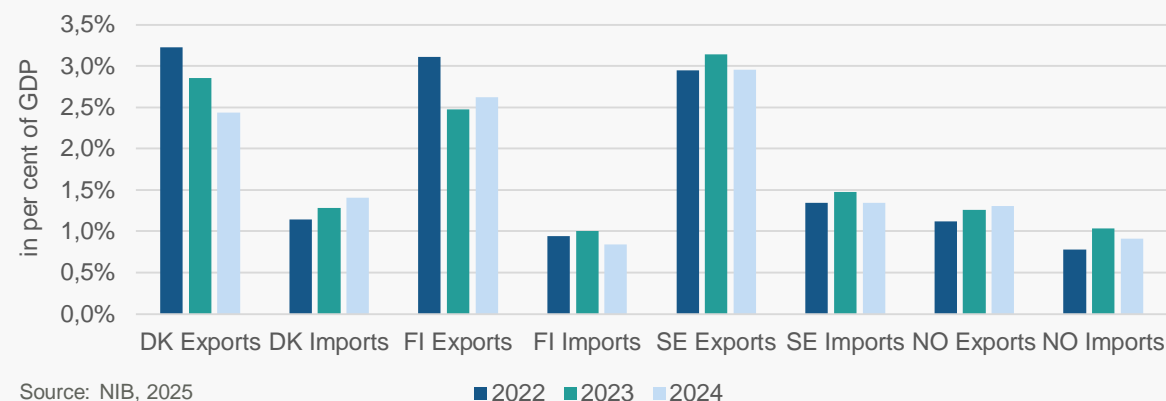
- **Minimal Direct Impact:** Norway exports mainly oil, gas, commodities, and fish, which are in high global demand and less susceptible to substitution
- **Indirect Effects from Europe:** As 70% of Norwegian exports go to Europe, any economic downturn there could reduce demand for Norwegian goods
- **Currency and Inflation Risks:** A weakened Norwegian krone (NOK) could offset some tariff effects but would also lead to higher prices for imported goods

### Sweden:

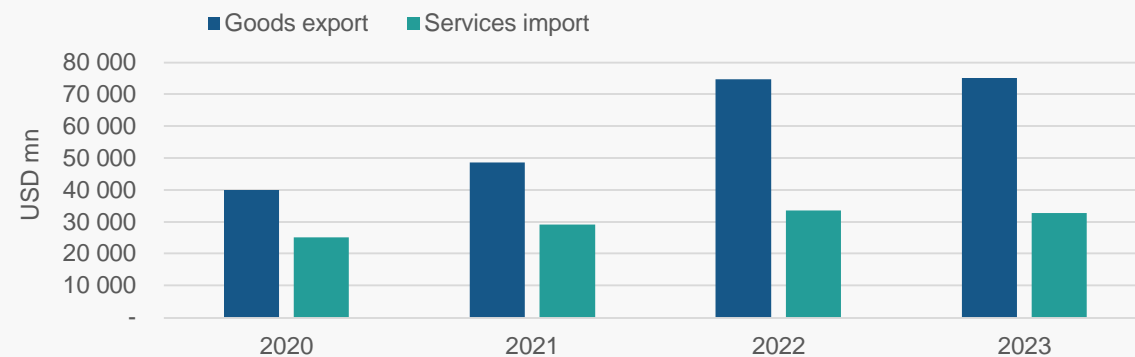
- **Well-Diversified Exports:** Swedish exports to the US represent about 9% of goods exports and 13% of services, reducing the impact of tariff
- **Limited Direct GDP Impact:** Even with tariffs on all Swedish exports to the US, the direct GDP effect is expected to be small
- **Broader Economic Risks:** The primary concern is indirect effects, such as weakened global demand, higher inflation, and a downturn among Sweden's key trade partners

