

**AGREEMENT AMENDING SECTION 14 OF THE STATUTES, ANNEXED
TO THE AGREEMENT OF 11 FEBRUARY 2004 BETWEEN DENMARK,
ESTONIA, FINLAND, ICELAND, LATVIA, LITHUANIA, NORWAY AND
SWEDEN CONCERNING THE NORDIC INVESTMENT BANK**

The Governments of Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden, hereinafter referred to as the Member countries, desiring to amend Section 14 of the Statutes of the Nordic Investment Bank, which are annexed to the Agreement of 11 February 2004 between Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden concerning the Nordic Investment Bank, hereinafter referred to as the Agreement,

have agreed as follows:

Article I

Section 14 of the Statutes is renumbered as Section 13 and shall be amended as follows:

“Section 13

The Board of Governors shall be composed of eight Governors. Each Member country shall be represented by the Minister designated by it as its Governor.

The Board of Governors shall appoint a Chair for a term of one year. The position of chair of the Board of Governors shall rotate among the Member countries.

The Board of Governors shall be vested with the following powers:

- a) Amendments of the Statutes with the exception of this Section 13.*
- b) Decisions on increase and decrease of the authorised capital stock.*
- c) Decisions on principles for capital and liquidity management.*
- d) Decisions on questions of interpretation and application of the provisions of the Agreement and the Statutes.*
- e) Approval of the annual report of the Board of Directors and audited financial statements of the Bank.*
- f) Appointment of members of the Control Committee in accordance with Section 16.*
- g) Decisions on procedures related to withdrawal of membership of the Bank.*
- h) Decision on liquidation of the Bank.*

Decisions of the Board of Governors shall be unanimous. Decisions may be taken by a written procedure.

The Board of Governors shall hold an annual meeting and such other meetings as deemed appropriate.”

In addition to the above amendment of Section 14 of the Statutes, certain other Sections of the Statutes have been amended by decision of the Board of Governors at its Annual Meeting on 24 May 2019 in accordance with Article 2 of the Agreement and Section 14 of the Statutes. The amended Statutes are annexed to this Amending Agreement in their entirety.

AMENDED STATUTES OF THE NORDIC INVESTMENT BANK

The Nordic Investment Bank shall operate in accordance with the following provisions:

PURPOSE

Section 1

The purpose of the Nordic Investment Bank, hereinafter referred to as the Bank, is to make financing available in accordance with sound banking principles and taking into account socio-economic considerations, to carry into effect investment projects of interest to the Member countries and other countries which receive such financing.

NAME AND ABBREVIATION

Section 2

The Bank has the following official name in the following languages: Nordic Investment Bank in the English language, Nordiska investeringsbanken in the Swedish language, Den Nordiske Investeringsbank in the Danish language, Põhjamaade Investeerimispank in the Estonian language, Pohjoismaiden Investointipankki in the Finnish language, Norræni fjárfestingarbankinn in the Icelandic language, Ziemeļu Investīciju banka in the Latvian language, Šiaurės investicijų bankas in the Lithuanian language and Den nordiske investeringsbank in the Norwegian language.

The official abbreviation of the Bank's name is NIB.

CAPITAL

Section 3

The authorised capital stock of the Bank shall be EUR 8,368,844,474.11 subscribed by the Member countries as follows:

Denmark	EUR	1,763,074,493.79
Estonia	EUR	76,651,259.81
Finland	EUR	1,482,690,785.19
Iceland	EUR	79,132,913.42
Latvia	EUR	111,830,807.21
Lithuania	EUR	163,231,714.80
Norway	EUR	1,799,704,941.30
Sweden	EUR	2,892,527,558.59

Any increase or decrease in the authorised capital stock shall be decided upon by the Board of Governors, after a proposal by the Board of Directors of the Bank. Any such increase or decrease in the authorised capital stock shall be allocated among the Member countries based upon their Gross National Income at market prices as determined from time to time by the Board of Governors.

