



NORDIC  
INVESTMENT  
BANK

FINANCING  
THE  
FUTURE



# Annual Report 2017

A SUMMARY

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This brochure is a summary of NIB’s Annual Report 2017. The complete annual report, including financial statements, is available at: <https://report.nib.int/2017>

# How to obtain a loan from NIB

The Nordic Investment Bank (NIB) finances projects that generate productivity gains and environmental benefits for the Nordic and Baltic countries. NIB complements commercial lending and other financing to help ensure sustainable growth. The Bank provides loans and guarantees based on sound banking principles.

**NIB finances only specific investment projects that fulfil the Bank’s mission.**

To improve competitiveness of its member countries, the NIB-financed projects should support productivity gains through:

- Technical progress and innovation
- Development of skills and human capital
- Improved infrastructure
- Improved market efficiency and business environment

In terms of the environment, NIB lends to projects that lead to:

- Pollution reduction
- Preventive measures
- Resource efficiency
- Climate change mitigation

Projects have to comply with NIB’s sustainability policy and guidelines.

**The Bank provides financing through direct loans for larger projects and through other financial institutions for SMEs and smaller projects.**

Loans are made for a wide range of private and public sector projects, including:

- R&D projects and other corporate investments,
- SME financing,
- infrastructure,
- transportation and communications systems,
- energy generation, transmission and distribution,
- renewable energy systems,
- climate change mitigation and adaptation projects,
- other environmental projects in the Baltic Sea and Arctic regions.

The Bank also invests in green bonds issued by member country corporates and municipalities.

**NIB finances both in the member countries and in selected countries outside the Nordic-Baltic region.**

NIB acquires the funds for its lending by borrowing on the international capital markets. With its strong ownership and highest possible credit rating, the Bank offers stability and reliability to global investors. NIB can therefore offer:

- competitive market-based loans,
- loans that normally range between EUR 10–100 million,
- maturities adapted to the needs of the projects, ranging 5–10 years up to 30 years,
- grace periods, normally up to three years but occasionally also longer,
- loans in different currencies.

There is no standard application form for NIB financing. Please contact NIB for guidance on what information is required in the specific case. Visit NIB’s website at [nib.int](https://nib.int) for further information.

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Thomas Wrangdahl	Head of Lending	+358 10 618 0226
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Harald Rokke	Infrastructure, transportation and telecom	+358 10 618 0286
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# NIB's credit and mandate process



## 1. LOAN INITIATIVE AND MANDATE EVALUATION

The first step is to determine if the project seeking financing fulfils NIB's mandate of strengthening competitiveness and/or enhancing the environment of the Nordic-Baltic region. NIB will need a brief project description to understand the client's rationale for the investment.

NIB will, based on written information and frequently also site visits, review and rate the proposed loan considering the:

- effects on productivity through e.g. technical progress, human capital formation, improvement in infrastructure or enhanced market efficiency and business environment. Both direct impacts and wider impacts are assessed.
- the benefit for the environment, and the risk that the full benefit of the project would not be realised.

## 2. ANALYSIS

NIB will visit the client to obtain sufficient information for the Bank's credit risk analysis and sustainability assessment. In most cases, the customer will also be asked to present further detailed project- and borrower-related information.

NIB will produce a loan proposal consisting of:

- mandate fulfilment analysis,
- credit risk analysis,
- environment and social impacts analysis,
- integrity due diligence.

Projects that could have extensive environmental impacts must undergo a full environmental impact assessment. NIB makes these projects publicly available for commenting before it makes a decision to finance or not.

## 3. PROJECT APPROVAL

A decision to grant a loan is made by the Board of Directors [or in some cases by the Credit Committee], on recommendation by the Credit Committee. NIB's loan decision process normally takes from two to three months upwards, depending on the complexity of the transaction and the availability of information.

## 4. LOAN NEGOTIATIONS AND AGREEMENT

NIB uses loan documentation typical for international loan transactions and prepares a draft based on standard terms and conditions. Documentation requirements will vary according to the nature of the transaction. After signing, NIB will publish information about the loan sum, maturity, a description of the client's project and mandate fulfilment.

## 5. LOAN DISBURSEMENT

The loan is disbursed in one or several tranches as agreed with the borrower, upon fulfilment of the conditions precedent or specified in the loan agreement.

## 6. PROJECT MONITORING

NIB continuously follows the implementation of projects and performance of borrowers based on agreed reporting as well as regular contacts. Special monitoring is carried out for projects with potential environmental and social risks and impacts.

## 7. EX-POST MANDATE ASSESSMENT

NIB will as a rule three years after commissioning of the financed investment project carry out an ex-post assessment regarding the fulfilment of the Bank's mandate.

# President's review

The Nordic-Baltic region is facing globalisation, climate change, urbanisation and rapid technological progress along with the rest of the world. In the annual report for 2017 we show the results and impact of NIB's long-term lending projects helping to tackle these challenges and benefit from them.

During the year, most of our loans to support the competitiveness of our Nordic-Baltic member countries went to investments in R&D, infrastructure and energy projects. The majority of loans to benefit the environment were for projects improving wastewater treatment and water supply, with municipal investments being a main driver.

Sustainability is at the very heart of NIB's mission and the Bank serves as a tool for the Nordic and Baltic countries in financing the green transition.

In this report you can also read about how NIB's lending projects relate to the UN Sustainable Development Goals.

We have continued the high level of lending throughout 2017 with 55 agreed loans, totalling EUR 3.7 billion, and a disbursement of EUR 3.1 billion. NIB made a profit of EUR 211 million [EUR 212 million in 2016].

You can find more information about our loan projects on our website at [www.nib.int](http://www.nib.int).

The Bank also raised EUR 5.9 billion in new funding and continued to issue NIB Environmental Bonds. NIB issued seven NIB Environmental Bonds totalling EUR 920 million and further anchored its position as the biggest Nordic issuer of green bonds. Read more about the environmental impact of our green bonds on our website.

As part of NIB's special initiatives launched in recent years, loans and green bond investments to the Baltic countries increased to EUR 202 million.

NIB functions as a catalyst and is part of creating high standards in its lending to projects that increase competitiveness and benefit the environment. As our Nordic and Baltic member countries are rather advanced on a global scale, it means that we often go for the last decimal in increasing productivity gains or reducing CO<sub>2</sub> emissions. As such, NIB is a part of a wider process in reaching a more sustainable and low-carbon Nordic-Baltic region.

NIB has reached out to mid-cap companies in the Nordic-Baltic member countries and aims to broaden the long-term lending offering to this important segment.

As I see it, we can impact the future as long as we agree on the direction. For this we have to cooperate. Although the Nordic-Baltic region is already doing relatively well, let's keep in mind that progress is not a given. As a value traditional to our culture, trust is a key to unlock a prosperous and sustainable future.

**Henrik Normann**, President & CEO



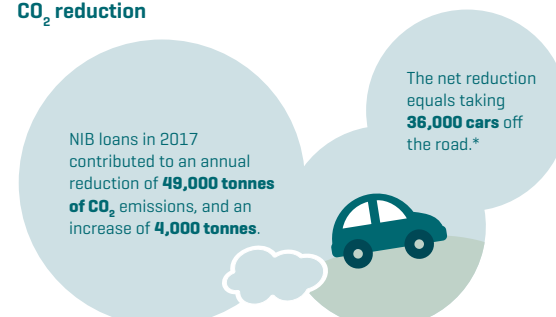
“NIB serves as a tool for the Nordic and Baltic countries in financing the green transition.”



# Impact of projects financed by NIB in 2017

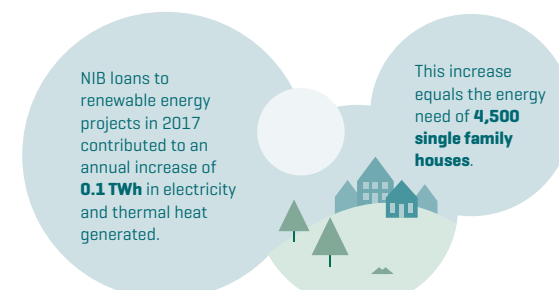
Projects that have agreed financing from NIB during the year have the following total estimated impact:

## CO<sub>2</sub> reduction

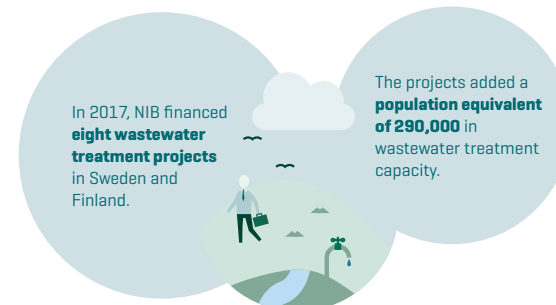


\*Assuming 100g of CO<sub>2</sub> emissions per kilometre and an average annual driving distance. Source: Trafikanalys Sweden.

