

## BOARD OF DIRECTORS

Minutes of the meeting held in Luxembourg on 10 June 2020

*Parts of this document may have been redacted if, at the time of the Board's decision, falling under the exceptions for disclosure defined by the EIF Transparency Policy\*, notably under articles 5.4, 5.5 and 5.6.*

\* [http://www.eif.org/news\\_centre/publications/EIF\\_Transparency\\_policy.htm?lang=-en](http://www.eif.org/news_centre/publications/EIF_Transparency_policy.htm?lang=-en)

## BOARD OF DIRECTORS

Meeting held via teleconference on Wednesday 10 June 2020

### Agenda

**A. Quorum**

**B. For decision**

- |    |  |                      |
|----|--|----------------------|
| 1. | Adoption of the agenda                                     | Doc. 20/179          |
| 2. | Approval of minutes dated 14 May 2020*                     | BD/MIN/345/2020      |
| 3. | Approval of confidential minutes dated 14 May 2020*        | BD/MIN/CONF/345/2020 |
| 4. | Approval of minutes of written procedure dated 18 May 2020 | BD/WP/MIN/346/2020   |
| 5. | Approval of minutes of written procedure dated 4 June 2020 | BD/WP/MIN/347/2020   |

**AGENDA A**

Equity

- |    |   |             |
|----|---|-------------|
| 6. | Vallis Sustainable Investments II – additional commitment | Doc. 20/180 |
| 7. | DeA Taste of Italy Fund 2                                 | Doc. 20/181 |

Diversified debt funds

- |    |   |             |
|----|---|-------------|
| 8. | Vaurus SME Loan Fund I Ky<br>EFSI SMEW Private Credit Tailored for SMEs | Doc. 20/182 |
|----|---|-------------|

Guarantees

- |     |  |             |
|-----|--|-------------|
| 9.  | [...]  |             |
| 10. | Framework approval set n. 2 – increased allocations<br>InnovFin SME Guarantee Facility (COVID-19 Sub-window)   | Doc. 20/184 |
| 11. | [...]  |             |
| 12. | LfA Förderbank Bayern (Germany)<br>InnovFin SME Guarantee Facility (COVID-19 Sub-window)   | Doc. 20/186 |
| 13. | PMV/z-Leningen (Belgium) – increased allocation<br>InnovFin SME Guarantee Facility (COVID-19 Sub-window)   | Doc. 20/187 |
| 14. | Sabadell Venture Capital S.L.U. (Spain)<br>InnovFin SME Guarantee Facility (COVID-19 Sub-window)   | Doc. 20/188 |
| 15. | Framework approval set n. 2 – increased allocations<br>COSME Loan Guarantee Facility (COVID-19 Sub-window)   | Doc. 20/189 |
| 16. | Société Interprofessionnelle Artisanale de Garantie d'Investissements ("SIAGI") (France) – increased allocation<br>COSME Loan Guarantee Facility (COVID-19 Sub-window) | Doc. 20/190 |

**AGENDA B**

Equity

- |     |  |             |
|-----|--|-------------|
| 17. | Melior Equity Partners II                  | Doc. 20/191 |
| 18. | Adriatic Structured Equity Fund - addendum | Doc. 20/192 |
| 19. | UnternehmerTUM VC Fonds III GmbH & Co. KG* | Doc. 20/218 |

Hybrid Debt-Equity

- |     |   |             |
|-----|---|-------------|
| 20. | Croatian Mezzanine Debt Fund - addendum | Doc. 20/193 |
|-----|---|-------------|

Guarantees

21. Santander Consumer Finance ABS 2020 (Portugal)\*  
Credit enhancement (EIF own resources) Doc. 20/194
22. [...]
23. [...]
24. BGL BNP Paribas II (Luxembourg)  
InnovFin SME Guarantee Facility (COVID-19 Sub-window) Doc. 20/197
25. Caixa Económica Montepio Geral, caixa económica bancária, S.A.  
(Portugal) – increased allocation Doc. 20/198  
InnovFin SME Guarantee Facility (COVID-19 Sub-window)
26. ING Belgium S.A. (Belgium) – increased allocation Doc. 20/199  
InnovFin SME Guarantee Facility (COVID-19 Sub-window)
27. Eurobank Bulgaria AD (Bulgaria)  
COSME Loan Guarantee Facility Doc. 20/200
28. Kredi Garanti Fonu A.S. (Turkey) - increased allocation Doc. 20/201  
COSME Loan Guarantee Facility
29. Raiffeisen Bank Aval (Ukraine) – increased allocation\* Doc. 20/202  
Deep & Comprehensive Free Trade Area ("DCFTA") Initiative East Guarantee Facility
30. Komerční Banka (Czech Republic) – increased allocation (second increase) Doc. 20/203  
EaSI Guarantee Instrument - Microfinance
31. Patria Bank SA (Romania) – increased allocation (second increase) Doc. 20/204  
EaSI Guarantee Instrument - Microfinance
32. Raiffeisen Bank SA (Romania)  
EaSI Guarantee Instrument - Microfinance Doc. 20/205
33. FAER IFN SA (Romania)  
EaSI Funded Instrument Doc. 20/206
34. Romcom IFN SA (Romania)  
EaSI Funded Instrument Doc. 20/207