Source: Nordea, February 2025

Foreign goods trade with the United States 2022-24



NIB8 goods export to and services import from the United States



## Financial figures: Statement of comprehensive income, net loan losses

Income (EUR mn)	2024	2023	2022	2021
<b>Net interest income</b>	<b>332</b>	<b>299</b>	<b>219</b>	<b>201</b>
Lending	196	131	167	162
Treasury	136	85	52	34
Net fee and commission income	4	6	7	7
Net profit/loss on financial operations	-17	1	-37	-24
<b>Total operating income</b>	<b>318</b>	<b>306</b>	<b>188</b>	<b>184</b>
<b>Total operating expenses</b>	<b>-59</b>	<b>-58</b>	<b>-53</b>	<b>-52</b>
Net loan losses	-3	3	4	26
<b>Profit (Net)</b>	<b>256</b>	<b>251</b>	<b>139</b>	<b>159</b>
Total other comprehensive Income	10	23	3	-21
<b>Total comprehensive Income</b>	<b>266</b>	<b>274</b>	<b>142</b>	<b>138</b>

Net loan losses (EUR mn)	2024	2023	2022	2021
Change in expected credit loss on performing loans (stage1+2)	4.12	1.37	10,55	25.38
Change in expected credit loss on non-performing loans (stage 3)	-7.18	1.24	-7.01	0.49
Realized loan losses			79.3*	
Expected credit losses	-3.06	2.61	3.54	25.87
Recoveries on claims	0.57	0,28		
<b>Net loan losses</b>	<b>-3.00</b>	<b>2.64</b>	<b>3.54</b>	<b>25.87</b>

Source: NIB Annual Report 2024, Statement of comprehensive income, note 9

\* No impact on income statement as the loans were fully impaired in previous years. No realised loan losses in the other periods.

## Financial figures: Statement of financial position

Assets (EUR mn)	2024	2023	2022	2021
Cash and cash equivalents	2 134	1 947	2 078	1 827
Financial placements				
Placements with credit institutions	4 894	3 523	3 173	1 490
Long-term CP/CD	527	816	1 296	2 391
Debt securities	10 496	9 887	8 768	8 291
Other	0	4	5	9
	<b>15 918</b>	<b>14 229</b>	<b>13 242</b>	<b>12 181</b>
<b>Loans outstanding</b>	<b>22 891</b>	<b>21 495</b>	<b>21 740</b>	<b>21 975</b>
Intangible assets	11	10	9	8
Tangible assets, property and equipment	29	30	33	36
Other assets				
Derivatives	1 484	1 362	1 817	1 255
Other assets	25	36	35	32
	<b>1 509</b>	<b>1 398</b>	<b>1 852</b>	<b>1 287</b>
Accrued interest and fees receivable	612	524	325	241
<b>Total Assets</b>	<b>43 104</b>	<b>39 593</b>	<b>39 280</b>	<b>37 553</b>

Liabilities and Equity	2024	2023	2022	2021
<b>Liabilities</b>				
Amounts owed to credit institutions	930	488	689	752
Debt securities issued	35 836	31 190	31 595	31 526
Other debt	0	0	0	0
Other Liabilities				
Derivatives	1 220	1 983	2 540	1 053
Other liabilities	100	209	90	39
Accrued interest and fees payable	466	373	265	185
<b>Total liabilities</b>	<b>38 551</b>	<b>32 243</b>	<b>35 179</b>	<b>33 555</b>
<b>Equity</b>	<b>4 553</b>	<b>4 350</b>	<b>4 101</b>	<b>3 999</b>
<b>Total Liabilities and Equity</b>	<b>43 104</b>	<b>39 593</b>	<b>39 280</b>	<b>37 553</b>

Source: NIB Annual Report 2024, Statement of financial position

## Financial figures: Statement of financial position (capitalisation)

Equity and Capitalisation EUR mn	2024	2023	2022	2021
<b>Equity</b>				
Authorized and subscribed capital	8 396	8 396	8 396	8 396
of which callable capital	-7 523	-7 523	-7 523	-7 523
Paid-in capital	846	846	846	846
Statutory Reserve	837	837	837	837
General Credit Risk Fund	2 575	2 387	2 273	2 154
Hedging Reserve	28	25	3	6
Profit for the period/year	256	251	139	159
<b>Total Equity</b>	<b>4 553</b>	<b>4 350</b>	<b>4 101</b>	<b>3 999</b>
<b>Capital Base (total equity and callable capital)</b>	<b>12 076</b>	<b>11 873</b>	<b>11 624</b>	<b>11 355</b>
<b>Total liabilities and equity</b>	<b>43 103</b>	<b>39 593</b>	<b>39 280</b>	<b>37 553</b>