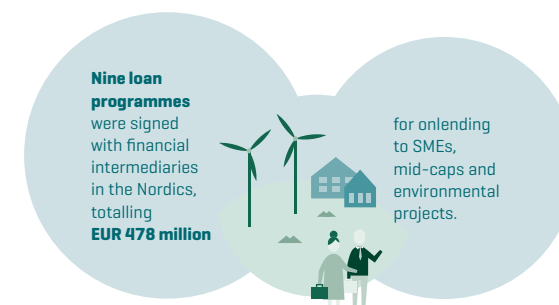
## Electricity and thermal heat generation



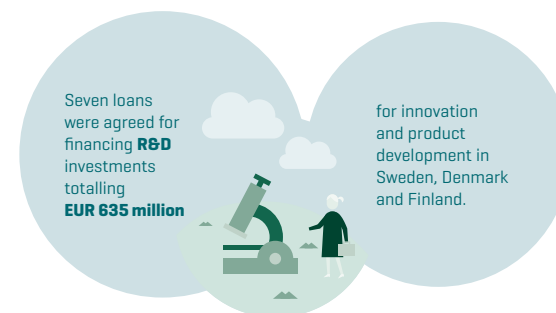
## Wastewater treatment



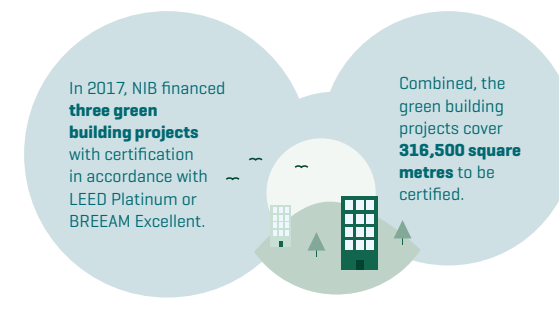
## Onlending to SMEs and environmental projects



## R&D programmes



## Green buildings



# Capital structure

NIB's capital base consists of authorised capital subscribed by the member countries and reserves accumulated through internal profit generation.

The Bank's authorised capital was EUR 6,141.9 million as of 31 December 2017. The paid-in capital at the end of the year amounted to EUR 418.6 million. The remainder of NIB's authorised capital is subject to call if the Bank's Board of Directors deems it necessary for the fulfilment of the Bank's debt obligations.

The Bank's equity consists of the paid-in portion of the authorised capital and accumulated reserves. As of 31 December 2017, the Bank's equity amounted to EUR 3,456.3 million. Further information on the composition of the Bank's equity is provided in the Statement of financial position and the Statement of changes in equity on NIB's website.

NIB's member countries have subscribed to the Bank's authorised capital and guaranteed the special loan facilities mentioned below in proportion to their gross national incomes. The countries' share of the authorised capital is shown on the map of member countries.

The Bank's ordinary lending ceiling corresponds to 250% of the authorised capital and accumulated general reserves. After the appropriation of profits from the financial year 2017, in accordance with the proposal made by the Board of Directors, the ordinary lending ceiling amounts to EUR 21,697 million.

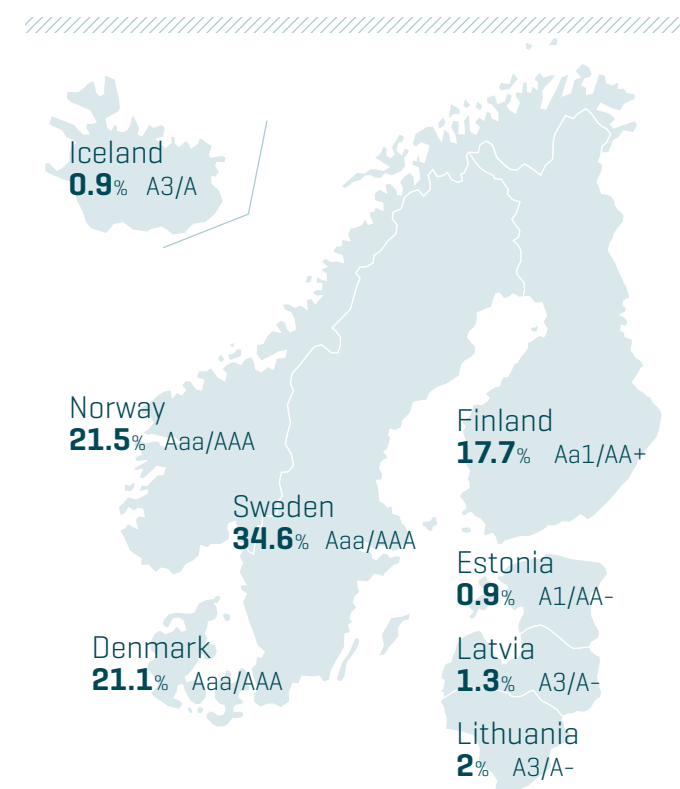
In addition to ordinary lending, NIB has two special lending facilities. The Project Investment Loan facility (PIL) amounts to EUR 4,000 million. The member countries guarantee 90% of each loan under the PIL facility up to a total amount of EUR 1,800 million.

The Bank, however, will assume 100% of any losses incurred under an individual PIL loan, up to the amount available at any given time in the Special Credit Risk Fund for PIL. Only thereafter would the Bank be able to call in the member countries' guarantees. Each member country's share of the guarantee amount is shown in the map of the member countries.

The second special facility, the Environmental Investment Loan facility (MIL) has a statutory ceiling of EUR 300 million. The Bank's member countries guarantee 100% of loans outstanding under the MIL facility.

## Member countries

Share of authorised capital and rating by credit rating agencies Moody's and Standard & Poor's as of 10 January 2018.



Following a call on the guarantees in 2014 and 2016 the member countries' total guarantee liabilities as of year-end 2017 amount to EUR 266 million.

In view of the Bank's solid capital position, the high quality of its assets, its sound liquidity and fulfilment of its public policy mandate, the leading international rating agencies, Standard & Poor's and Moody's, have accorded NIB the highest possible credit rating, AAA/Aaa, for long-term obligations and A-1+/P-1 for short-term obligations.

NIB first obtained the highest possible credit rating in 1982. The Bank has continuously maintained this credit rating since then.