Section 4

The Member countries have made available to the Bank 10.10346099746250 per cent of the subscribed authorised capital stock. The payments have been made upon request from the Bank.

The remainder of the subscribed capital stock shall be subject to call to the extent the Board of Directors of the Bank deems it necessary for the fulfilment by the Bank of its debt obligations.

Section 5

The payments referred to in Section 4 shall be made in euro.

Section 6

The Bank shall have adequate capital and liquidity management in accordance with sound banking principles. The Bank shall have in place sound and effective strategies for risk, capital and liquidity assessments, which shall be conducted at least annually and reviewed regularly. The Bank's capital and liquidity management shall be based on assessed risks in its operations supplemented by stress testing.

The following minimum limits shall apply:

- a) The Bank's paid-in capital and accumulated reserves shall exceed its internally assessed capital requirement covering the nature and level of the risks to which the Bank is or might be exposed.
- b) The Bank shall maintain a liquidity reserve necessary for continuing its operations for a period of at least six months under a severe stress scenario.
- c) To prevent the risk of excessive leverage, the Bank's paid-in capital and accumulated reserves shall exceed an amount corresponding to 7 per cent of its total exposure.

Pursuant to Section 13 c) the Board of Governors shall establish principles for capital and liquidity management, including details for the determination of the limits set forth in this Section in accordance with generally recognised prudential standards as deemed relevant.

Monitoring thresholds for these limits shall be established by the Board of Directors.

Section 7

The Bank shall acquire the funds necessary for the performance of its tasks in the Member countries or elsewhere. Additionally, the capital paid in pursuant to Section 4 may be used for such purpose.

OPERATIONS

Section 8

For fulfilling the Bank's purpose set forth in Section 1, the Bank may make financing available in the form of loans, guarantees and equity participations.

In making loans and issuing guarantees the Bank shall require that adequate security be provided, unless sufficient security is considered to exist under the circumstances.

In taking equity participations, the amount of the Bank's participations shall not exceed at any time an amount corresponding to 15 per cent of the total of its paid-in capital and accumulated reserves. For capital adequacy assessment purposes, the amount of paid-in capital and accumulated reserves shall be reduced by an amount equal to any equity participation of the Bank.

The Bank may also make other arrangements relating to its operations, which are necessary or desirable for furthering the purpose of the Bank.

The Bank shall co-operate with other credit institutions, and with public authorities and private institutions concerned.

Section 9

The business of the Bank shall be conducted in accordance with the principles referred to in Section 1 and in accordance with the following guidelines:

- a) Financing shall not be made if opposed by the state of the beneficiary.
- b) Borrowings and the investment of funds in the Member countries shall be made in consultation with the authorities of the country concerned.
- c) In its operations, the Bank shall aim for a profit allowing the formation of reserves and reasonable return on the subscribed authorised capital referred to in Section 3.
- d) The Bank may when specific need arises, acquire shares or other assets, in support of its business or to protect its claims.
- e) The Bank shall, to the extent practicable, protect itself against the risk of exchange rate losses.

Section 10

After allocation to appropriate credit risk funds, the surplus of the Bank shall be transferred into a reserve fund until the amount equals 10 per cent of the authorised capital stock of the Bank. Thereafter, the Board of Governors, after proposal by the Board of Directors of the Bank, shall decide upon the allocation of the surplus between the reserve fund, and dividends on the subscribed capital.

Section 11

The Bank's accounts shall be kept in euro. The financial year shall follow the calendar year.

The annual report of the Board of Directors and audited financial statements of the Bank shall be submitted to the Board of Governors for approval.

GOVERNANCE

Section 12

The Bank shall have a Board of Governors, a Board of Directors, a President, a Control Committee, and such other personnel as is necessary to carry out its operations.

Section 13

The Board of Governors shall be composed of eight Governors. Each Member country shall be represented by the Minister designated by it as its Governor.