Source: NIB Annual Report 2024, Note 18

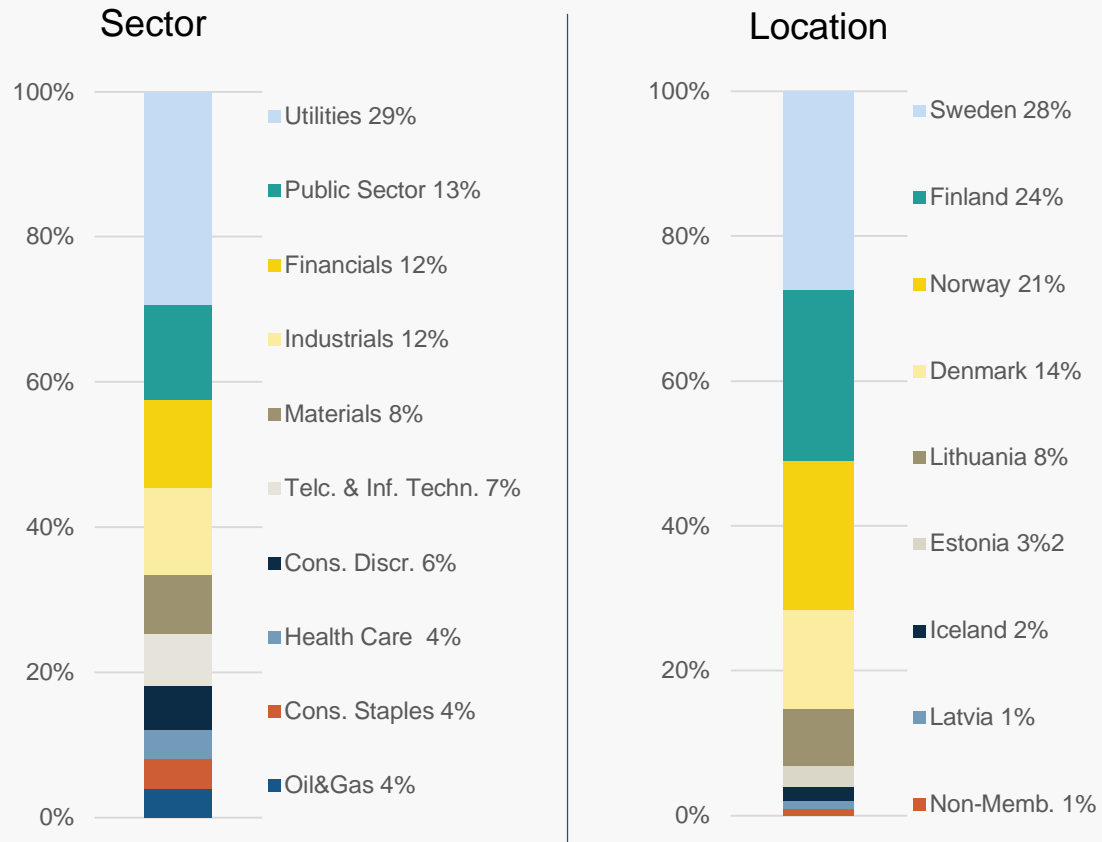
Statutory metrics	2024	2023	limit
Risk based economic capital ratio	162%	154%	100%
Leverage ratio	10.3%	11.1%	7%
Leverage ratio (incl. callable capital)	27.9%	30.9%	20%
Liquidity survival horizon (days)	407	461	180

Source: NIB Board of Directors Report 2024, Risk and Compliance



## Financial figures: Lending

New lending in 2024 (EUR 4,353 mn)