# This is NIB

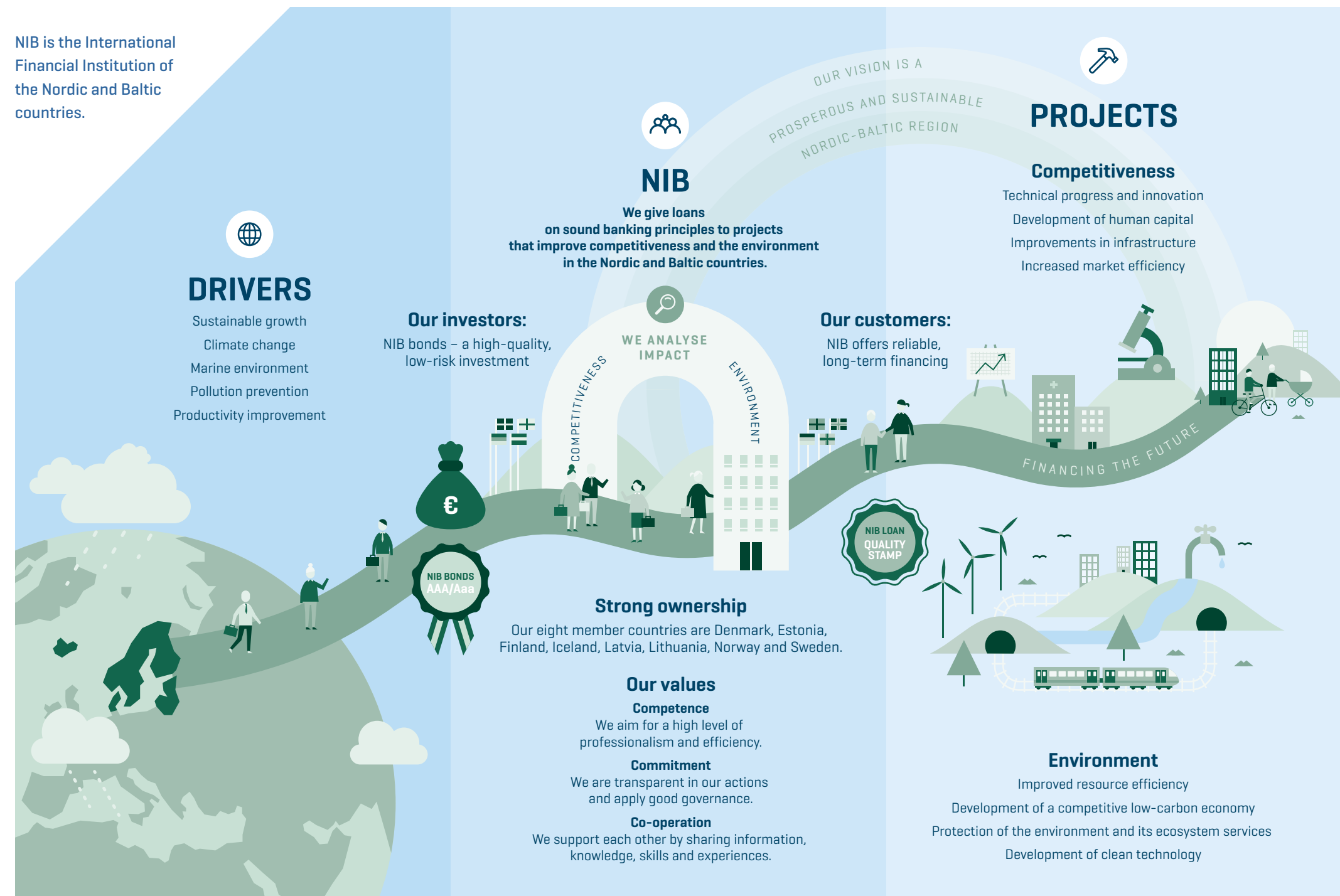
The Nordic Investment Bank is the international financial institution of the Nordic and Baltic countries. NIB's mission is to finance projects that improve the region's competitiveness through productivity gains and create environmental benefits.

The mission allows the Bank to address future challenges such as sustainable growth, climate change, the protection of marine environments, pollution prevention and productivity improvements.

NIB is a reliable source of long-term lending for its customers. This way, the Nordic-Baltic countries can finance the green transition. The Bank acquires the funds for its lending by borrowing on the international capital markets.

Located in Helsinki, Finland, NIB had an international staff of 193 by the end of 2017.

NIB is the International Financial Institution of the Nordic and Baltic countries.



# Operations



ALEXANDER RUF / Director, Funding and Investor Relations TORE EMANUELSSON / Senior Manager, Origination

# Lending

NIB provides financing for investment projects that support the competitiveness of its member countries through enhanced productivity and environmental benefits.

In 2017, the Bank agreed on 55 loans and invested in nine green bonds. Aggregated, this amounts to EUR 3.8 billion. Disbursements were EUR 3.1 billion. The Bank continued to broaden its client base with half of the loans being made to new borrowers.

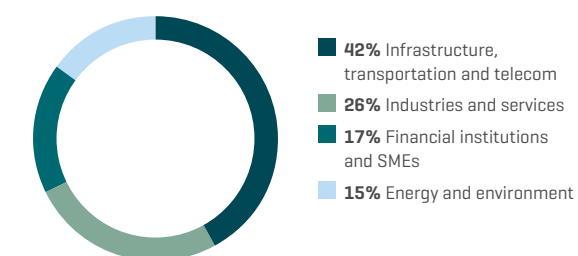
The total amount of loans outstanding increased to EUR 17.2 billion by the year-end 2017, up from EUR 16.6 billion the previous year.

A recently introduced process for carrying out ex-post assessments of projects financed by the Bank was advanced with 14 assessments presented during 2017. The assessment is, as a rule, made three years after commissioning of the financed investment project.

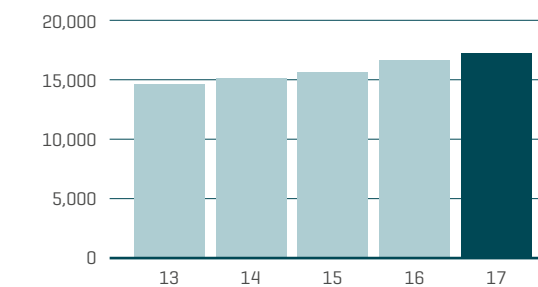
The Bank's strategic lending to the Baltic member countries was emphasized during 2017, with loans and green bond investments increasing to EUR 202 million (EUR 10 million in 2016). NIB's arctic lending also developed satisfactorily and further results were achieved in reaching out to mid-cap companies.

NIB continued investing in green bonds issued by companies or municipalities in the member countries, within the framework of EUR 500 million approved in 2016. The purpose of this approach is to support the development of the green bond market, finance environmental investments and promote good standards. In 2017, NIB invested in nine bond transactions, bringing this portfolio to a total of EUR 283 million by the year-end.

**Loans agreed in 2017**  
[including Lending Green Bond purchases]  
%, by business areas



**Loans outstanding**  
EUR m  
[including Lending Green Bond purchases, excluding collective impairments]





# Lending areas



## INFRASTRUCTURE, TRANSPORTATION AND TELECOM

In 2017, this lending area was the largest with a total of EUR 1,620 million in loans agreed. The financed projects included new facilities for healthcare, such as hospitals and healthcare centres, and education facilities, ranging from day care centers and schools to universities. NIB also financed several airport enlargements and highway construction projects, as well as urban transport improvements. Financing for the telecommunications sector mostly comprised of R&D investments.



## INDUSTRIES AND SERVICES

The total amount of new lending in this business area was EUR 972 million. Half of the loans co-financed industrial R&D projects. The other main area was the financing of investments in building construction and refurbishments for industrial and commercial purposes. NIB requires the building project it finances to be certified on the highest level of selected environmental certification schemes. The new lending also comprised corporate acquisitions.



## FINANCIAL INSTITUTIONS AND SMES

Lending in this business area amounted to EUR 658 million. NIB agreed eleven loans to banks and other financial institutions in Denmark, Finland, Iceland and Norway. The funding is channelled onwards to clients of these intermediaries, mostly to small and medium sized enterprises. This way, NIB is able to reach out to an important segment of the economy.



## ENERGY AND ENVIRONMENT

This business area amounted to EUR 562 million in loans agreed. The ten loans and eight green bond investments mainly financed improved wastewater treatment. NIB also financed investments in electricity transmission and distribution networks, frequently including an introduction of smart metering systems. In addition, the Bank extended financing for investments in hydropower and district heating. NIB also invested in green bonds issued by member country municipalities, which finance investments in cross-sector energy efficiency and environmental programmes.

## Other activities

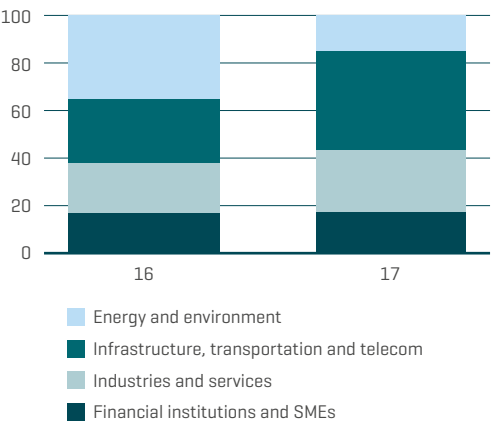
NIB participated as an observer to the EU High-Level Expert Group on sustainable finance, which published its report in January 2018. The report gave a substantial number of recommendations for policy and legislative reforms in order to channel more financing towards sustainable investments. The group proposes, among other things, that a European taxonomy of sustainable assets be developed.

NIB is also a member of the Executive Committee of the Green Bond Principles and Social Bond Principles. The latter were introduced in 2017.