Mandates and Products

35. Creation of the Pan-European Guarantee Fund in response to COVID-19 Doc. 20/209

**C. Corporate and Institutional Matters**

1. EIF operational plan 2020-2021 including capital considerations -  
first reading\* Doc. 20/208
2. EIF Capital Situation – EIF Capital Support – first reading\* Doc. 20/223
3. [...]
4. Internal Capital Adequacy Assessment Process (ICAAP) report 2019\* Doc. 20/211

**D. For information**

1. Risk Appetite Framework Dashboard Q1 2020 Doc. 20/212
2. Monthly update on limits and liquidity ratios\* Doc. 20/213
3. EIF Information Security Regular Update Doc. 20/214
4. Communications and marketing update\* Doc. 20/215
5. Board follow-up programme Doc. 20/216

**E. Miscellaneous / Statements**

**F. Confidential session**

**G. Date of next meeting: Tuesday 14 July 2020**

\* Late dispatch.

BOARD OF DIRECTORS

Those attending

<u>Members:</u>	D. SCANNAPIECO, Chairman A. FAYOLLE M. DESCHEEMAECKER <sup>1</sup> C. DIAZ ALVAREZ DE TOLEDO K. SCHREIBER M. SCHULTE <sup>2</sup> E. WITT
<u>Alternate Members:</u>	J.-C. LALOUX E. KREIM A. EBERHARDS M. PETROVA M. SCICLUNA BARTOLI
<u>Chief Executive:</u>	A. GODARD
<u>Deputy Chief Executive:</u>	R. HAVENITH
<u>Secretary:</u>	M. LEANDER

<sup>1</sup> Present up to and including item C.2, and thereafter replaced by Mr. EBERHARDS.

<sup>2</sup> The proposal for the appointment of Mr. SCHULTE as member of the Board of Directors, to succeed Ms. JORNA, was submitted to the General Meeting on 25 May 2020 for decision by written procedure on 15 June 2020.

The meeting of the Board of Directors ("Board") opened at 09:30.

**A. QUORUM**

The SECRETARY noted that there was a quorum.

The CHAIRMAN welcomed Mr. SCHULTE, noting that he was exercising his function as Board member in advance of the General Meeting's decision<sup>1</sup> on his appointment on 15 June 2020, as allowed by the EIF's governance framework.

**B. FOR DECISION**

**1. Adoption of the agenda**

The Board of Directors adopted the agenda as presented in document 20/179.

[...]

The CHAIRMAN conveyed appreciation to the EIF's management and staff for their exceptional work in continuing to manage existing and new priorities, including the implementation of the pan-European Guarantee Fund, and addressing many other COVID-19-related requests for support from across EU Member States within a context of carefully assessing capital considerations.

**2. Approval of minutes dated 14 May 2020**

The Board of Directors approved the minutes of the Board meeting dated 14 May 2020, ref. BD/MIN/345/2020 and took note of the forthcoming publication on the EIF's website.

**3. Approval of confidential minutes dated 14 May 2020**

The Board of Directors approved the minutes of the Board's confidential session dated 14 May 2020, ref. BD/MIN/CONF/345/2020.

**4. Approval of minutes of written procedure dated 18 May 2020**

The Board of Directors approved the minutes of the written procedure dated 18 May 2020, ref. BD/WP/MIN/346/2020 and took note of the forthcoming publication on the EIF's website.

**5. Approval of minutes of written procedure dated 4 June 2020**

The Board of Directors approved the minutes of the written procedure dated 4 June 2020, ref. BD/WP/MIN/347/2020 and took note of the forthcoming publication on the EIF's website.