## Lending outstanding by country

EUR mn	2024	2023
<b>Member countries</b>	<b>22 881</b>	<b>21 465</b>
Sweden	6 653	6 760
Norway	4 936	4 643
Finland	4 586	4 058
Denmark	3 139	2 802
Estonia	1 265	1 187
Lithuania	1 135	979
Iceland	806	751
Latvia	292	285
<b>Non-member countries</b>	<b>621</b>	<b>459</b>
<b>Total lending outstanding</b>	<b>23 433</b>	<b>21 924</b>

EUR mn	2024	2023
<b>Member countries</b>	<b>2 811</b>	<b>21 465</b>
<b>Non-member countries</b>	<b>621</b>	<b>459</b>
<b>Europe</b>	<b>568</b>	<b>359</b>
Poland	257	255
Belgium	128	40
<b>Asia</b>	<b>13</b>	<b>29</b>
<b>Africa</b>	<b>4</b>	<b>10</b>
<b>Multilateral</b>	<b>35</b>	<b>62</b>
<b>Total lending outstanding</b>	<b>23 433</b>	<b>21 924</b>

Source: NIB December 2024, location by project, sectors by GICs code, including MREL bonds and lending corporate bonds

## Financial figures: Credit risk

### Credit risk exposure by industry sector

EUR mn	Total 2024	Lending	Treasury
Energy	23	-	23
Materials	1 267	1 267	-
Industrials	3 960	3 915	44
Consumer discretionary	719	710	9
Consumer staples	990	898	92
Health care	842	826	16
Financials	7 673	2 349	5 323
Information technology	684	669	15
Telecommunication services	529	496	34
Utilities	6 296	6 225	71
Public sector	12 048	5 844	6 204
<b>Total</b>	<b>36 889</b>	<b>25 050</b>	<b>11 839</b>

Source: NIB, Financial Report 2024, Note 2 GIC sector by risk owner

### Credit risk exposure by internal rating

EUR mn		Total 2024	Lending	Treasury
1-2	AAA/AA+	15 380	6 061	9 319
3-4	AA/AA-	2 559	1 090	1 469
5-6	A+/A	3 492	2 664	828
7-8	A-/BBB+	7 029	6 869	160
9-10	BBB/BBB-	6 715	6 652	63
		<b>95%</b>	<b>93%</b>	<b>100%</b>
11-12	BB+/BB	1 223	1 223	-
13-14	BB/BB-	296	296	-
15-16	BB-/B+	81	81	-
17-18	B/B-	22	22	-
19-20	B-/CCC	-	-	-
D		92	92	-
D - gross		108	108	-
D- impairment		16	16	-
<b>Total</b>		<b>36 889</b>	<b>25 050</b>	<b>11 839</b>

Source: NIB Financial Report 2024, Note 2

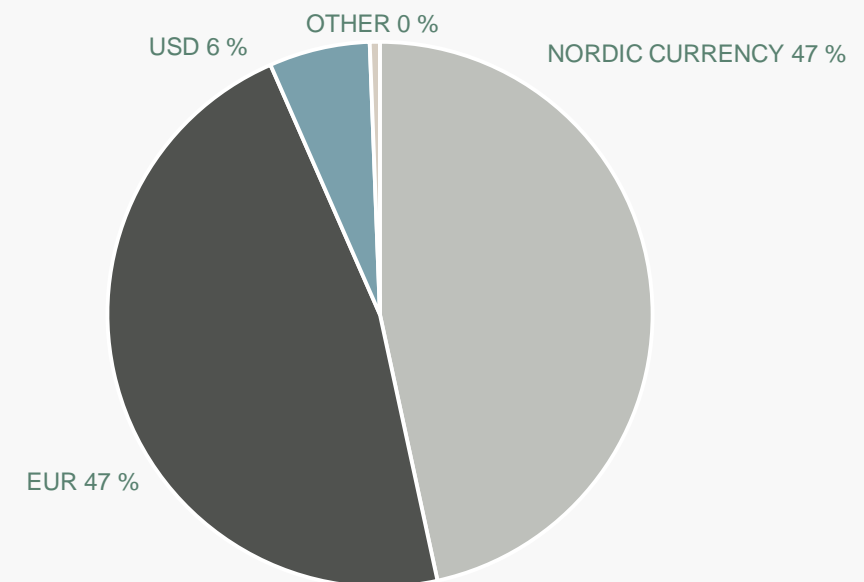
## Financial figures: Lending by security and currency