During 2017, the two Northern Dimension partnerships in which NIB participates, the Environmental Partnership [NDEP] and the Partnership on Transport and Logistics [NDPTL], did not generate any new projects involving NIB.

## Lending area distribution

Loans agreed as a share of total loans  
(including Lending Green Bond purchases)





# Treasury

### Liquidity

At the end of 2017, NIB had a survival horizon of 417 days, equivalent to more than 13 months.

The survival horizon is the period during which the Bank is able to fulfil all payment obligations from ongoing business operations in a severe stress scenario without obtaining new funding. NIB’s target for survival horizon is 12 months.

To mitigate liquidity risk the Bank holds a sizeable liquidity buffer of sellable bonds and money market instruments. It is mainly invested in EUR, USD and the Nordic currencies. At the end of 2017, the buffer amounted to EUR 10,454 million, of which 36% was held as cash in short-term money market instruments, and 64% was held in bonds with longer maturities.

### Capital markets

NIB continues to be a leading issuer of USD global benchmarks and seeks to take advantage of favourable market conditions, adapting its borrowing operations to investor preferences in terms of currency, maturity, liquidity and structures.

During 2017, NIB borrowed EUR 5.9 billion through 58 bond transactions in twelve currencies. This was the second largest funding programme in the Bank’s history. Two of the transactions were USD global benchmark issuances, a five-year issue for the amount of USD 1.25 billion issued in January and a three-year issue for the amount of USD 1.0 billion issued in August. The two USD benchmarks achieved well oversubscribed order books.

NIB’s borrowing in the global financial markets attracted interest from a well-diversified investor base during 2017.

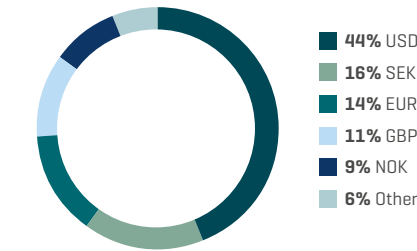
### New borrowings

Investor distribution  
%



### New borrowings in 2017

as of 31 Dec 2017  
%, distribution by currency



### NIB Environmental Bonds

During 2017, NIB further anchored its position as the biggest Nordic issuer of green bonds—and one of the leading issuers of green bonds globally—by issuing seven NIB Environmental Bonds totalling EUR 920 million.

The NEBs issued during 2017 include an increase of EUR 500 million to an outstanding 2024 transaction (taking the total to EUR 1 billion), a new 2022 line of SEK 2.5 billion, and an increase of SEK 1.5 billion to an outstanding 2023 line (taking the total to SEK 3 billion). In addition, two smaller private placements in the Indian rupee (INR) and Brazilian real (BRL) were issued.

The NIB Environmental Bond report 2017 is published at <https://report.nib.int/2017>.

### Asset liability management

The Asset and Liability Management (ALM) unit manages NIB’s market risks on the balance sheet. ALM also handles daily cash, including collateral management, and calculates transfer pricing between the treasury and lending operations.

In 2017, the Bank disbursed new loans of EUR 3,147 million and obtained new funding of EUR 5,943 million.

In total, the balance sheet decreased from EUR 30,178 million at the end of 2016 to EUR 29,953 million at the end of 2017. In 2017, ALM contributed EUR 31.8 million to NIB in net interest income earnings, the highest result in five years.

### Portfolio management

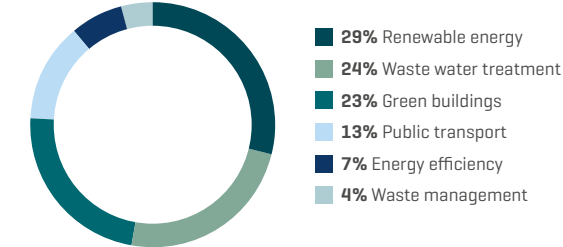
The Portfolio Management unit manages the liquidity portfolio of sellable bonds. Bonds may be sold or lent for short term cash operations.

The market value of the managed portfolio marginally increased from EUR 6,736 million at the end of 2016 to EUR 6,714 million at the end of 2017. The liquidity portfolio included bonds held both at amortised cost and at fair value, and with floating and fixed-rate coupons.

The instrument distribution of the portfolio can be seen in the graph.

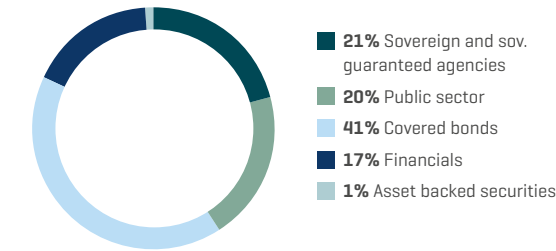
### Projects financed by NEBs 2011–2017

as of 31 Dec 2017  
%, projects by type



### Bond instruments in 2017

as of 31 Dec 2017  
%, distribution by instrument





# Sustainability



LENA KORKEA-AHO / Senior Environmental Analyst IGORS KASJANOVS / Senior Economist

# NIB-financed projects and the UN SDGs

The seventeen UN Sustainable Development Goals (SDGs) set out a global roadmap for tackling economic, environmental and social challenges as part of the 2030 Agenda for sustainable development. The SDGs present a common framework for governments, business and civil society to enhance the value of their innovations and investments, and to strengthen stakeholder relations.

In line with its mission, NIB has identified the SDGs to which its financed projects, business strategy and sustainability approach can contribute:

## NIB-financed projects and the UN Sustainable Development Goals



THE GLOBAL GOALS  
For Sustainable Development

1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE AND JUSTICE STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



# Sustainable financing in 2017

Companies are increasingly expected to be both profitable and to act responsibly towards society and the environment. For project owners, it is therefore reassuring that NIB reviews all loan projects from a sustainability perspective.

A large part of NIB’s lending in 2017 contributed to strengthening competitiveness, which is broadly defined as a region’s ability to sustain productivity growth. Financing projects that contribute to this goal is a way for NIB to support societies in reaching higher levels of prosperity and well-being.

### Transportation infrastructure

The quality and capacity of transport infrastructure can directly impact productivity by increasing connectivity and lowering costs. Further, investments in the transportation sector can indirectly contribute to an increased efficiency of labour and product markets, and support business environments and job creation.

In 2017, NIB lent almost EUR 740 million to projects that improve the air, road and rail infrastructure in the Nordic and Baltic countries. These include the expansion of hub airports in the capital regions of Sweden, Lithuania and Denmark, as well as road projects in Norway.

Projects in the transport sector contribute to the UN Sustainable Development Goals [SDGs] 8 and 9.

### Urban infrastructure

Urbanisation is a key driver for infrastructure investments in the Nordic–Baltic countries. The number of people living in urban areas is steadily increasing, and cities are seen as the economic locomotives of the region. To cater to the growing population, investments in core service utilities are needed.

In 2017, NIB lent EUR 654 million to urban infrastructure projects. Of this, more than EUR 200 million helped finance new educational infrastructure. Almost EUR 340 million financed upgrades of municipal water supply and wastewater treatment plants, which will significantly reduce the nutrient discharge into the Baltic Sea.

Projects financed by NIB seek to mitigate the environmental and social impact caused by the demographic changes. These projects contribute to the SDGs 4, 6, 11 and 14.

### Technical progress and innovation

Financing R&D projects generally yields a higher social return than other investments. The benefits from R&D tend to spill-over to the rest of the economy through knowledge transfer and imitation. Investments in innovation and physical capital are major drivers of productivity growth and have been observed to lead to higher levels of long-term growth and prosperity.

In 2017, NIB provided more than EUR 756 million to finance companies’ R&D projects and investments in new facilities.

Projects in technical progress and innovation contribute to the SDGs 8 and 9.

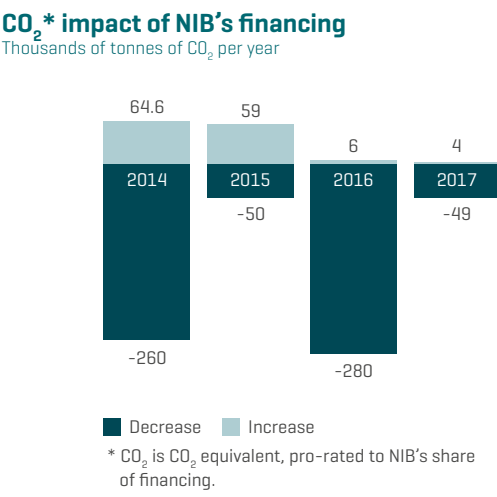
### Green buildings

Green buildings are properties that, in their construction and operation, reduce negative impacts on the climate and the environment. These buildings are designed to preserve natural resources through the sustainable use of materials, energy and water, while also creating a healthy indoor environment for the tenants.