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<sup>1</sup> Ref. GM/11/2020, doc. 20/11 dated 15 June 2020, proposing the appointment of Mr. SCHULTE to succeed Ms. JORNA as member of the Board of Directors, further to her resignation, effective 25 May 2020.

## AGENDA A

### EQUITY

6. **Vallis Sustainable Investments II – additional commitment**

*NPI Mandate from Instituição Financeira de Desenvolvimento ("IFD") (Portugal Growth)*

*Generalist private equity fund focusing on lower mid-market investments primarily in Portugal.*

The Board of Directors approved an additional commitment in Vallis Sustainable Investments II, on the terms and conditions set out in document 20/180.

7. **DeA Taste of Italy Fund 2**

*EFSI-SMEW Equity Product Sub-window 1,  
Risk Capital Resources, own resources*

*Private equity fund focusing on lower mid-market investments in the food and beverage sector primarily in Italy.*

The Board of Directors approved an investment in DeA Taste of Italy Fund 2, on the terms and conditions set out in document 20/181.

### DIVERSIFIED DEBT FUNDS

8. **Vauraus SME Loan Fund I Ky**

*EFSI SMEW Private Credit Tailored for SMEs*

*Diversified debt fund providing senior financing with a focus on SMEs in Finland.*

The Board of Directors approved an equity investment in Vauraus SME Loan Fund I Ky, on the terms and conditions set out in document 20/182.

### GUARANTEES

9. [...]

10. **Framework approval set n. 2 – increased allocations**

*InnovFin SME Guarantee Facility  
(COVID-19 Sub-window)*

*Increases of existing (counter-)guarantee agreements with 14 intermediaries, proposed in line with the agreed fast-track approach, to enhance access to finance for innovative SMEs and mid-caps, including companies affected by the COVID-19 crisis.*

Ms. WITT stated a conflict of interest and abstained with respect to the transactions with ProCredit Bank EAD (Bulgaria) and ProCredit Bank SA (Romania), included in the set.

The Board of Directors approved the proposed increases, on the terms and conditions set out in document 20/184.

11. [...]

12. **LfA Förderbank Bayern (Germany)** *InnovFin SME Guarantee Facility (COVID-19 Sub-window)*

*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Germany affected by the COVID-19 crisis.*

The Board of Directors approved an increase of the maximum guarantee amount, on the terms and conditions set out in document 20/186.

**13. PMV/z-Leningen (Belgium) – increased allocation**

*InnovFin SME Guarantee Facility (COVID-19 Sub-window)*

*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Belgium affected by the COVID-19 crisis.*

The Board of Directors approved an increase of the maximum guarantee amount, on the terms and conditions set out in document 20/187.

**14. Sabadell Venture Capital S.L.U. (Spain)**

*InnovFin SME Guarantee Facility (COVID-19 Sub-window)*

*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Spain, including companies affected by the COVID-19 crisis.*

The Board of Directors approved a total maximum guarantee amount, on the terms and conditions set out in document 20/188.

**15. Framework approval set n. 2 – increased allocations**

*COSME Loan Guarantee Facility (COVID-19 Sub-window)*

*Increases of existing (counter-)guarantee agreements with 11 intermediaries, proposed in line with the agreed fast-track approach, to enhance access to finance for SMEs affected by the COVID-19 crisis.*

The Board of Directors approved the proposed increases, on the terms and conditions set out in document 20/189.

**16. Société Interprofessionnelle Artisanale de Garantie d'Investissements ("SIAGI") (France) – increased allocation**

*COSME Loan Guarantee Facility (COVID-19 Sub-window)*

*Counter-guarantee to enhance access to finance for SMEs in France affected by the COVID-19 crisis.*

The Board of Directors approved an increase of the maximum guarantee cap amount, on the terms and conditions set out in document 20/190.

**AGENDA B**

**EQUITY**

**17. Melior Equity Partners II**

*EFSI-SMEW Equity Product Sub-window 1, own resources*

*Generalist private equity fund focusing on lower mid-market investments in Ireland.*

The Board of Directors approved an investment in Melior Equity Partners II, on the terms and conditions set out in document 20/191.

**18. Adriatic Structured Equity Fund – addendum**

*Croatian Growth Investment Programme with  
HBOR (Primary Investments window),  
EFSI-SMEW Equity Product Sub-window 1, own resources*

*Generalist private equity fund focusing on lower mid-market investments primarily in Croatia.*

The Board of Directors approved the proposed addendum to the originally approved investment in Adriatic Structured Equity Fund, on the terms and conditions set out in document 20/192.