### Outstanding loans by security

Loan or guarantee exposure by type of security	2024		2023	
	EUR mn	%	EUR mn	%
<b>Governments</b>	<b>1 722</b>	<b>7.4</b>	<b>1 665</b>	<b>7.6</b>
Member countries	1 481		1 388	
Non-member countries	241		277	
Local authorities in member countries	3 417	14.8	3 321	15.2
Companies owned ≥ 50% by member countries or local authorities in member countries	6 199	26.8	5 726	24.6
Bank guarantee	1 318	5.7	1 372	6.3
Backed by lien or security in property	1 910	8.2	1 730	7.9
Parent company or other guarantee	1 477	6.4	1 599	7.3
Negative pledge and other covenants	7 110	30.7	6 341	29.1
Without formal security	-	-	-	-
<b>Total (after impairments, hedge acc. and FV adjustment)</b>	<b>22 891</b>		<b>21 456</b>	

Source: NIB Financial Report 2024, Note 12

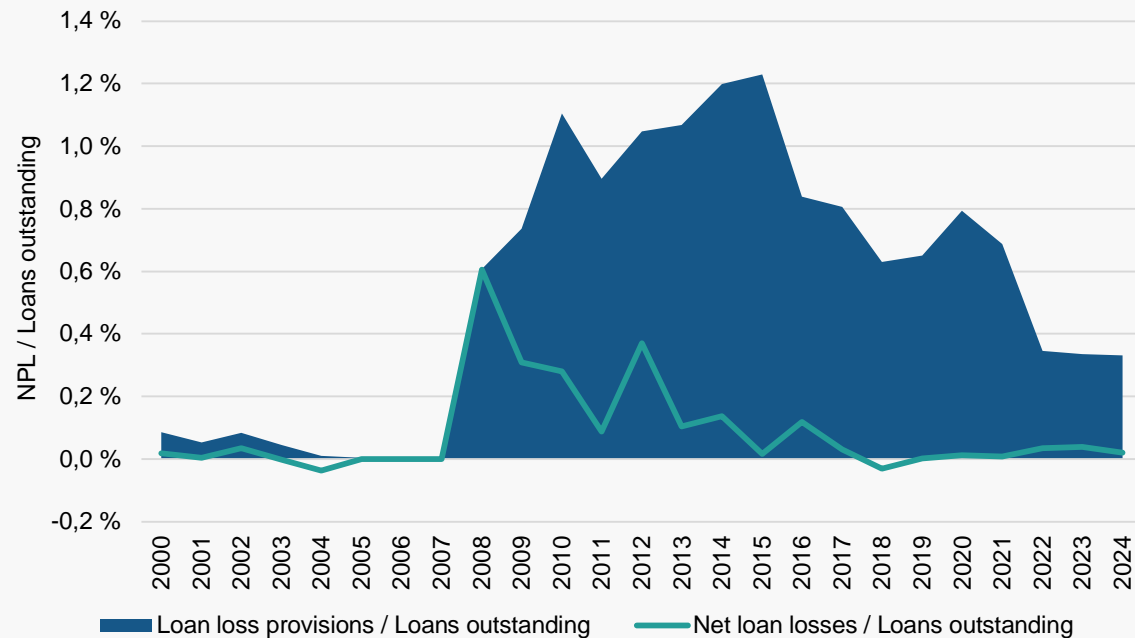
### Lending outstanding by currency



Source: NIB, Financial Report 2024 Note 12, before impairments and hedge accounting