Heating and cooling of buildings account for almost 40% of all CO<sub>2</sub> emissions in the European Union. Estimates published by the European Commission suggest that improving the energy efficiency of buildings could reduce the total energy consumption in the EU by 5–6%, while lowering emissions by 5%.

In 2017, NIB lent EUR 393 million to finance investments in green buildings certified according to the highest or second highest levels in BREEAM and LEED.

Green buildings and sustainable construction projects contribute to SDG 13.





# Working at NIB

At NIB, we work with highly skilled professionals and aim to contribute to the sustainable growth of the Nordic–Baltic region. Our corporate values are commitment, competence and cooperation. In 2017, we continued to develop our working culture in order to maintain high levels of professionalism in line with our values.

At the end of 2017, NIB had 193 employees in permanent positions. Of these, 80 were women and 113 men. The average number of permanent employees during the year was 193. In addition, five employees worked on projects in long-term temporary positions.

In 2017, the average length of employment was 12.2 years. Our exit turnover rate during the year stood at 8.2%.

The number of permanent employees holding a university degree was 146, or 76% of NIB’s staff. All in all, our people represented 18 nationalities.

NIB encourages its employees to continuously develop their skills. During the year, the Bank offered various tailor-made training opportunities for its staff members on topics such as credit and loan documentation, business ethics, banking and financial markets. The average number of training days per employee, including professional and language training, was 5.9 in 2017, compared to 5.4 in 2016.

In addition, NIB continued with its internal development programme “Raising the Bar”, which aims to strengthen the professional identity and competence of its staff. As an outcome of

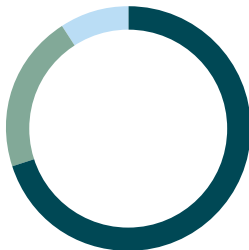
this training programme, several initiatives were developed internally, and some were implemented.

NIB makes every effort to provide a safe and healthy working environment for its employees, and encourages its staff members to establish and maintain a sustainable balance between their professional and private lives.

NIB provides both occupational healthcare and extensive medical care services to its employees. In 2017, the illness absence rate decreased to 2% of total working time, compared to 2.2% in the two previous years.

## Origins of staff

as of 31 Dec 2017  
%, distribution by country



- 70% Finland
- 21% Other member countries  
(Denmark, Estonia, Iceland,  
Latvia, Lithuania, Norway,  
Sweden)
- 9% Non-member countries

# Executive Committee

As of 31 December 2017



**Renovation of NIB’s headquarters in Helsinki, Finland:** During 2017, the second phase of a renovation programme was completed. From left: Björn Ordell, Lars Eibeholm, Thomas Wrangdahl, Hilde Kjelsberg, Heikki Cantell, Gunnar Okk and Henrik Normann

### Mr Henrik Normann [1953]

President and CEO, joined NIB in 2012  
DENMARK

### Mr Thomas Wrangdahl [1957]

First Vice-President, Head of Lending, joined NIB in 2012  
SWEDEN

### Mr Lars Eibeholm [1964]

Vice-President, Head of Treasury, joined NIB in 2007  
DENMARK

### Ms Hilde Kjelsberg [1963]

Vice-President, Head of Credit & Analysis, joined NIB in 2006  
NORWAY

### Mr Gunnar Okk [1960]

Vice-President, Head of Business Intelligence & Administration, joined NIB in 2006  
ESTONIA

### Mr Heikki Cantell [1959]

General Counsel, Head of Legal Department, joined NIB in 2007  
FINLAND

### Mr Björn Ordell [1973]

Vice-President, CFO and Head of Risk and Finance, joined NIB in 2015  
SWEDEN

# Report of the Board of Directors 2017

## Summary

The purpose of the Nordic Investment Bank is to support the Nordic–Baltic region through long-term financing. All the projects it finances are assessed in order to seek productivity improvements and environmental benefits for society. While not the main driver for NIB’s activity, the Bank’s strong financial standing supports its ability to have an impact.

On the global scale, NIB’s member countries are highly advanced in many respects. Still, it would be wrong to rest on past achievements. The Baltic economies are still in the process of catching up, and solutions need to be found for the challenge of attaining sustainable growth in the whole region. Accordingly, NIB needs to contribute to its member countries’ efforts to tackle climate change, protect marine environments, prevent pollution and improve productivity.

In 2017, NIB continued to increase its relevance and expanded its lending operations. The Bank signed 55 loans with customers, totalling EUR 3,665 million.

Loans aimed at improving competitiveness mainly supported investments in R&D, infrastructure and energy. On the environmental side, the focus was on projects aimed at improving wastewater treatment and water supply in the member countries.

NIB acquires the funds for lending by borrowing on international capital markets. In 2017, the Bank raised EUR 5.9 billion (2016: EUR 6.7 billion) in new funding and continued to be the leading Nordic issuer of green bonds.

In 2017, NIB’s profit was EUR 211 million. The Board proposes that EUR 55 million be paid as dividends to the member countries.

During the year, the Board discussed a follow-up on the strategy process that was conducted three years ago. The Board has been satisfied so far. The discussions focused on the Bank’s capital and sustainable finance.

## Operating environment

The macroeconomic environment improved further in 2017, both globally and in the Nordic–Baltic countries. Corporate profit and

employment growth were robust, while consumers and businesses were optimistic. Defaults and volatility in the financial markets remained low from a historical perspective. Commercial lending standards and creditor protection have deteriorated because of ample liquidity and global yield-chasing. Subdued inflation allowed central banks to largely maintain their monetary stimulus. This policy does not only affect underlying interest rates in general; credit spreads are still at historic lows, which puts pressure on net interest income.

Favourable global developments boosted exports and growth in NIB’s member countries, which are all small, open economies on the world scale. Strong growth contributed to tightening in the labour markets, which could increase inflationary pressure—particularly in the smaller economies. Also, fixed investments recorded strong growth throughout the region.

## Lending activities

NIB’s lending activities benefited from the increased investment activity and developed favourably in 2017. This was mainly driven by continued demand for long-term financing from municipalities in the member countries, but also increasingly by growing corporate investments.

All in all, the Bank signed 55 loan agreements and invested in nine green bonds with an aggregate value of EUR 3,812 million. Disbursements of loans totalled EUR 3,147 million, compared to EUR 3,373 million in 2016. More than half of the new loans were extended to new borrowers, further increasing NIB’s relevance and diversifying the portfolio. Lending volumes by business sector are displayed in table “Loans agreed”. The geographical distribution of NIB’s new lending is displayed in the chart on the next page.

A large part of the new loans agreed were provided for infrastructure investments. In this area, NIB provided financing for investments in traffic infrastructure (such as railways, roads and airports) and social infrastructure (such as education institutions and hospitals). In the energy and environment sector, several loans were

provided for investments to improve wastewater treatment facilities and upgrade electricity networks.

In the private sector, NIB continued its traditional lending to corporate borrowers to finance capital expenditure as well as R&D. NIB also started making loans to mid-cap companies after a comprehensive outreach process. Lending to small and medium-sized enterprises (SMEs) continued at a high level through onlending via local banks and other financial intermediary institutions.

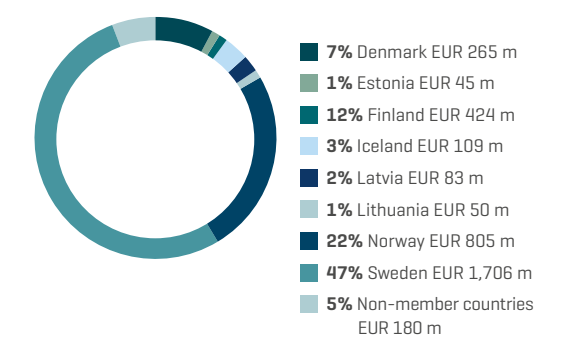
With regard to the special initiatives launched in recent years, loans and green bond investments to the Baltic member countries grew substantially and totalled EUR 202 million. Loans specifically assigned as Arctic lending amounted to EUR 47million, on top of which a number of loans were extended to finance projects geographically located in this part of the member region. In order to step up non-member-country lending, contact was maintained with companies and trade organisations in the member countries, as well as with existing or potential financial intermediaries.