19. **UnternehmerTUM VC Fonds III GmbH & Co. KG** *Risk Capital Resources, InnovFin Equity Facility for Early Stage – Space, ERP-EIF Facility, LfA-EIF 3 Facility, InnovFin Equity Facility for Early Stage, own resources*  
*Venture capital fund focusing on early stage B2B investments primarily in Germany, and, to a lesser extent, the DACH region.*

The Board of Directors approved an investment in UnternehmerTUM VC Fonds III GmbH & Co. KG, on the terms and conditions set out in document 20/218.

#### **HYBRID DEBT-EQUITY**

20. **Croatian Mezzanine Debt Fund – addendum** *Croatian Growth Investment Programme with HBOR (Primary Investments window), EFSI-SMEW Equity Product Sub-window 1, own resources*  
*Generalist hybrid debt-equity fund focusing on junior loans to SMEs in Croatia.*

The Board of Directors approved the proposed addendum to the originally approved investment in Croatian Mezzanine Debt Fund, on the terms and conditions set out in document 20/193.

#### **GUARANTEES**

21. **Santander Consumer Finance ABS 2020 (Portugal)** *Credit enhancement (EIF own risk)*  
*Risk transfer balance sheet cash securitisation on a portfolio of auto loans, including a significant green component in association with limits on CO<sup>2</sup> emissions, to enhance access to finance for SMEs and small mid-caps in Portugal.*

[...]

The Board of Directors approved principal guarantee amounts, on the terms and conditions set out in document 20/194.

22. [...]

23. [...]

24. **BGL BNP Paribas II (Luxembourg)** *InnovFin SME Guarantee Facility (COVID-19 Sub-window)*  
*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Luxembourg, including companies affected by the COVID-19 crisis.*

The Board of Directors approved a total maximum guarantee amount, on the terms and conditions set out in document 20/197.

25. **Caixa Económica Montepio Geral, caixa económica bancária, S.A. (Portugal) – increased allocation**

*InnovFin SME Guarantee Facility (COVID-19 Sub-window)*

*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Portugal, including companies affected by the COVID-19 crisis.*

The Board of Directors approved an increase of the maximum guarantee amount, on the terms and conditions set out in document 20/198.



**26. ING Belgium S.A. (Belgium) – increased allocation**

*InnovFin SME Guarantee Facility (COVID-19 Sub-window)*

*Direct guarantee to enhance access to finance for innovative SMEs and mid-caps in Belgium, including companies affected by the COVID-19 crisis.*

The Board of Directors approved an increase of the maximum guarantee amount, on the terms and conditions set out in document 20/199.

**27. Eurobank Bulgaria AD (Bulgaria)**

*COSME Loan Guarantee Facility*

*Direct guarantee to enhance access to finance for SMEs, including start-ups, in Bulgaria.*

The Board of Directors approved a maximum guarantee cap amount, on the terms and conditions set out in document 20/200.

**28. Kredi Garanti Fonu A.S. (Turkey) - increased allocation**

*COSME Loan Guarantee Facility*

*Counter-guarantee to enhance access to finance for SMEs in Turkey.*

The Board of Directors approved an increase of the maximum guarantee cap amount, on the terms and conditions set out in document 20/201.

**29. Raiffeisen Bank Aval (Ukraine) – increased allocation**

*Deep & Comprehensive Free Trade Area ("DCFTA") Initiative East Guarantee Facility*

*Direct guarantee to enhance access to finance for SMEs in Ukraine.*

[...]

The Board of Directors approved an increase of the maximum guarantee cap amount, on the terms and conditions set out in document 20/202.

**30. Komerční Banka (Czech Republic) – increased allocation (second increase)**

*EaSI Guarantee Instrument - Microfinance*

*Direct guarantee to enhance access to finance for financially excluded micro-borrowers in the Czech Republic.*

The Board of Directors approved an increase of the maximum guarantee cap amount, on the terms and conditions set out in document 20/203.

**31. Patria Bank SA (Romania) – increased allocation (second increase)**

*EaSI Guarantee Instrument - Microfinance*

*Direct guarantee to enhance access to finance for vulnerable persons and microenterprises in Romania, particularly in rural and small urban areas.*

The Board of Directors approved an increase of the maximum guarantee cap amount, on the terms and conditions set out in document 20/204.

