

## NIB SEK 4 billion 3-Year Response Bond

2<sup>nd</sup> April 2020

### Final Terms

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Borrower: Nordic Investment Bank ("NIB")

Ratings: Aaa (Stable) by Moody's Investor Services; AAA (Stable) by Standard & Poor's

Coupon: 0.125%, 11th April 2020, Annually, Fixed, 30/360, following unadjusted, long first

Size: SEK 4bn

Launch Date: 2nd of April 2020

Payment Date: 9th of April 2020

Maturity Date: 11th of April 2023

Spread: MS + 13bps

Reoffer: yld 0.235% / px 99.671

Joint Lead Managers: SEB and Swedbank

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- **This transaction represents NIB's first Response Bond in SEK**
- **The bond will fund loan transactions that will be made available to member countries and sustainable businesses, which are facing economic consequences due to the COVID-19 pandemic**
- **This is NIB's largest transaction denominated in SEK**

### Issue Highlights:

- On Thursday 2nd April 2020, the Nordic Investment Bank (NIB) successfully launched a new SEK 4bn Response Bond due April 2023. The mandate was announced at 11.56 CET with guidance of MS+14bps area
- The orderbook surged and spread was set at MS+13bps at 14.12 CET, alongside a book update of over SEK 6.4bn (excl. JLM interest), representing a total of 1bps of tightening from initial guidance
- Finally, at 14.44 CET books closed in excess of SEK 5.2bn (excl. JLM interest)

## Use of Proceeds:

The proceeds of NIB Response Bonds will be used for financing eligible projects in the following categories:

### 1. Lending to public sector

- a. Financing of temporary and permanent measures to increase capacity in healthcare services
- b. Financing of a temporary increase in social security expenditures, including, but not limited to, unemployment, sickness, child- and elderly care benefits
- c. Financing of government or government-related institutions' expenditures aimed at supporting member country companies in temporary need of subsidization due to supply or demand side disruptions in their operations in order to protect viable companies

### 2. Lending to financial sector

- a. Financing of financial institutions' extraordinary measures to provide funding for small and medium-sizes enterprises and mid-cap corporates that are negatively affected by the pandemic

### 3. Lending to real economy sector

- a. Financing of large companies in the medical equipment and healthcare sector facing an increasing demand for equipment or services related to the pandemic
- b. Financing of companies in the infrastructure sector that are in need of funding due to supply or demand side disruptions in their operations

In addition to the eligible categories listed above, the following general criteria for loan identification and selection apply:

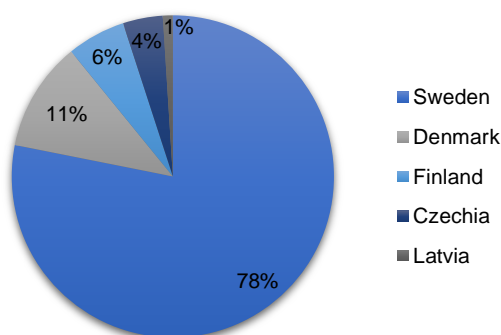
- That the proceeds are used to finance projects in NIB's member countries
- That the loan is not used for activities on NIB's Exclusion List
- That NIB has access to reliable data for reporting on allocation of proceeds and impact to the extent possible

## Distribution

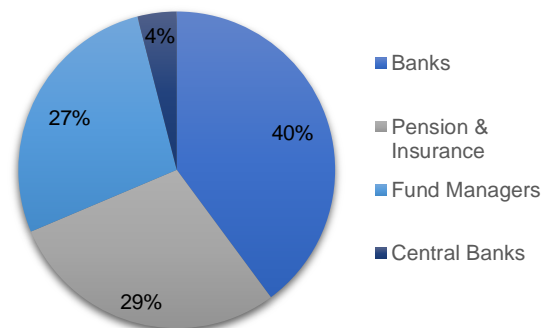
In terms of the geographical breakdown, orders were distributed with Swedish investors taking 78%, 11% to Denmark, 6% to Finland, 4% to Czechia and 1% to Latvia.

In terms of type of investors: Banks accounted for 40%, Pension Funds & Insurance 29%, Fund Managers 27%, and Central Banks 4%.

### Geography



### Investor Type



## About NIB

NIB finances projects that improve competitiveness and the environment of the Nordic and Baltic countries. The Bank offers long-term loans and guarantees on competitive market terms to its clients in the private and public sectors. NIB is an international financial institution owned by Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden. The Bank has lending operations both in and outside its member countries. NIB acquires the funds for its lending by borrowing on the international capital markets. NIB's bonds enjoy the highest possible credit ratings.

## Comments from Investors, Leads and NIB

*"We would like to express our appreciation of the Nordic Investment Bank and their initiative to ease the economic and social consequences of the pandemic that we are now experiencing. For the Folksam Group, as insurance provider to almost every second Swede, it feels very good to be able to make an investment which will have an immediate beneficial impact for our customers."* **Ylva Wessén, CEO at the Folksam Group**

*"We are proud to be a part of the Nordic Investment Bank's inaugural SEK issue under its newly launched "Response Bond Framework". Nordea Asset Management is determined to support Nordic economies during this particular tough period effected by the world pandemic. Eligible projects included under the Framework aim to alleviate the social and economic consequences caused by COVID-19 pandemic in the Nordic and Baltic countries which is very well united with NAM's view."* **Per-Erik Grahn and Jerk Matero, Portfolio Managers at Nordea Asset Management**

*"In these tough times, Institutions like the NIB, who through their foundation and hard work has managed to create long term strategic relationships with institutional investors, are essential to secure transfer of funds and raise funding to address lockdown side effects, ensuring that we still have a society where core supply and infrastructure work. At SEB we are grateful for the trust we have been shown by investors and the NIB to facilitate this transaction."* **Christopher Flensburg, Head of Climate and Sustainable Finance at SEB**

*"This is a very strong transaction from NIB and the investor response is really a testament of the importance of the work NIB is doing. Producing a Response Bond framework to ensure transparency for what the funds are being used for, I think is helping this process along. I dare to say that the COVID-19 crisis has affected everyone in one way or another, which makes an investment into this bond a real and tangible opportunity for investors. Great to see an issuer and investors come together in the time of crisis like this."* **Linda Lindblad, Head of SSA Origination, Swedbank**

*"The SEK 3 year 4 billion NIB Response Bond is a testimonial that there is significant support to the serious consequences caused by the COVID-19 pandemic. We are very pleased to see Swedish and international investors responding swiftly in this serious situation. We were able to upsize the deal, based on an order book in excess of SEK 5.0 billion. This is NIB's second response to the COVID-19 pandemic, following the EUR trade earlier in the week",* says **Jens Hellerup, Head of Funding and Investor Relations at NIB**