With a framework of EUR 500 million, NIB continued investing in green bonds issued by companies or municipalities in the member countries. The purpose of this approach is to support the development of the green bond market, finance environmental investments and promote good standards. In 2017, NIB invested in nine bond transactions. These included a subscription to Lithuania’s first green bond, issued by the country’s leading energy company. The Bank’s holdings in green bonds totalled EUR 283 million by year-end.

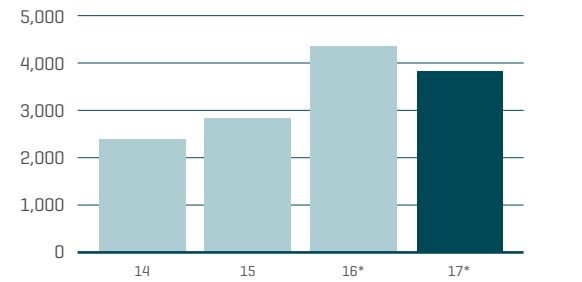
## Lending

In millions of euro, unless otherwise stated	2014	2015	2016	2017
Loans agreed (without green bond investments)	2,389	2,830	4,220	3,665
Green bond investments, total			143	147
Loans agreed, including green bond investments, according to business areas:				
Energy and environment	630	710	1,534	562
Infrastructure, transportation and telecom	557	823	1,198	1,620
Industries and services	926	996	912	972
Financial institutions and SMEs	277	301	720	658
Number of loan agreements	45	45	58	55
Number of green bond investments			8	9
Loans disbursed, total	2,274	2,716	3,373	3,147
Repayments/prepayments	2,005	2,351	2,471	1,832
Loans and green bond investments outstanding	15,156	15,627	16,640	17,232
Member countries	12,705	13,347	14,831	15,867
Non-member countries	2,558	2,396	1,948	1,504
Loan impairment provision	-107	-116	-139	-139

Loans agreed 2017  
Geographical distribution



Loans agreed  
EUR m



\*Including investments in green bonds



### Financing the future

Sustainable financing has gained importance in political debate in the Bank’s member countries. As sustainability is the core of the Bank’s business model, the Board considered how the Bank could further increase its relevance in this field. As a follow-up to these discussions, the Board decided to revisit the Bank’s mandate rating framework in 2018.

Financing projects that help to reduce the burden on the environment is becoming increasingly important. There is a growing realisation at the global level that there are no alternatives to sustainable development. As agreed at the UN climate conference in 2015, a green transition is required to limit the increase in the average global temperature.

The UN Sustainable Development Goals are the most encompassing global roadmap to tackle not only environmental, but also economic and social challenges. NIB’s mission for competitiveness and the environment supports many of these goals. Some of the loan projects also have a positive social impact, such as education and modern healthcare facilities.

NIB actively contributes to improving the standards of sustainable financing. In 2017, the Bank had observer status in the EU’s High-Level Expert Group on Sustainable Finance. NIB is also a member of the Green Bond Principles Executive Committee.

Cooperation with the other Nordic financial institutions, the Nordic Environment Finance Corporation (NEFCO) and the Nordic Development Fund (NDF), was also enhanced. One example of this cooperation is funding provided by NIB to NEFCO for the renovation of university buildings in Ukraine for better energy efficiency and the reduction of greenhouse gas emissions. The Nordic institutions also joined forces for the common Finance Day at COP23 in Bonn.

### Mission fulfilment<sup>1</sup>

NIB’s major impact comes from its long-term lending to projects. All projects are analysed from the perspective of competitiveness and the environmental impact.

The Bank uses an internal mandate rating system to assess the impact. In 2017, loans achieving a “good” or “excellent” rating accounted for 97% of the total amount of lending. The Bank’s aim is for at least 90% of loans to achieve those ratings.

After a NIB-financed project has been completed, the Bank’s analysts follow up on the benefits achieved. In 2017, the Board reviewed 14 such ex-post assessments. Of these, seven projects had achieved the expected impacts, four projects had partly achieved them, two had not achieved them, and one project did not have sufficient data for the assessment. NIB uses the results to further

### Mission fulfilment rating

% of loans agreed, excluding investments in green bonds and unallocated credit facilities<sup>2</sup>



<sup>1</sup> Due to the nature of bond transactions, the mission fulfilment rating that is required for regular lending does not apply to green bond investments. Accordingly, the loan data provided in the sections “Mission fulfilment”, “Competitiveness impact” and “Environmental impact” do not include investments in green bonds.

<sup>2</sup> In 2016 and 2017, unallocated credit lines accounted for 1% and 4% of loans agreed, respectively.

develop its mandate rating tools and apply the lessons learned to future projects.

### Competitiveness impact

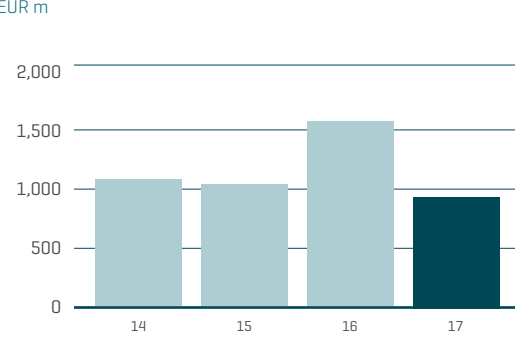
A large part of NIB’s lending contributes to strengthening competitiveness, which is broadly defined as a region’s ability to sustain productivity growth. This is a way for NIB to support societies in reaching higher levels of prosperity and well-being.

NIB has a long tradition of funding infrastructure projects that have a positive impact on the region’s transport and communication sectors, as well as on urban development. In 2017, investments in key infrastructure services were made mainly by NIB’s public sector clients and accounted for 52% of agreed loans in 2017. A total of EUR 931 million was provided to improve transport systems in the member countries. Nearly 40% of this amount was earmarked for road projects in Norway, and 13% of all public transport financing went to projects in Estonia, Latvia and Lithuania.

The financing of municipal investments in water supply (10% of loans agreed), education institutions (6%) and energy projects (4%) totalled EUR 909 million. Most of these projects are located in growing urban areas, where the increase of population and economic activity are putting pressure on the existing public infrastructure. These investments will have long-term impacts on the growth

### Environmental loans

of loans agreed, excluding investments in green bonds and unallocated credit facilities



potential and business environment in the whole Nordic–Baltic region.

In the private sector, the Bank continued to increase lending to smaller businesses—SMEs and small mid-caps—through loan programmes in cooperation with financial intermediaries. Loan programmes accounted for 14% of loans agreed in 2017. Reaching out to smaller businesses adds to the dynamism of the member countries’ economies and their ability to adjust to changing market trends.

A significant part of NIB’s lending targets projects that support technical progress and the development of human capital. Large member area companies benefitted from NIB’s lending to their R&D investments, which accounted for 18% of NIB’s agreed volume. By investing in scientific and engineering activities and knowledge, companies in the member countries are creating intangible assets that are the key drivers of growth of productivity—and hence prosperity—in the member countries.

### Environmental impact

NIB defines loans to projects with significant direct or indirect positive environmental impacts as environmental loans, regardless of the sector in which they occur. In 2017, twenty-one loans with a total volume of EUR 941 million were agreed for projects with an environmental mission rating of “good” or “excellent”, which is equivalent to 27% of all agreed and rated loans.

During the year, the Bank provided eight loans for wastewater treatment projects, totalling EUR 268 million. These projects resulted in an added treatment capacity of 290,000 population equivalent units. Several of the wastewater treatment projects included the utilisation of the sludge for biogas, and thus also contribute to climate change mitigation. NIB also agreed five loans, totalling

EUR 84 million, for traditional climate financing projects like biomass-fired power plants and small-scale hydropower investments. Lending to public transport projects that also contribute to climate change mitigation amounted to EUR 92 million. Three loans were agreed to finance green buildings certified according to the highest or second-highest levels in BREEAM and LEED, with a total volume of EUR 393 million.