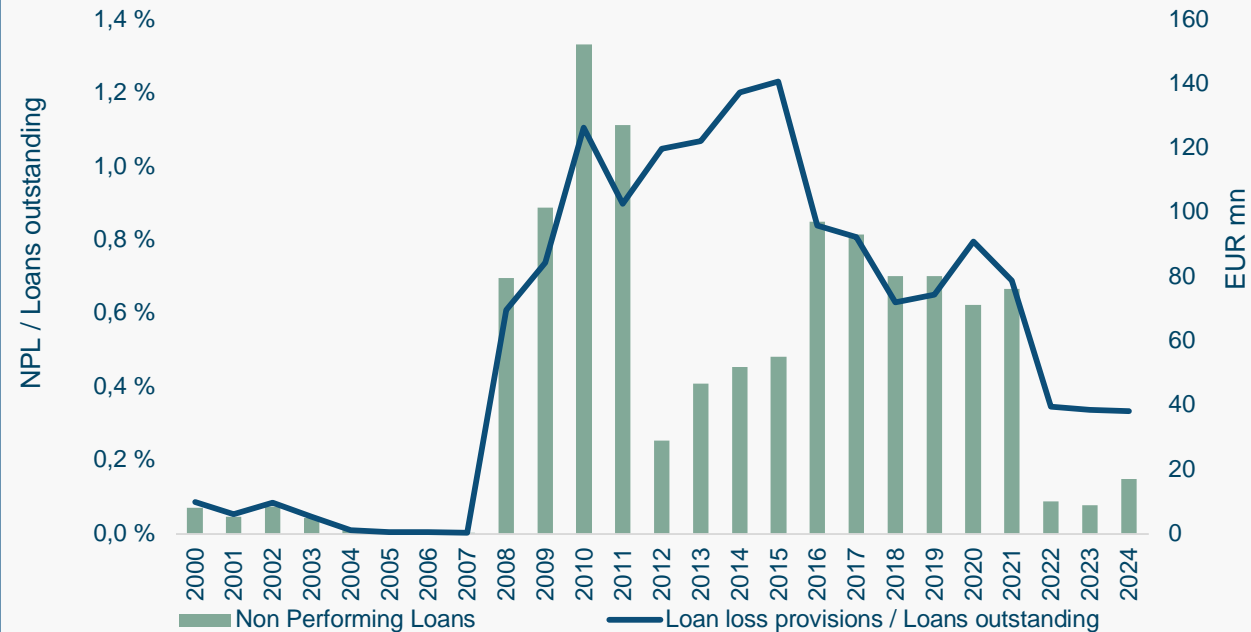
## Financial figures: Expected credit losses, non-performing loans, loan loss provisions

### Expected credit losses



2011: introduction of collective impairments

Source: NIB Annual Report 2024



During 2016 the Bank adjusted its non-performing definition to be in line with the Basel's definition for non-performing. The Bank calculates and reports its impairments based on expected credit losses (ECL). The ECL framework is based on the requirements of the International Financial Reporting Standard (IFRS 9 Financial Instruments). The ECL comprises of a three-stage model based on changes in credit quality since initial recognition. Impairments are reported based in either 12 months or lifetime expected credit losses, depending on the stage allocation of the financial asset. The stage allocation also determines if interest income for the financial asset is reported on gross carrying amount or net of impairment allowance. Stage 1 and 2 assets are categorised as performing assets.



## Current topics: Security policy

Member country	NATO membership	Defence expenditure in per cent of GDP (NATO)		Military expenditure in per cent of Government spending (SIPI)
		2024 (exp.)	2023	2023
Denmark	✓	2,37%	2,01%	4,10%
Estonia	✓	3,43%	3,04%	6,77%
Finland	✓	2,41%	2,09%	4,44%
Iceland	✓			
Latvia	✓	3,15%	2,87%	5,63%
Lithuania	✓	2,85%	2,78%	6,93%
Norway	✓	2,20%	1,81%	4,00%
Sweden	✓	2,14%	1,66%	3,06%
USA	✓	3,38%	3,23%	9,06%

Source: Stockholm International Peace Institute (SIPI), 2024, current prices NATO, 2024, constant prices 2015

### NATO definition for defense expenditure

All current and capital expenditure on the armed forces, including peace support operations and infrastructure.

Defense ministries and other government agencies engaged in defense projects.

Paramilitary forces if they are judged to be trained and equipped for military operations, and the additional costs that are for military purposes. NATO's definition excludes pensions paid to military retirees and social services for military personnel, as well as expenditures related to civil defense, current expenditures for previous military activities (such as veterans' benefits), and spending on internal security forces.