The Board of Governors shall appoint a Chair for a term of one year. The position of chair of the Board of Governors shall rotate among the Member countries.

The Board of Governors shall be vested with the following powers:

- a) Amendments of the Statutes with the exception of this Section 13.
- b) Decisions on increase and decrease of the authorised capital stock.
- c) Decisions on principles for capital and liquidity management.
- d) Decisions on questions of interpretation and application of the provisions of the Agreement and the Statutes.
- e) Approval of the annual report of the Board of Directors and audited financial statements of the Bank.
- f) Appointment of members of the Control Committee in accordance with Section 16.
- g) Decisions on procedures related to withdrawal of membership of the Bank.
- h) Decision on liquidation of the Bank.

Decisions of the Board of Governors shall be unanimous. Decisions may be taken by a written procedure.

The Board of Governors shall hold an annual meeting and such other meetings as deemed appropriate.

Section 14

Except as provided for in Section 13, all the powers of the Bank shall be vested in the Board of Directors, which may delegate these powers to the President to the extent considered appropriate.

The Board of Directors shall be composed of eight Directors, of whom each Member country shall appoint one Director for a term of up to four years at a time. Each Member country shall appoint one alternate according to the same principles.

The Board of Directors shall appoint from among its members a Chair and a Deputy Chair for a term of two years. The positions of chair and deputy chair shall rotate among the Member countries.

The Board of Directors shall be convened when decided by the Chair or at the request of at least two of the Directors or the President.

Seven members or alternates entitled to vote shall constitute a quorum. Each member shall have one vote; in the absence of a member, an alternate from the same Member country is entitled to vote. A position supported by at least five members or alternates entitled to vote shall become the decision of the Board of Directors. Decisions may also be taken by a written procedure.

Section 15

The President shall be responsible for the conduct of the current operations of the Bank and shall follow the guidelines and instructions given by the Board of Directors.

The Board of Directors shall appoint the President for a term of up to five years at a time. The President shall not be a member or an alternate of the Board of Directors. The President may participate in the meetings of the Board of Directors, but shall not vote at such meetings.

Two persons, each being either a member or an alternate of the Board of Directors, the President or a person authorised by the Board of Directors, shall sign on behalf of the Bank.

OTHER PROVISIONS

Section 16

A Control Committee shall be established to monitor that the operations of the Bank are conducted in accordance with these Statutes. The Control Committee shall be responsible for appointing the external auditors to carry out the audit of the Bank's financial statements. The external auditors' report together with reports from the Control Committee and its Chairmanship shall be delivered annually to the Board of Governors.

The Control Committee shall be composed of at least ten and a maximum of twelve members. The members of the Committee shall be appointed for a term of up to two years at a time. The Nordic Council and the Parliaments of Estonia, Latvia and Lithuania shall appoint one member from each country. The Board of Governors shall appoint two to four members to serve as Chair, Deputy Chair and other members of the Chairmanship who shall administer the responsibilities and tasks of the Committee. The Chairmanship shall oversee the performance of the audit of the Bank's financial statements, carried out by the external auditors, and monitor the Bank's financial position, risk levels and capital and liquidity position. The positions of the Chairmanship shall rotate among the Member countries.

Section 17

If the Board of Governors should decide that the Bank shall enter into liquidation, the Board of Governors shall decide on the procedures of liquidation and appoint the persons to be in charge of the liquidation.

The Member countries shall be responsible for the commitments of the Bank with their uncalled subscriptions to the capital stock until all claims of creditors or other liabilities of the Bank shall have been discharged. Claims of creditors or other liabilities shall be paid first out of the assets of the Bank, secondly out of the payments to be made to the Bank in respect of commitments of paid-in capital, and then out of payments to be made to the Bank in respect of callable capital. No disbursement shall be made to Member countries on account of their paid-in share of the subscribed capital stock or from the reserve fund, until all liabilities have been discharged or provided for. All allocations of capital among the Member countries shall be made in proportion to their respective total share of the subscribed capital stock.