NIB-financed energy projects will add 0.11 TWh annually to renewable energy generation. NIB estimates that the loans agreed in 2017 are helping to reduce or avoid 48,500 tonnes of CO<sub>2</sub> emissions annually, prorated to NIB’s share of the financing.

Loans with significant environmental effects were funded with the proceeds of NIB Environmental Bonds (NEBs). During 2017, the Bank financed projects with NEB proceeds equivalent to EUR 694 million through 16 disbursements.

NIB’s Sustainability Policy and Guidelines cover the environmental, social and ethical aspects of the Bank’s operations. More detailed information on NIB’s approach to sustainability management is described in the Annual Report 2017 (specifically under “Sustainability Management”), available online. In 2017, NIB started implementing the new GRI Standards as a framework for reporting on sustainability matters.

### Treasury activities

NIB acquires the funds for lending by borrowing on international capital markets. In 2017, the Bank raised EUR 5.9 billion in new funding through 58 bond transactions. At year-end, outstanding debt totalled EUR 24 billion, issued in 17 different currencies.

NIB maintained the position of a price-leading USD benchmark issuer by issuing two global USD-denominated benchmark transactions. The overall funding cost from the programme continued to contribute positively to NIB’s business model.

Continuing the NIB Environmental Bond (NEB) programme, the Bank issued seven green bonds, totalling EUR 920 million. With the total amount of NEBs outstanding at EUR 2.9 billion as of the end of December 2017, NIB remained the biggest Nordic issuer of green bonds. NIB Environmental Bonds mainly target sustainability-oriented investors.

The Bank’s overall investor base continued to be global and diversified, and only 17% of the new funding was raised through investors from the member countries. Since the Bank lends almost exclusively within its member countries, this means that NIB continued to draw international funds to the Nordic–Baltic region.

Of the rest of the new funding, 29% came from Europe and 15% from the Americas, while investors based in Asia accounted for 33% of NIB’s new debt. Investors from other regions of the world contributed 6% to NIB’s annual funding.

During 2017, NIB’s own liquidity portfolio, which is a major part of the Bank’s liquidity buffer and amounted to EUR 6.7 billion at year-end, generated a return of 0.44%. This is considered satisfactory given the low risk profile and in a very low—and even negative—yield environment.

Risk management

The Bank’s overall risk position remained strong, with high asset quality, solid liquidity and strong capitalisation.

The credit quality of the lending exposure was stable, with 86% of the exposure placed in investment-grade categories [risk classes EL1–10; 85% at year-end 2016]. The exposure in the best risk classes [EL1–2] increased, mainly due to growth in lending to the public sector in the member countries. This reflects the Bank’s response to the demand for financing from this sector. The public sector accounted for 28% of the total lending exposure at year-end 2017. In terms of geographical distribution, lending exposure in Sweden increased the most [by 19%].

Credit quality in the Treasury portfolio remained solid, with 100% of the exposure in the investment-grade categories [risk classes EL1–10].

In terms of market risk, the Bank is mainly exposed to interest rate risk, credit spread risk and cross-currency basis risk in Treasury operations. The Bank’s overall market risk remained almost unchanged compared to the previous year.

At the end of the year, the Bank’s liquidity buffer amounted to EUR 10,454 million. The survival horizon measured according to the Bank’s liquidity policy was 417 days, exceeding the target level of 365 days.

The Bank further develops its risk management in line with evolving market standards. In 2017, the Bank progressed with the development of an internal capital adequacy assessment process and completed the development of expected credit loss calculation in accordance with the new IFRS 9 standard, as disclosed in the “New accounting policies” section in the notes to the financial statements.

A more detailed commentary on the Bank’s risk exposures is provided in the “Risk management” section in the notes to the financial statements.

Financial results

The net profit for the year was in line with the previous year and amounted to EUR 211 million. Despite the low interest rate

environment, the Bank’s net interest income was only EUR 4 million lower than in 2016, due to the growth in loans outstanding. Total operating income decreased, which was attributable to one-off gains related to the implementation of two-way credit support annexes [CSAs] in 2016, as well as lower disbursement and early repayment fees compared to the previous year. Total operating expenses were in line with the previous year, and the Bank maintained its efficient cost/income ratio. As described above, the quality of the loan portfolio remained high, and the Bank’s net loan losses decreased from a loss of EUR 20 million in 2016 to EUR 5 million in 2017.

A more detailed commentary on the Bank’s financial results can be found in the Operating and Financial Review.

Dividend

The Board of Directors proposes to the Board of Governors that EUR 55 million be paid in dividends to the Bank’s member countries for the year 2017.

Governance

The Board of Directors held eight ordinary meetings and three extra online meetings. Seven meetings took place at the Bank’s office in Helsinki, Finland, and one meeting in Malmö, Sweden. All meetings were chaired by the Chairperson of the Board, Mr Kaspars Āboliņš [Latvia]. Seven seminars and two site visits were held in connection with the Board meetings.

The Control Committee [the Bank’s supervisory body responsible for the audit of the Bank] had two ordinary meetings during the year. The Control Committee’s Chairmanship, reinforced by an independent expert, held six meetings in 2017 to meet the Committee’s responsibilities. At its autumn meeting, the Control Committee appointed Ernst & Young Oy as external auditor for NIB for 2018–2021.

NIB’s capital

In 2016, the Board of Governors approved an adjustment to align the percentage shares of paid-in capital and callable capital to correspond to the percentage of the authorised capital of each member country. The Project Investment Loan and Environmental Investment Loan guarantee schemes were also aligned according to the same distribution key as for the capital. The decision was based on a proposal from the Board of Directors.

After the conclusion of national approvals and ratification procedures in all eight member countries, as well as the payments to reflect the capital alignment, the revised Statutes entered into force and were announced in April 2017.

Compliance

During the year, the Board of Directors was informed about one new investigation and four ongoing investigations of prohibited practices and complaints related to lending operations. The Board of Directors was also informed about one allegation of internal misconduct. No sanctions were imposed by the Sanctions Panel during 2017.

In its December meeting, the Board of Directors adopted the Policy on Handling of Insider Information and Prevention of Market Abuse. The Policy takes into consideration the EU Market Abuse Regulation, which is being incorporated into EU member countries’ legislation.

In March 2017, the Board of Directors participated in a business ethics seminar organised by the Office of the Chief Compliance Officer in collaboration with the Institute of Business Ethics. A similar seminar was arranged for the Bank’s staff and managers in October 2017.

Other development projects

NIB continued implementing other initiatives with the aim of improving the efficiency and quality of the Bank’s operations. These included a resource-consuming IT project, FOBORA [an integrated

solution for treasury front office, back office, risk management and accounting]), which has turned out to be challenging. The second round of the training programme “Raising the Bar” was organised. The programme was aimed at developing the staff’s skills in management and knowledge of the Bank’s offering and customer needs. NIB continued the renovation of its office building in Helsinki and completed the second of three phases of the project.

Outlook

Demand is expected to be mainly driven by large investment needs in the public sector. NIB aims to cement its strong presence in this market and fulfil its role as a long-term lender. In the private sector, there are signs that investments will start to pick up further. NIB will continue its efforts to serve not only large corporates, but also the needs of mid-sized corporates for long-term financing.

NIB is entering 2018 with an optimistic outlook for the economies in the Nordic–Baltic region. Political risks are still present, but cyclical trade momentum is expected to remain positive and monetary policy supportive. Rates, spreads and default levels are all expected to remain low in the coming year, which will put the net interest income under pressure.

PROPOSAL BY THE BOARD OF DIRECTORS TO THE BOARD OF GOVERNORS

The Board of Directors’ proposal with regard to the financial results for the year 2017 takes into account the need to maintain the Bank’s ratio of equity to total risk-weighted assets at a secure level, which is a prerequisite for maintaining the Bank’s high creditworthiness.

- EUR 155,981,104.10 will be transferred to the General Credit Risk Fund as a part of equity; and
- EUR 55,000,000.00 will be made available for distribution as dividends to the Bank’s member countries.

In accordance with section 11 of the Statutes of the Bank, the profit for 2017 of EUR 210,981,104.10 is to be allocated as follows:

More information can be found in the statement of comprehensive income, the statement of financial position, the changes in equity and cash flow statement, as well as the notes to the financial statements.

