

NORDIC INVESTMENT BANK

BOARD OF GOVERNORS

MINUTES
from

**THE FIFTEENTH ANNUAL MEETING OF THE BOARD
OF GOVERNORS**

as of 24 May 2019

INCLUDING RESOLUTIONS 45-47

NORDIC INVESTMENT BANK

MINUTES

from

THE FIFTEENTH ANNUAL MEETING OF THE BOARD OF GOVERNORS

**by written
procedure as of
24 May 2019**

1. GOVERNORS

The Board of Governors took note of the List of Governors as of 29 April 2019. The quorum was confirmed.

2. APPROVAL OF THE REPORT OF THE BOARD OF DIRECTORS, PROPOSAL FOR THE ALLOCATION OF PROFIT AND AUDITED FINANCIAL STATEMENTS OF THE BANK FOR 2018 RESOLUTION NO. 45

Board of Governors approved the Report of the Board of Directors, the Proposal for Allocation of Profit as well as the Audited Financial Statements of the Bank for the year 2018.

The Board of Governors also approved the Control Committee's recommendation that the Board of Directors and the President be discharged from liability for the administration of the Bank's operations during the accounting period.

3. MODERNISATION OF THE STATUTES RESOLUTION NO. 46

The Board of Governors took note of the explanatory material concerning the modernisation of the Bank's Statutes. This includes changes relating to: capital and liquidity management; abolishing the Project Investment Loan and the Environment Investment Loan facilities; increasing Control Committee effectiveness; and introducing the possibility for equity participations.

The Board of Governors approved the amendments of NIB's Statutes and shall submit them for required national procedures, including Section 14 concerning the powers of the Board of Governors which requires additional national approval.

The Board of Governors also approved the following conditions for equity participations: a) the Board of Directors shall establish detailed conditions for equity participations by unanimous decision prior to commencement of any such activities in accordance with the general conditions in the explanatory material; and b) equity participations shall initially be limited to 5 per cent of NIB's paid-in capital and accumulated reserves, irrespective of the statutory maximum limit in the proposed Section 8.

The Board of Governors approved the Principles for Capital and Liquidity Management in accordance with the proposed Section 13 c), which establish high-level requirements for the Bank's capital and liquidity management and provide provisions for the calculation of the minimum requirements for capital, liquidity and leverage ratio set out in the proposed Section 6.

4. OBSERVATION OF THE STATUTORY GEARING LIMIT

The Board of Governors took note that the Bank's utilisation of the statutory gearing limit is close to the observation level of 85 % and is expected to exceed this level in 2019 or 2020.

The Board of Governors also took note that a new observation level at 90 % has been established.

5. REVISED CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND THE PRESIDENT RESOLUTION NO. 47

The Board of Governors approved the revised Code of Conduct for the Board of Directors and the President.

6. APPOINTMENT OF CHAIRMAN OF THE BOARD OF GOVERNORS FOR THE PERIOD 1 JUNE 2019 - 31 MAY 2020 ACCORDING TO THE APPROVED ROTATION SCHEME

The Board of Governors appointed the Governor of Iceland as Chairman of the Board of Governors for the period 1 June 2019 to 31 May 2020 according to the adopted Rotation Scheme.

7. TIME AND VENUE OF THE SIXTEENTH ANNUAL MEETING OF THE BOARD OF GOVERNORS

The Board of Governors resolved that the Sixteenth Annual Meeting of the Board of Governors of the Bank will be held in spring 2020 in the country of the Chairmanship (Iceland).



Governor for Latvia
Chairman



Heikki Cantell
Secretary