**32. Raiffeisen Bank SA (Romania)**

*EaSI Guarantee Instrument - Microfinance*

*Direct guarantee to enhance access to finance for vulnerable persons and microenterprises, including start-ups, small farmers and micro-entrepreneurs in Romania, including those affected by the COVID-19 crisis.*

The Board of Directors approved a maximum guarantee cap amount, on the terms and conditions set out in document 20/205.

**33. FAER IFN SA (Romania)**

*EaSI Funded Instrument*

*Senior loan to enhance access to finance mainly for vulnerable people and micro-enterprises in rural areas, and small farmers in central Transylvania, Romania.*

The Board of Directors approved a principal amount, on the terms and conditions set out in document 20/206.

**34. Romcom IFN SA (Romania)**

*EaSI Funded Instrument*

*Senior loan to enhance access to finance mainly for low-income and small-scale businesses and farmers in North-West Romania.*

The Board of Directors approved a principal amount, on the terms and conditions set out in document 20/207.

**MANDATES AND PRODUCTS**

**35. Creation of the Pan-European Guarantee Fund in response to COVID-19**

*Proposal outlining the EIF's role in the EIB Group's implementation of the Guarantee Fund to support EU companies affected by the COVID-19 crisis.*

[...]

The Board of Directors approved the EIF's proposed role in the EIB Group's implementation of the Pan-European Guarantee Fund, financed through contributions of participating EU Member States from national budgets, and potentially including EIF own resources, as set out in document 20/209.

**C. CORPORATE AND INSTITUTIONAL MATTERS**

At the CHAIRMAN's suggestion, items C.1 and C.2 were discussed together.

**1. EIF operational plan 2020-2021 including capital considerations – first reading**

and

**2. EIF Capital Situation – EIF Capital Support – first reading**

The CHIEF EXECUTIVE introduced the EIF Operational Plan 2020-2021 ("OP"), complemented by supporting slides<sup>2</sup>, and highlighted the decisions that the Board was being requested to approve<sup>3</sup>.

[...]

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<sup>2</sup> EIF operational plan 2020-21 - supporting slides, doc. 20/225, made available on the Board Portal prior to the meeting.

<sup>3</sup> Doc. 20/208, p.10, "Board immediate decisions requested".

The DEPUTY CHIEF EXECUTIVE introduced the EIF Capital Situation – EIF Capital Support proposal, complemented by supporting slides<sup>4</sup>.

[...]

The Board of Directors took note of the EIF Operational Plan 2020-2021 including capital considerations, as presented for first reading in document 20/208, and the EIF Capital Situation – EIF Capital Support as presented for first reading in document 20/223. The Board gave a broad endorsement for the EIF to proceed with updated proposals to be submitted for a second reading, including, if necessary, at an extraordinary Board meeting before the next scheduled meeting in July.

3. [...]

4. **Internal Capital Adequacy Assessment Process (ICAAP) report 2019**

[...]

The Board of Directors approved the Internal Capital Adequacy Assessment Process report 2019 as presented in document 20/211 and authorised a gradual alignment of the risk appetite boundaries for the S&P RAC ratio with the boundaries set for the EIB.

D. **FOR INFORMATION**

1. **Risk Appetite Framework Dashboard Q1 2020**

The Board of Directors took note of the Risk Appetite Framework Dashboard Q1 2020, as presented in document 20/212.

2. **Monthly update on limits and liquidity ratios**

The Board of Directors took note of the Monthly update on limits and liquidity ratios, as presented in document 20/213.

3. **EIF Information Security Regular Update**

The Board of Directors took note of the EIF Information Security Regular Update, as presented in document 20/214.

4. **Communications and marketing update**

The Board noted that the 2020 communications strategy would evolve to incorporate new initiatives, once sufficiently developed, including the EIF's role with respect to the European Commission's proposed Solvency Support Instrument.

The Board of Directors took note of the Communications and marketing update, as presented in document 20/215.

5. **Board follow-up programme**

The Board of Directors took note of the Board follow-up programme, as presented in document 20/216.

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<sup>4</sup> EIF Capital Situation - supporting slides, doc. 20/226, made available on the Board Portal prior to the meeting.

E. MISCELLANEOUS / STATEMENTS

The Board of Directors was briefed on a number of relevant issues.

F. CONFIDENTIAL SESSION

G. DATE OF NEXT MEETING

The Board of Directors noted that the next regular meeting would take place on 14 July 2020.

The meeting was closed at 13:10.

Luxembourg, 10 June 2020.

The CHAIRMAN                    *(signed)*  
Dario SCANNAPIECO

The SECRETARY                    *(signed)*  
Maria LEANDER