Helsinki, 8 March 2018

Julie Sonne  
Esther Finnbogadóttir  
Sindre Weme on behalf of Silje Gamstøbakk

Kaspars Āboliņš [Chairman]  
Sven Hegelund [Deputy Chairman]  
Henrik Normann [President & CEO]

Pekka Morén  
Madis Üürike  
Jurgita Uzieliene



# Loans agreed 2017

Borrower	Project	Sector
Husqvarna AB [Sweden]	Research and development investments in 2017–2019.	Industries and services
Swedavia AB [Sweden]	Construction of a new pier at Arlanda Airport, Sweden.	Infrastructure, transportation and telecom
Nordic Environment Finance Corporation (NEFCO) [International]	Renovation for better energy efficiency in university buildings in Ukraine.	Financial institutions and SMEs
Ryfast AS [Norway]	Construction of undersea tunnels in Rogaland county, Norway.	Infrastructure, transportation and telecom
Copenhagen Airports A/S [Denmark]	Capacity investments at Copenhagen Airport, Denmark.	Infrastructure, transportation and telecom
Nooa Säästöpankki Oy [Finland]	Loan programme for onlending to SMEs and environmental projects in Finland.	Financial institutions and SMEs
William Demant A/S [Denmark]	Research and development costs in 2017.	Industries and services
Telefonaktiebolaget LM Ericsson [publ] [Sweden]	Research and development programme for 5G wireless technology development during 2018–2020.	Infrastructure, transportation and telecom
Municipality of Täby [Sweden]	Construction of a town hall and other public infrastructure.	Infrastructure, transportation and telecom
Posten Norge AS [Norway]	Expansion of Posten Norge’s logistics centre in Alnabru, Norway.	Industries and services
City of Tartu [Estonia]	Municipal investments in upgrade of roads and renovation of schools and day care centres.	Infrastructure, transportation and telecom
Volvofinans Bank AB [publ] [Sweden]	Loan programme for onlending to SMEs and mid-cap companies in Sweden.	Financial institutions and SMEs
Landsnet hf. [Iceland]	Construction of overhead transmission lines and strengthening the transmission network in Iceland.	Energy and environment
Sparebanken Øst [Norway]	Loan programme for onlending for passive- and low-energy housing projects, acquisition of electric and hybrid cars and SME investments in south-eastern Norway.	Financial institutions and SMEs
Glitre Energi AS [Norway]	Introduction of advanced metering and power grid upgrades in Buskerud, Norway.	Energy and environment
Deutsche Leasing Sverige AB [Sweden]	Loan programme to finance leasing and lending to SMEs and small mid-caps in NIB’s member countries.	Financial institutions and SMEs
Kainuun sosiaali- ja terveydenhuollon kuntayhtymä [Finland]	Construction of a hospital in Kajaani, eastern Finland.	Infrastructure, transportation and telecom
Siun Sote Kuntayhtymä [Finland]	Expansion of a hospital in Joensuu, eastern Finland.	Infrastructure, transportation and telecom

Borrower	Project	Sector
Sparebank 1 SR-Bank ASA [Norway]	Loan programme for onlending to investments and environmental projects of SMEs and small mid-cap companies in Norway.	Financial institutions and SMEs
Nord-Trøndelag Elektrisitetsverk Holding AS [Norway]	Construction and rehabilitation of hydropower plants and replacement of a dam in central Norway.	Energy and environment
Sparebank 1 Østlandet [Norway]	Loan programme for onlending to SMEs and environmental projects in eastern Norway.	Financial institutions and SMEs
North Estonia Medical Centre Foundation [Estonia]	Upgrade of water supply and wastewater treatment in Kungälv, south-western Sweden.	Infrastructure, transportation and telecom
City of Porvoo [Finland]	Modernisation and expansion of a hospital campus in Tallinn, Estonia.	Infrastructure, transportation and telecom
Sparebanken Sør [Norway]	Construction and reconstruction of school and pre-school buildings in Porvoo, southern Finland.	Financial institutions and SMEs
Municipality of Kristianstad [Sweden]	Loan programme for onlending to SME investments and environmental projects in southern Norway.	Energy and environment
Municipality of Knivsta [Sweden]	Expansion of a central wastewater treatment plant and network, construction and upgrade of fresh water plants in Kristianstad, southern Sweden.	Infrastructure, transportation and telecom
Ringkjøbing Landbobank A/S [Denmark]	Loan programme for financing environmental projects and SMEs in Denmark.	Financial institutions and SMEs
City of Stockholm [Sweden]	Expansion of a wastewater treatment plant and construction of a sewer tunnel in Stockholm, Sweden.	Energy and environment
VAS Latvijas Dzelzceļš [Latvia]	Modernisation of locomotives.	Infrastructure, transportation and telecom
City of Uppsala [Sweden]	Improvements to wastewater treatment, water supply and waste management infrastructure in Uppsala, east-central Sweden.	Energy and environment
Rīgas Satiksme SIA [Latvia]	Purchase of hydrogen-fuelled vehicles and low-floor trams as well as investment in low-floor tram infrastructure in Riga, Latvia.	Infrastructure, transportation and telecom
Keski-Suomen sairaanhoitopiiri [Finland]	Construction of a hospital in Jyväskylä, central Finland.	Infrastructure, transportation and telecom
Vegfinans E18 Telemark AS [Norway]	Construction of an E18 motorway section in Telemark County, Norway.	Infrastructure, transportation and telecom
Chr. Hansen Holding A/S [Denmark]	Research and development investments in bioscience innovation.	Industries and services
Vegfinans E6 Gardermoen-Moelv AS [Norway]	Expansion of the E6 motorway in Hedmark County, Norway.	Infrastructure, transportation and telecom

Borrower	Project	Sector
City of Gothenburg [Sweden]	Construction of the Hising Bridge in Gothenburg, western Sweden.	Infrastructure, transportation and telecom
SP Group A/S [Denmark]	Investments to support mid-cap growth.	Industries and services
Landsbankinn hf. [Iceland]	Loan programme for onlending to investments and environmental projects of SME's in Iceland.	Financial institutions and SMEs
Skanska Financial Services AB [Sweden]	Construction of five LEED Platinum certified office buildings in Poland.	Industries and services
Höganäs Holding AB [Sweden]	Research and development programme during 2017–2021 and capital expenditure	Industries and services
Lidl Suomi Ky [Finland]	Construction of a warehouse and investments in new Lidl stores in Finland.	Industries and services
Lithuanian Airports [Lithuania]	Investment programme to upgrade the country's three airports.	Infrastructure, transportation and telecom
Government through Ministry of Finance [China]	Loan programme for onlending to projects fulfilling NIB's mandate in selected sectors of the Chinese economy.	Financial institutions and SMEs
Municipality of Kungälv [Sweden]	Upgrade of water supply and wastewater treatment in Kungälv, south-western Sweden.	Infrastructure, transportation and telecom
Municipality of Gävle [Sweden]	Extending freshwater supply and wastewater collection networks to new residential areas in Gävle, eastern Sweden.	Infrastructure, transportation and telecom
Klaipėdos Nafta AB [Lithuania]	Construction of a reloading station for liquefied natural gas and extension of an oil terminal at the port of Klaipėda, Lithuania.	Infrastructure, transportation and telecom
Vasakronan AB [Sweden]	Construction and renovation of green buildings in Stockholm and Gothenburg, Sweden.	Industries and services
Municipality of Varberg [Sweden]	Construction of a pipeline to increase wastewater treatment capacity in Varberg, western Sweden.	Energy and environment
Akademiska Hus AB [Sweden]	Construction of four university facilities in Sweden.	Infrastructure, transportation and telecom
Elekta AB [Sweden]	Research and development investments 2016–2020.	Industries and services
Jyväskylän Seudun Puhdistamo Oy [Finland]	Refurbishment and expansion of the Nenäinniemi wastewater treatment plant in Jyväskylä, central Finland.	Energy and environment
Municipality of Ängelholm [Sweden]	Improvements in wastewater treatment in Ängelholm, western Sweden.	Energy and environment
Valio Oy [Finland]	Research and development programme for 2016–2020.	Industries and services
Wärtsilä Corporation [Finland]	Acquisition of Eniram Oy and American Hydro.	Industries and services
Njudung Energi Sävsjö AB [Sweden]	Constructing a biofuel-fired district heating boiler in Sävsjö, southern Sweden.	Energy and environment

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# Loans disbursed in 2017

including Lending Green Bond purchases

